

1 MARCH 2017

AURA'S BASE METAL REVIEW HIGHLIGHTS HIGH COBALT VALUES

HIGH-GRADE COBALT DRILL INTERSECTIONS REVEALED WITH BEST COBALT (Co) DRILLING INTERCEPTS INCLUDING;

- 1 metre at 0.58% Co
- 4 metres at 0.48% Co
- 1 metre at 0.46% Co

DRILL RESULTS ARE ACROSS A BROAD AREA AND ONLY SPORADIC ASSAYING FOR COBALT WAS UNDERTAKEN

Aura Energy Limited (AEE; ASX, AURA;AIM) is pleased to announce that following its recent agreement to purchase two under-explored mineralised greenstone belts in Mauritania (See Fig 1), a review of the base metal potential on these tenements has highlighted **several significant cobalt drilling results**.

The Tasiast South project tenements lie along strike from Kinross' giant Tasiast Gold Mine and from Algold's Tijirit gold deposits. The tenements are highly prospective for gold but previous work also indicated anomalous occurrences of nickel and copper. In a review of the two project areas, Bella and Taet, cobalt values have been found.

Importantly sampling for cobalt was sporadic and only approximately 1 in 10 samples were assayed for cobalt. Of the high Co values 14 samples exceeded 0.1% Co, 6 samples exceeded 0.25% Co and 3 samples near or above 0.5% Co. These results found, over a 1.6 km long drill line at Bella with strong nickel and copper values in ultramafic rocks were within 30 metres of the surface, and at Taet where the anomalous copper values are possibly indicative of sulphides. Drilling to date has tested only a small part of the ultramafic body and the drill lines are possibly parallel to strike.

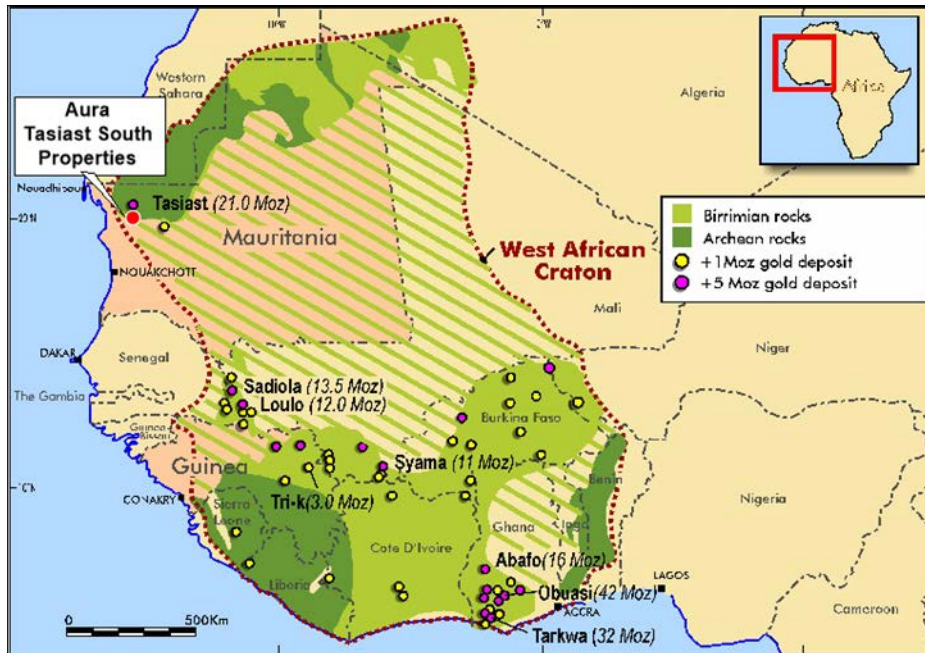


Figure 1: Location of the Tasiast South project

The base metal targets were considered as secondary targets at Tasiast South by the previous explorer and very little targeted or comprehensive base metal exploration has been carried out in these areas. However, considering the range of metals encountered over broad areas and the fact that these are largely incidental results achieved in a gold exploration program, Aura now considers these areas to be highly prospective for base metals.

The range of cobalt values is shown below however it should be reiterated that cobalt has not been targeted or comprehensively assayed for and as such Aura will be reviewing where re-assays for cobalt can be conducted on previously drill holes. The highest cobalt results are as follows;

Prospect Name	Hole ID	Easting	Northing	Depth From	Depth To	Interval	Co_%	Ni_ppm	Cu_ppm
HADEBET BELAA	11HBAC031	466697	2219203	7	8	1	0.581	5300	488
TOUERIG TAIEUH	12TGAC198	445378	2219429	24	28	4	0.484	9140	400
HADEBET BELAA	11HBAC030	466598	2219199	16	17	1	0.445	4190	259
HADEBET BELAA	11HBAC030	466598	2219199	17	18	1	0.357	3840	259
HADEBET BELAA	11HBAC033	466900	2219203	9	10	1	0.273	3010	247
HADEBET BELAA	11HBAC033	466900	2219203	10	11	1	0.260	5250	270
TOUERIG TAIEUH	11TGAC013	444700	2218702	34	35	1	0.218	5650	354
HADEBET BELAA	11HBAC031	466697	2219203	6	7	1	0.150	3090	276
HADEBET BELAA	12HBRC007	467373	2219200	22	23	1	0.149	6530	114
HADEBET BELAA	11HBAC030	466598	2219199	18	19	1	0.142	7770	238
HADEBET BELAA	12HBAC073	463432	2217212	4	8	4	0.128	15	28.4
TOUERIG TAIEUH	11TGAC033	431000	2212800	52	53	1	0.111	38	120
TOUERIG TAIEUH	11TGAC053	430997	2210803	53	54	1	0.103	11	31
HADEBET BELAA	11HBAC033	466900	2219203	11	12	1	0.102	5110	208

