23 JULY 2015

DRILLING RESULTS EXTEND SADI MINERALISED ZONE

STRONG MINERALISED ZONE EXTENDS SADI 1.5 KM SOUTH

INCREASES AREA OF SADI BY OVER 1.7 KM2

Aura Energy (AEE) is pleased to advise that the first drill result from the recent 4000 metre drill program on Tiris in Mauritania have been received.

The drilling results in this area, combined with previous drilling indicate a **significant extension of the Sadi deposit to the south**.

Encouragingly both fences of the drilling at the southern extent of this zone (see Figure 1) were mineralised indicating the zone can be extended further south. See Figure 2.

The best drill results in this southern extension are as follows:

- **Hole 12ASACC231 intersecting – 2.0 metres @ 730 ppm U_3O_8**
- **Hole 12ASACC241 intersecting – 2.0 metres @ 736 ppm U_3O_8**
- **Hole 12ASACC252 intersecting – 4.0 metres @ 508 ppm U_3O_8**
- **Hole 12ASACC259 intersecting – 4.5 metres @ 795 ppm U_3O_8**
    - **Including 2.0 metres @ 1,243 ppm U_3O_8**

In general it has been demonstrated by drilling on Tiris mineralised zones and subsequent resource estimation that approximately 3-5 Mlbs U_3O_8 is found per square km of continuous mineralisation.

At Sadi an Inferred Resource was defined by drilling in 2011 and is included in the Tiris Project 50 million pound U_3O_8 resource announced previously by Aura (ASX announcement 14/07/2011).

Commenting on the exploration results, Aura's Executive Chairman, Mr Peter Reeve said, *"We are highly encouraged by the drilling results at Tiris, which demonstrate the strong exploration potential that remains within the project. These results show that the deposit remains open to the south and that continuous mineralisation has been delineated in an area of weak radiometric levels. This opens up new and significant additional targets of exploration prospectivity. It is still early days for the this projects full resource potential"*

Further aircore drilling conducted in 2012 to define the limits of mineralisation at the Sadi South Zone demonstrated that uranium mineralisation, high grade in places, extends at least 1 kilometre south of the current resource boundary.

In 2015 further aircore drilling was carried out to test this zone at a drillhole spacing of 200 metres x 100 metres, which on Aura's previous experience in the area should be sufficient to include this mineralisation in the Tiris Mineral Resource.

Assays for the recent drilling have been received and demonstrate that strong uranium mineralisation extends continuously for approximately 1.5 kilometres to the south of the current resource boundary at Sadi South. The mineralisation in this southern extension to the Sadi South zone remains open to the south, east and west. Refer to Figure 2.

It is of interest that the mineralisation recently drilled is reflected by relatively weak geophysical response in ground radiometric surveying, and this is the reason the zone was not drilled in earlier drilling campaigns. It raises the possibility that additional mineralisation remains to be discovered in other areas of weak radiometric response.

When all assay results are received from the recent drilling, and all quality assurance work has been completed these results will be included in a resource modelling exercise to produce a revised Tiris Resource Estimate.

The table below includes composites of some of the best results in the zone to the South of Sadi which is not included in the current resource. For all results on this zone see Table 1.

Drill Hole	From	To	Interval (m)	Grade (ppm U_3O_8)
12ASACC231	**1**	**3**	**2.0**	**730**
12ASACC233	**1**	**3**	**2.0**	**429**
12ASACC236	**1**	**4**	**3.0**	**420**
12ASACC241	**0**	**2**	**2.0**	**736**
including	**0.5**	**2**	**1.5**	**832**
12ASACC242	**1**	**4**	**3.0**	**420**
including	**2**	**3**	**1**	**667**
12ASACC243	**0**	**2**	**2.0**	**374**
12ASACC250	**0**	**3**	**3.0**	**281**
12ASACC252	**1**	**5**	**4**	**508**
including	**2**	**4**	**2.0**	**757**
12ASACC259	**0.5**	**5**	**4.5**	**795**
including	**2**	**4**	**2.0**	**1,243**
12ASACC267	**0**	**1**	**1.0**	**594**
15ASSAC044	**5**	**6**	**1.0**	**519**

