



## ASX ANNOUNCEMENT

16 April 2007

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# Strategic Alliance for Exploration for Uranium in Africa

Aura Energy Ltd (ASX: code AEE) and Global Coal Management plc (LSE: AIM: GCM) have signed a legally binding heads of agreement to form an Alliance to identify and acquire uranium projects in Africa. The Alliance brings together the technical uranium experience, targeting and exploration skills of Aura with the project development and mining experience of GCM.

GCM is a London-based resource development company with its shares traded on the Alternative Investment Market, GCM's principal activity is developing the coal project at Phulbari in Northwest Bangladesh. A completed Feasibility Study provides for the mining of up to 15 Million tonnes per annum of coking and thermal coal. A proposal for a Mine Mouth Power Station up to 1000MW has also been presented to the Government of Bangladesh. Its objective is to start mining activity once it has Government of Bangladesh approval for the Scheme of Development and Feasibility Study.

The Group has other investments, being 18.38% of the issued share capital of GVM Metals Limited (ASX: GVM), a South African mineral processing and coal development company and a 26.5% stake in Peoples Telecommunications and Information Services Ltd, a Bangladesh fixed line telephone operator.

GCM has a Board and management with over 100 years of mine financing, development, operational and management experience at coal, iron ore, copper, lead/zinc, gold and lateritic nickel projects. This encompasses mines in Australia, Indonesia, Zambia, and PNG, and includes senior managerial positions with Rio Tinto and Barclays Capital. For further details see the GCM website <http://www.gcmlc.com/>.

Aura considers that an alliance with a group committed to developing projects to production, broad international experience, and a substantial balance sheet with significant cash reserves, together with a proven track record of raising funds in the London market, will be beneficial to Aura's progression in the uranium industry.

The Alliance is the beginning of a diversification of Aura's interests into countries and regions outside of Australia. Two of the key personnel in Aura, Dr. Bob Beeson and Dave Borton, participated in successful uranium exploration programmes in Africa in the 1970s.

The Alliance programme will be led by Neil Clifford. Neil is one of Australia's most experienced and successful geologists. He has in excess of 30 years of exploration experience, and has held senior exploration management positions both in Australia and in Europe, including 13 years as Exploration Manager with Billiton Australia and Acacia Resources Ltd.

The Alliance will be managed and exploration conducted by Aura and funds will be provided jointly by Aura and GCM in cash and in kind. The initial term of the alliance is for two years. GCM's obligation is to provide funding of A\$400,000 for the first two years' activities of the alliance. Aura will identify and present project opportunities to the Alliance. Projects accepted by the Alliance will commence as GCM – Aura Joint Ventures, initially sole funded by GCM. Aura has the right to participate in any Joint Venture with a minority (30% or 10%) interest, or Aura may elect to retain a 2% Net Smelter Royalty. Any project presented but not accepted by the Alliance may be taken up by Aura.

Aura Energy's Chairman Mr Brett Fraser said that the signing of the Heads of Agreement recognized the depth of technical experience resident in Aura, and Aura's ability to attract team members the calibre of Mr Neil Clifford.

Dr Bob Beeson, Aura's Managing Director said, "the Alliance builds on the complementary strengths of two energy companies for the identification and development of new uranium projects in the international arena. Aura will potentially have the opportunity to participate in wider range of projects than it may have otherwise been able to access. This significantly improves the opportunity for exploration success and adding shareholder value."

Initial work on the programme by Aura has commenced.

## ENDS

### For further information contact:

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### Corporate Information

#### Directors

B Fraser	Non-Executive Chairman
Dr B Beeson	Managing Director
S O'Loughlin	Non-Executive Director
J Stephenson	Non- Executive Director & Company Secretary

#### Issued Capital

As at the date of this report the issued capital of the Company is comprised of:

35,641,500 fully paid ordinary shares  
17,858,500 listed options  
4,050,000 unlisted options