The analyses were carried by SGS Laboratories using ICP-MS following a multi-acid digestion.

Peter Reeve, Aura Energy's Executive Chairman said "Aura continues to be surprised on the upside by the broad spectrum of metals and the potential for further discoveries from its Tasiast South project. The opportunity to explore a near virgin Greenstone belt, in a mining friendly country, similar in geology to the prolific Kalgoorlie province with its gold, nickel and copper discoveries, as the commodity cycle recovers is an extremely rare one and these cobalt values only further heighten our anticipation of exploration success in this field".

Aura's Tasiast South project area has the following attributes;

- Tenements over two lightly explored greenstone belts covering 175 km²
- The +20 Moz Tasiast gold deposit is nearby on the same greenstone belt and highlights the potential for major deposits in the region (See Fig 2)
- \$3m has been expended by the previous explorer on airborne geophysics, reverse circulation and air-core drilling, and sampling
- Broad zones of gold mineralisation have been identified with strong similarities to the Tasiast Gold Mine mineralisation and alteration
- No testing deeper than 150m with most previous holes less than 100m
- High grade drill intersections have been reported by others in the district from both past and current programs, including one in progress with Algold Resources (TSX), which highlight the current interest and potential in these poorly tested belts

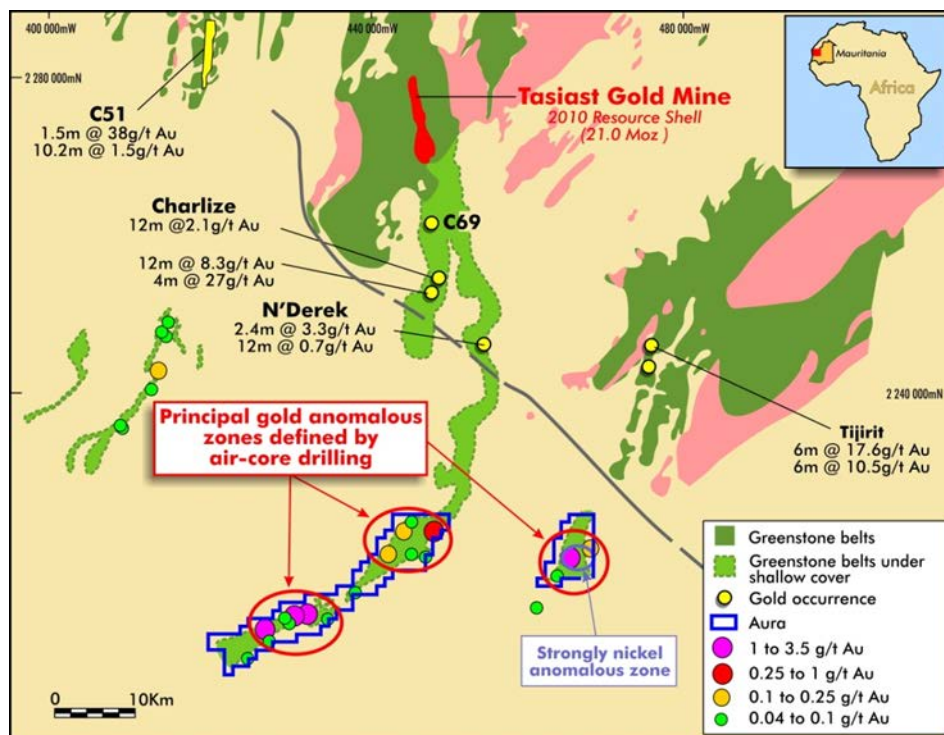


Figure 2: Location of Aura areas in relation to known mineralisation

The Ghassariat Prospect intersections (See Fig 3 & 4) occur in strongly sulphidic and quartz-veined mafic volcanics and have marked similarities with some of the ore zones and near-ore alteration zones at the neighbouring Kinross Tasiast Mine.

