

20 May 2010

Aura commences drilling its Porcupine Well uranium target in Western Australia

HIGHLIGHTS

- **Drilling started at Aura's calcrete uranium target at Porcupine Well**
- **Drilling follows up radiometric anomaly, where shallow testing confirmed presence of widespread uranium**
- **Porcupine Well located between two uranium mining developments at Lake Way and Lake Maitland**

Aura Energy's Managing Director Bob Beeson commented, "Porcupine Well has been a priority target for Aura. It is of particular interest as it is a previously untested target located in Western Australia's major calcrete uranium region, between two mining developments with substantial resources."

Aura Energy (AEE) is a uranium explorer with advanced projects in Sweden, West Africa and Australia. The company is focusing on two main projects: the Storsjön Project located in Sweden's Alum Shale Province, one of the largest depositories of uranium in the world; and the highly prospective Reguibat Province in Mauritania. The company aims to create shareholder value by rapidly establishing resources and then completing feasibility studies on these two projects. Aura Energy is headquartered in Melbourne, Australia and has been listed on the ASX since May 2006.

Porcupine Well

Aura Energy Limited (ASX - AEE, "Aura") has commenced drilling at Porcupine Well, south east of Wiluna, where prior work confirmed the presence of uranium-bearing calcrete.

Porcupine Well is located midway between the Lake Way/Centipede and the Lake Maitland deposits in Western Australia's major calcrete uranium region. Toro Energy has a 23.9 million pounds U_3O_8 resource at Lake Way/Centipede with average grades of over 500ppm and recently purchased a newly discovered zone of mineralisation located a few kilometres from Porcupine Well. Mega Uranium has a 23.7 million pounds U_3O_8 resource at Lake Maitland.

Testing Results

Aura's detailed groundwork located a radiometric anomaly close to the western boundary of the tenement. Six shallow auger holes examined the anomaly to a maximum depth of three metres. Initial results from Porcupine Well indicated:

- Anomalous uranium values occur throughout the area tested
- All samples below 1.5 metres contain values above 67ppm U_3O_8
- All holes end in mineralisation
- Southernmost hole returned the highest value with 233ppm U_3O_8 , at 1-2 metres depth in PA05

Next Steps

Aura will drill approximately 50 air core holes at Porcupine Well to a depth of up to 20 metres. Holes will be sampled for chemical analysis. The results are expected by the end of June.

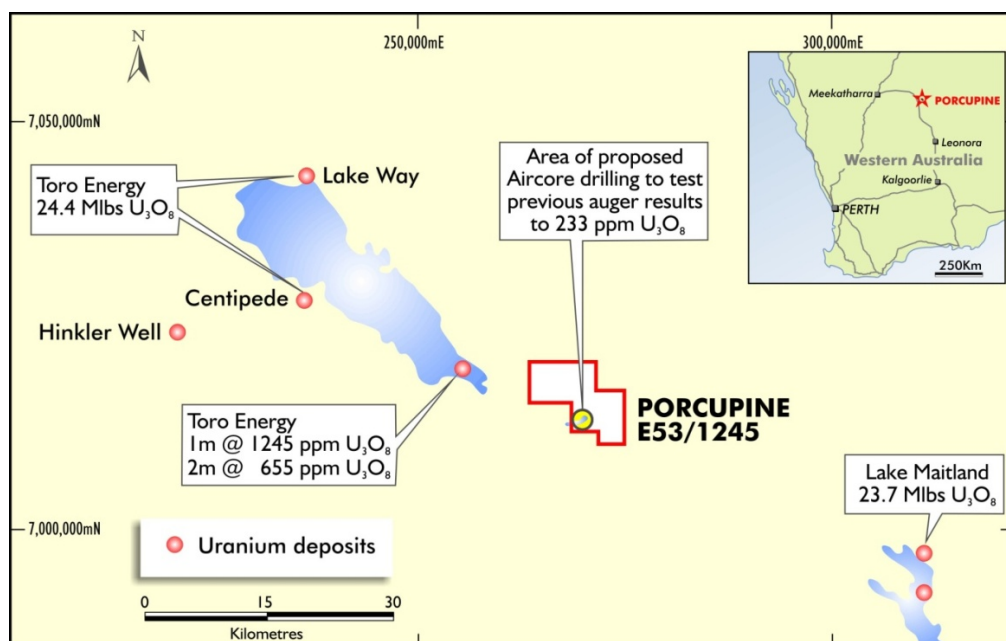


Figure 1: Locality map showing Porcupine in relation to Lake Way and Lake Maitland deposits.

For further information contact:

Aura Energy Limited

Pesel & Carr

Jay Stephenson – Executive Director - 08 9228-0711

Barbara Pesel – 0418 548 808

The information in this report that relates to Exploration Results, Mineral Resources, or Ore Reserves is based on information compiled by Dr Robert Beeson. Dr Robert Beeson 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 Dr Beeson as a Competent Person as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Robert Beeson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Dr Beeson is a member of the Australian Institute of Geoscientists.

For personal use only