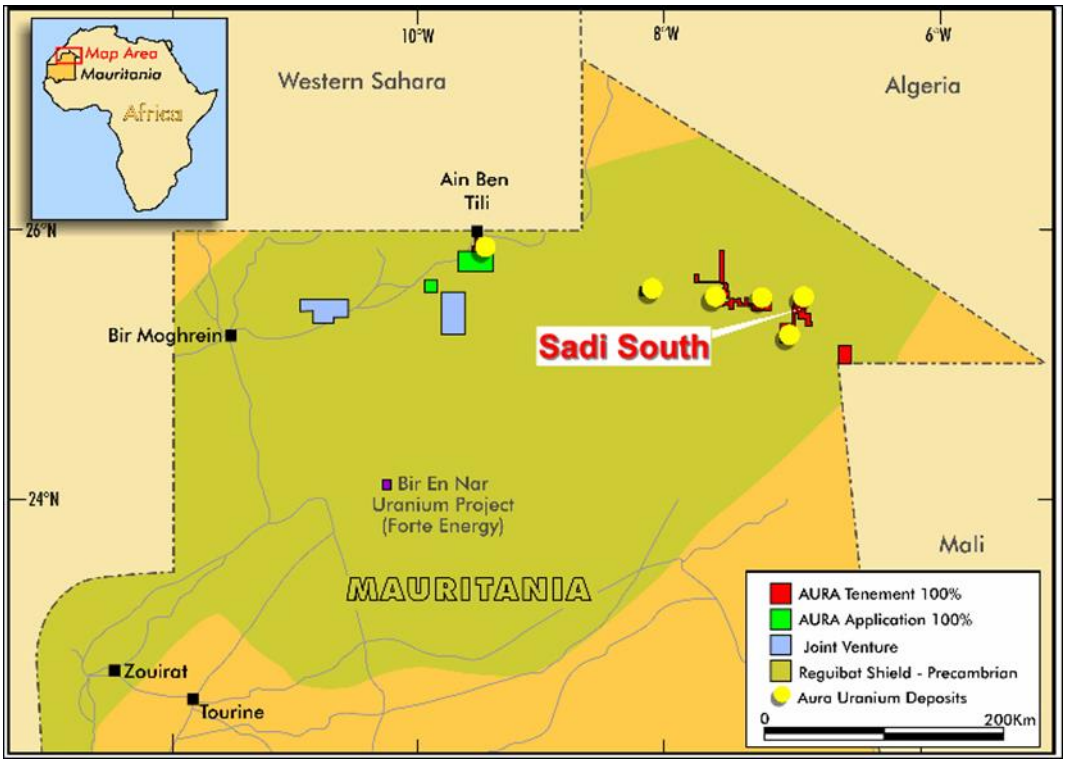

Figure 1: Aura Energy Resources, northern Mauritania showing location of Sadi South.

