



PRESS RELEASE

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TSX-V: AUU

October 27, 2009

AURA SILVER COMPLETES FLOW-THROUGH PRIVATE PLACEMENT FINANCING TO FUND GREYHOUND VTEM SURVEY LEADING TO PHASE I DRILLING

Aura Silver Resources Inc. (TSX-V:AUU) (“Aura Silver” or the “Company”) announces that it has successfully completed its flow-through financing by way of a non-brokered private placement of flow-through common shares at \$0.32 per share. In total, \$332,000 was raised with the issuance of 1,037,500 flow-through common shares.

As announced on October 15, 2009, the first tranche of the private placement offering closed with the issuance of 312,500 flow-through common shares for proceeds of \$100,000. The subsequent tranches closed October 23 and October 27, 2009 with the issuance of 625,000 and 100,000 flow-through common shares, respectively. Shares issued in the subsequent tranches are subject to four month hold periods expiring February 24 and February 28, 2010, respectively.

Finders' fees were payable in connection with a portion of this private placement and include a cash commission of \$16,000 and the issuance of 50,000 agent options. The agent options are exercisable for a period of one year from closing to obtain non-flow-through common shares at \$0.32 per share. Any shares issued upon exercise of the agent options would be subject to a hold period expiring February 24, 2010.

Aura Silver intends to use the proceeds of this offering to fund costs of a helicopter borne VTEM geophysical survey and related interpretation for its Greyhound, Nunavut project, beginning this month. The VTEM survey will confirm drill targets for Phase I drilling which is proposed to begin in the spring of 2010. The flow-through share proceeds will be used to incur these Canadian exploration expenses prior to December 31, 2010 at the latest. The Company intends to renounce the qualifying expenditures to subscribers for the year ended December 31, 2009.

Dr. James M. Franklin, P. Geo. is Aura Silver's qualified person (as defined by National Instrument 43-101) and has reviewed and approved the scientific and technical information in this press release.

About Aura Silver

Aura Silver is a TSX Venture listed company engaged in the acquisition, exploration and development of precious metal prospects in Canada (Greyhound project) and in Oaxaca, Mexico with joint venture partner Intrepid Mines Limited (TSX:IAU). Aura Silver has 41,331,902 common shares outstanding.

For further information regarding this financing contact: John McNeice, Chief Financial Officer at (613) 692-7704 or by e-mail at jmcneice@bellnet.ca. Aura Silver's web site is located at www.aurasilver.com.

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FORWARD LOOKING STATEMENTS

This news release may contain forward-looking statements. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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