



28 January 2020

The Manager
Company Announcements Office
ASX Limited
Level 4
Exchange Centre
20 Bridges Street
Sydney NSW 2000

Dear Sir

**PLACEMENT CAPACITY
AND VOTING AT THE GENERAL MEETING ON 31 JANUARY 2020**

Pursuant to the requirements of Listing Rules, the Company wishes to inform shareholders of the ramifications of the negative vote for the ratification of prior issue of shares.

The announcement has been authorised by the Aura board of directors.

Yours faithfully

A handwritten signature in black ink, appearing to read "JM Madden".

JM Madden
Company Secretary

2020-Jan-28-AEE-JMM-Announcement-EGM

For further information please contact:

JM Madden
Company Secretary
Phone 0400 887 001
info@auraenergy.com.au



EXPLORE, DISCOVER, DEVELOP

28 JANUARY 2020

LOSS OF PLACEMENT CAPACITY AND VOTING AT THE GENERAL MEETING ON 31 JANUARY 2020

Aura Energy Limited (AEE; ASX, AURA; AIM) wishes to inform shareholders that a significant negative vote has been lodged against the ratification of the prior issue of shares at the general meeting on Friday, 31 January 2020.

Under ASX Listing Rules the Company cannot place more than 15% of its securities in any 12-month period without approval of shareholders. Every junior exploration company on the ASX that does not have access to an operating cash flow funds its exploration activities from equity and quasi-equity.

The failure of the Company to have the prior issues of shares ratified by shareholders will virtually put the Company at a standstill in its capacity to advance its projects and fund day-to-day activities as it will need to call general meetings of shareholders each time it wishes to raise new equity. Each meeting will require preparation of a notice of meeting, approval of the ASX, printing and despatch of the notice of meeting to every shareholder and, under new listing rules, the attendance of the Company's share registrar to conduct polls on resolutions relating to the listing rules. This outcome will be time-consuming and add significantly to operating costs.

Further, new ASX Listing Rules require companies to hold sufficient cash balances at the end of each quarter to fund the next two quarters of expenditure (ie., by the 31 March 2020 the Company must report in its Appendix 5B sufficient cash balances to fund expenditure for June quarter and September quarter).

A majority of the board of directors request all shareholders that have not voted to do so with urgency and TO VOTE IN FAVOUR of all resolutions. Proxy voting closes at 11 am on Wednesday, 29 January 2020.