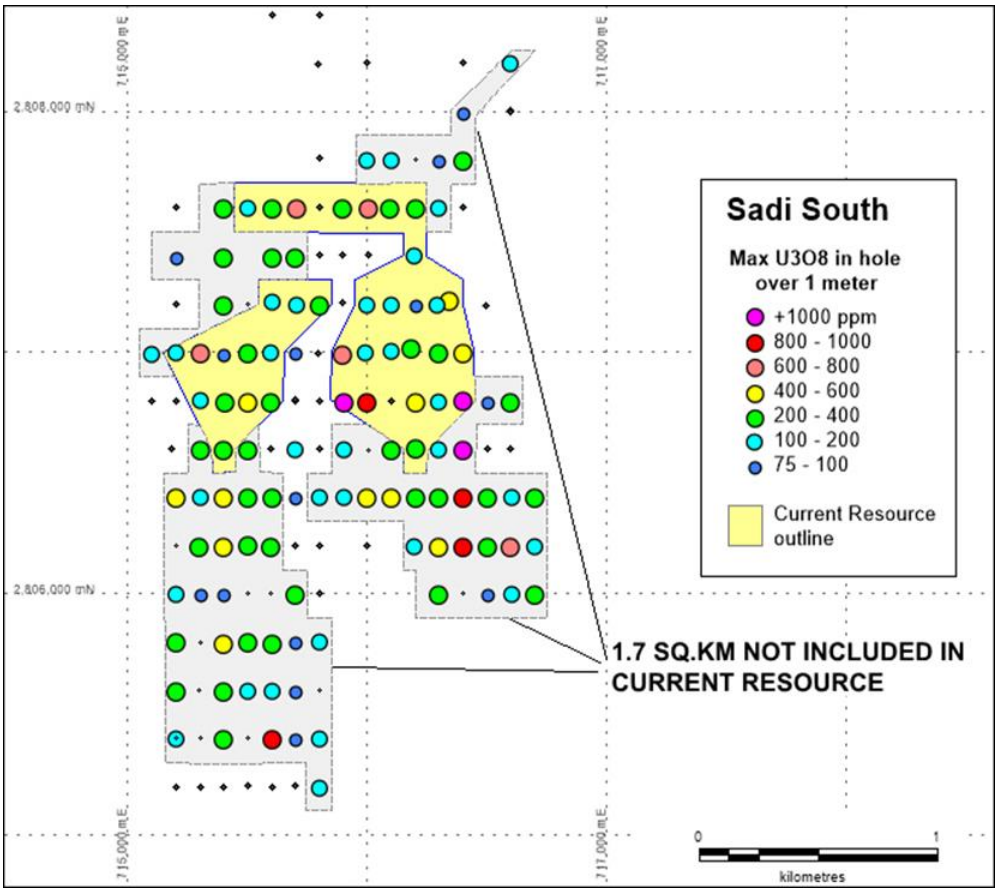

Figure 2: Aura Energy Resources, northern Mauritania showing location of Sadi South.

Table 1: Drill hole intersections (greater than 100 ppm U3O8) not included in existing Resource Estimate.

Drillhole	Easting	Northing	From	To	U3O8
	UTM Z29N		metres		
12ASACC230	715401	2805400	1	2	362
			2	3	162
			3	4	124
12ASACC231	715600	2805400	0.5	1	156
			1	2	859
			2	3	601
12ASACC232	715200	2805801	0.5	1	235
			1	2	216
			2	3	329
			4	5	264
12ASACC233	715401	2805800	1	2	373
			2	3	485
12ASACC234	715600	2805800	1	2	243
			2	3	184
			3	4	246
			4	4.5	160
12ASACC236	715400	2806199	1	2	402
			2	3	526
			3	4	332
			4	5	174
			5	6	132
12ASACC237	715599	2806200	2	3	265
			3	4	253
			4	5	389
			5	6	266
12ASACC240	716199	2806200	1	2	123
			2	3	163
			3	4	185
12ASACC241	716400	2806200	0	0.5	446
			0.5	1	981
			1	2	758
			3	4	200
12ASACC242	716600	2806201	0.5	1	185
			1	2	328
			2	3	667
			3	4	265
			5	6	140
			6	7	151
			8	9	124
			9	10	129
			10	11	134