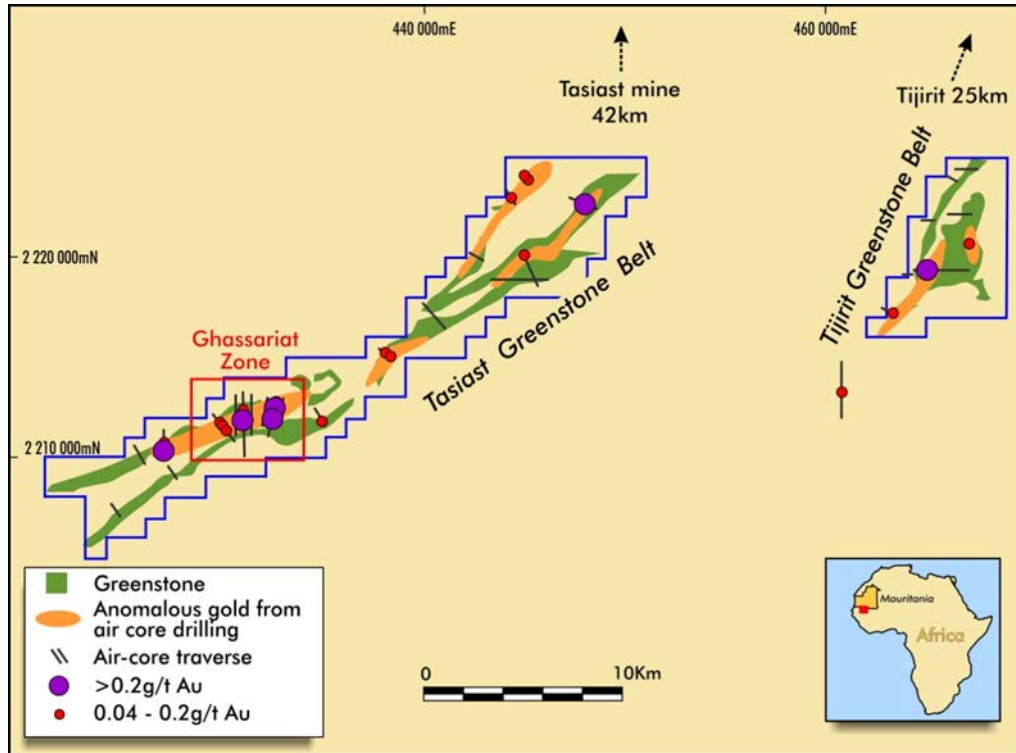


Figure 3: Ghassariat Zone location and gold anomalous zones defined by air core drilling

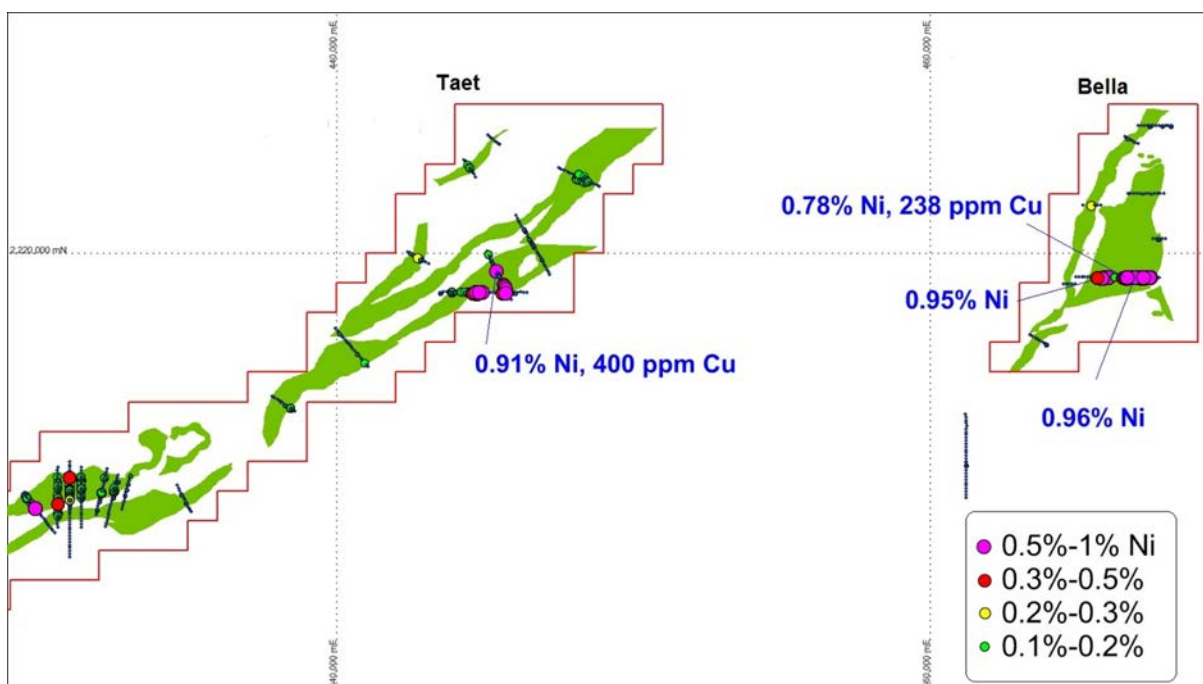


Figure 4: Key nickel results in bedrock sampling by air-core drilling

References in this announcement to exploration results and potential have been approved for release by Mr Neil Clifford (Geologist and Member of the Australasian Institute of Mining and Metallurgy) who has more than 40 years relevant experience in the field of activity concerned Mr Clifford has consented to the inclusion of the material in the form and context in which it appears.

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