Drillhole	Easting	Northing	From	To	U3O8
	UTM Z29N		metres		
12ASACC243	715200	2806400	0	0.5	321
			0.5	1	449
			1	2	351
			2	3	159
			3	4	162
12ASACC244	715300	2806400	1	2	143
			2	3	139
12ASACC245	715400	2806401	1	2	433
			2	3	225
12ASACC246	715501	2806400	1	2	218
			2	3	178
12ASACC247	715600	2806401	0.5	1	182
			1	2	239
			2	3	223
12ASACC248	716000	2806400	0	0.5	301
			0.5	1	368
			1	2	152
			2	3	119
			4	5	581
			5	6	272
12ASACC249	716101	2806400	1	2	134
			2	3	469
			3	4	279
			4	5	210
			5	6	242
			6	7	127
			7	8	129
12ASACC250	716200	2806400	0	0.5	388
			1	2	276
			2	3	334
12ASACC251	716300	2806400	1	2	223
			2	3	136
12ASACC252	716400	2806400	1	2	266
			2	3	811
			3	4	703
			4	5	252
			8	9	136
12ASACC253	715300	2806599	0.5	1	251
			1	2	353
			2	3	130
12ASACC254	715501	2806600	1	2	264
			2	3	176
			3	4	178

Drillhole	Easting	Northing	From	To	U3O8
	UTM Z29N		metres		
12ASACC255	715700	2806600	1	2	178
12ASACC256	715900	2806600	2	3	146
12ASACC257	716100	2806600	1	2	156
			2	3	226
12ASACC259	716400	2806600	0.5	1	304
			1	2	426
			2	3	1,486
			3	4	1,000
			4	5	762
12ASACC261	716297	2806798	8	9	130
			9	10	192
12ASACC263	715500	2806800	0.5	1	160
			1	2	225
			2	3	164
			3	4	516
12ASACC266	715100	2806999	4	5	149
12ASACC267	715300	2807000	0	0.5	706
			0.5	1	481
			1	2	259
			2	3	120
			3	4	130
12ASACC268	715499	2807000	0.5	1	276
			1	2	163
12ASACC270	716182	2807021	0.5	1	141
			1	2	172
			2	3	362
12ASACC272	715400	2807200	0	0.5	192
			1	2	239
12ASACC274	715400	2807400	0	0.5	196
			0.5	1	279
			1	2	177
			2	3	120
12ASACC275	715600	2807400	0.5	1	265
			1	2	355
			2	3	171
			3	4	272
12ASACC276	715700	2807400	0.5	1	328
			1	2	299
			2	3	166
			3	4	217
12ASACC278	716298	2807599	0	0.5	131
			0.5	1	160
			1	2	123

Drillhole	Easting	Northing	From	To	U3O8
	UTM Z29N		metres		
12ASACC280	715400	2807600	1	2	248
12ASACC281	715600	2807600	2	3	205
12ASACC286	716400	2807800	3	4	264
15ASSAC002	715799	2806402	1	2	153
			8	9	130
15ASSAC003	715900	2806400	2	3	130
15ASSAC005	715499	2806202	2	3	200
			3	4	153
15ASSAC006	715299	2806200	4	5	224
15ASSAC007	715198	2806001	1	2	130
			7	8	118
15ASSAC012	715700	2806003	1	2	236
			2	3	118
15ASSAC014	715799	2805802	1	2	165
			2	3	141
15ASSAC016	715499	2805801	2	3	236
15ASSAC018	715200	2805600	2	3	283
15ASSAC020	715400	2805599	4	5	283
			5	6	248
15ASSAC021	715500	2805600	1	2	118
15ASSAC022	715601	2805600	2	3	141
			3	4	165
15ASSAC025	715799	2805400	3	4	130
15ASSAC029	715200	2805399	1	2	118
			2	3	141
			3	4	165
15ASSAC036	715800	2805200	1	2	130
15ASSAC037	716301	2806000	1	2	130
			2	3	248
			3	4	224
15ASSAC040	716601	2806000	1	2	153
15ASSAC041	716700	2805999	0.5	1	177
			1	2	271
15ASSAC043	716501	2806201	2	3	200
			3	4	236
15ASSAC044	716301	2806199	5	6	519
			6	7	307
15ASSAC045	716501	2806400	1	2	259
			2	3	189
			3	4	118
			5	6	141
15ASSAC047	716701	2806400	2	3	118
			5	6	354
15ASSAC050	716598	2806800	0.5	1	271

Image 1: Calcrete Outcrop on Sadi South – Tiris Project

Image 2 : Calcrete Outcrop on Sadi South – Tiris Project

Image 3 : Calcrete Outcrop on Sadi South – Tiris Project

Image 4 : Sadi South deposit terrain – Tiris Project

Image 5: Sadi Sands, Northern end Sadi deposit – Tiris Project

Image 6 : Sadi Southern End – Tiris Project

For further information please contact

Peter Reeve
Executive Chairman
Phone +61 (0)3 9890 1744
info@auraenergy.com.au

Competent Person
Mr Neil Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking. This qualifies Mr Clifford as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Clifford is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM).

The information related to resources for the Tiris Project is extracted from the announcement below. This announcement is available to view on the company's website www.auraenergy.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. This information was prepared and first disclosed under the JORC code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was reported.

Aura Energy Ltd release to the Australian Stock Exchange: First uranium resource in Mauritania, 19/07/2011.

APPENDIX 1 - JORC Code, 2012 Edition – Table 1

TIRIS PROJECT - MAURITANIA: ASX Release July 2015

1. Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• *Samples assayed were aircore drill chips.* • *All drill cuttings for each metre or half-metre drilled were collected from which were split an approx. 1.5 kg sample for assay and a 1.5 kg duplicate using a riffle splitter with riffle spacing approx 25 mm.* • *Sampling was supervised by qualified geologists.* • *All samples were dry, and the probability of contamination between samples is therefore low.*
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or*	• Drill type was aircore using an NQ size (76 mm outer diameter) bit.

Criteria	JORC Code explanation	Commentary
	standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Each 1 metre or half-metre drill sample was weighed to approx 0.5 kg accuracy • Sample recoveries were in general high & no unusual measures were taken to maximise sample recovery. • No relationship between sample recovery and grade was observed. • Care was exercised in drilling to minimise loss of fine dust. However some fine dust loss did occur and as the uranium mineral carnotite is preferentially enriched in the fine material it is possible that uranium was lost and the assay results may understate the true grade.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *Each sample was briefly described geologically by the geologist involved, and the description entered into Aura Energy's sample template spreadsheet for entry into Aura's sample database managed by Reflex Hub in Perth.*

Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.*
	• *Whether sample sizes are appropriate to the grain size of the material*
		• *Samples as collected were transported by road to ALS Laboratories sample preparation facility in Nouakchott, Mauritania. Prepared sample pulps were air freighted to ALS Laboratories in Ireland for analysis.*
		• *Samples were prepared by ALS Laboratories as follows:*
		  ▪ The field sample was oven dried
		  ▪ Crushed to 70% less than 2mm,
		  ▪ riffle split off 1kg,
		  ▪ pulverize split to better than 85% passing 75 microns.
		  ▪ Approx. 100 gram sub-sample was taken for assay

Criteria	JORC Code explanation	Commentary
	being sampled.	• Laboratory crushers & pulverisers are cleaned with compressed air before each sample.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• *Samples collected in 2012 were assayed by pressed pellet XRF for uranium by ALS laboratories in Omac, Ireland. Samples collected in 2015 were assayed for uranium by ALS technique U-ICP61 - U by four acid digestion, ICP-AES.(10-10,000ppm) by ALS in Omac, Ireland.* • *In addition ALS internal quality control procedures, quality control procedures employed by Aura were:* ▪ *In every 25 samples a duplicate was collected & sent for assay* ▪ *In every 25 samples and blank sample was sent for assay* ▪ *In every 25 samples a SRM (Standard Reference Material) was sent for assay.* *Duplicate, blank, CRM and analyses all returned results within acceptable limits of expected values*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *No verification other than the QAQC procedures described above were employed* • *Assay results for samples were received electronically from ALS Laboratories and uploaded into Aura's database managed by Reflex Hub.* • *No adjustment of assay data, including high grade cutting,other than intersection length-weighted averaging was undertaken.*

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Drill hole collar locations were recorded at the completion of each hole by hand held Garmin GPS, with horizontal accuracy of approx. 5 metres* • *Positional data was recorded in projection WGS84 Zone 29N.* • *No downhole surveys were conducted.* • *The accuracy provided by hand held GPS & Downhole camera is adequate for inclusion of the results in an inferred resource.*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The drill hole spacing of 100m x 200m is the same as on Aura's existing Inferred Resources in the area and is adequate to demonstrate continuity sufficiently for inclusion in an Inferred Resource.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All holes were vertical. As calcrete uranium mineralisation is sub-vertical in orientation, this hole orientation is the most appropriate.
Sample security	• *The measures taken to ensure sample security.*	• *Samples were taken by vehicle to Aura's guarded processing facility in Nouakchott and then delivered to the local ALS Laboratory sample preparation facility.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *The drilling and sampling techniques were previously reviewed by the independent resource geologist who prepared the Tiris Resource Estimates and deemed to be satisfactory.*

2.

3. Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The assay results relate to an area covered by the Ain Sder Exploration Permit, 464B4, held 100% by Aura Energy. There are no agreements with third parties relating to this permit, and to the best of Aura's knowledge and belief there are no native title interests, historical sites, or areas of environmental sensitivity. There are no overriding royalties other than Government entitlements specified in Mauritanian mining legislation.*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Aura is not aware of any exploration or evaluation of the areas by any other company.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The uranium mineralisation is believed to be associated with superficial calcrete deposits.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	• *Table 1 tabulates for all holes containing assay intervals of 0.5 or 1.0 metres greater 100 ppm U_3O_8:* ○ *Hole collar coordinates in metres UTM WGS84 Z29N* ○ *Depth and length of mineralised intersection.* ○ *The area is very flat with relief less than a few metres* ○ *All holes were vertical* *All holes drilled in this area are depicted in Figure 2.*

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td></td></tr>
<tr><td>Data aggregation methods</td><td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.
• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
• The assumptions used for any reporting of metal equivalent values should be clearly stated.</td><td>• No weighting or grade truncation or high grade cutting techniques have been applied to the data reported.
• Where replicate assays have been carried out the value reported is the arithmetic average of replicated assays.
• The grade of intercepts quoted, where more than one assay sample is involved, is the length weighted average grade. For example the intersection 1.5 metres at 832 ppm U_3O_8 (drillhole 12ASACC241) is aggregated from the following 2 assays:
<table>
<tr><th>From</th><th>To</th><th>Intercept</th><th>U3O8</th></tr>
<tr><td colspan="3">metres</td><td>ppm</td></tr>
<tr><td>0.5</td><td>1</td><td>0.5</td><td>981</td></tr>
<tr><td>1</td><td>2</td><td>1</td><td>758</td></tr>
</table>
• No metal equivalents have been reported</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• These relationships are particularly important in the reporting of Exploration Results.
• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.
• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’).</td><td>• Calcrete style uranium mineralisation is sub-horizontal in orientation, and therefore mineralised intervals are believed to represent approximate true thickness.</td></tr>
<tr><td>Diagrams</td><td>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of</td><td>• A map and tabulation of all assays greater than 100 ppm U_3O_8 are provided As all intersections are within 10 metres of the land surface cross sections do not add materially to the understanding of</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	drill hole collar locations and appropriate sectional views.	*orientation .*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *All assay results in well mineralised (greater than 1 metre at 100 ppm U3O8) are reported. These and all other holes are shown in Figure 2.*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All material results are reported
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *The drillhole results will be included in the next Resource Estimation exercise to be carried out by Aura once umpire assaying has been completed.*