

**ASX RELEASE**

**28 June 2021**

## **Commencement of Capital Estimate Update to Zero Emission Tiris Uranium Project DFS**

### **KEY POINTS:**

- MinCore Engineers commissioned to commence the capital estimate update to the zero emission Tiris Uranium Project DFS.
- The capital estimate update will reflect 2021 input costs allowing a clear path to the near-term development of Tiris Project.
- Completion of capital estimate update expected in first week of July 2021.

Aura Energy Limited (ASX:AEE) ("Aura", the "Company") is pleased to announce that the Company has commenced the capital estimate update to the emission free Tiris Uranium Project ("Tiris", "Project") Definitive Feasibility Study ("DFS") pricing. Aura has commissioned MinCore Engineers Pty Ltd ("MinCore") to undertake the work in updating the DFS with 2021 input costs allowing a clear path to the near-term development of the Project.

Aura Energy Managing Director, Peter Reeve, commented: "We are pleased to announce that MinCore has now commenced the capital estimate update for the zero emission Tiris Uranium Project DFS, as we recognise the need for this study to be relevant to 2021 input costs. We believe that the Project will remain a low cost, low capex project, and this exercise is a prudent step ensuring that the capital cost and operating costs reflect current market conditions. This update of the DFS is an important step in progressing the project towards production and additional steps are planned to positively optimise the operating cost for the Project."

The zero emission Tiris Uranium Project is a compelling, low cost and near-term project, for which Aura completed a DFS for the Project in July 2019 (ASX Release: Tiris Uranium Definitive Feasibility Study Complete, 29 July 2019).

The DFS confirmed the Project as having positive economic figures, including:

- Low capital cost of US\$62.9 million<sup>1</sup>
- Low C1 cash cost of US\$25.43/lb U3O8
- All-In Sustaining Cost (AISC) of US\$29.81/lb U3O8
- Production of 12.4 Mlbs U3O8 over 15 years
- Payback period is 3.25 years
- Maiden Ore Reserve Estimate for Tiris is 10.9Mt @ 336 ppm U3O8
- Total project After Tax cash flow is US\$289 million (A\$413 million)

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<sup>1</sup> Estimate baseline date 1 July 2019

- Average After Tax cash flow of US\$19.2 million pa (A\$27.4 million)
- Project IRR of 26%

The low-cost basis and attractive economic return for the Project, presents a robust opportunity for Aura to enter uranium development early in the commodity cycle, maximising shareholder value as the uranium market recovers.

The initial DFS for the Tiris Uranium Project was completed in 2019, and the Company wants to ensure that in the two years since completion the input costs along with currency assumptions remain valid.

In line with the Company's proposed expenditure commitments (ASX Release – Successful Rights Issue Completed, 21 May 2021), Aura estimates that approximately \$30,000 will be expended on the Capital Estimate Update, with work already commenced and completion expected during the first week of July 2021.

The outcomes of the capital estimate update will form the baseline for detailed review of the Tiris Uranium Project costs, with a target to accelerate the timeline to bring the project into production.

As announced (ASX Release 21 May 2021), the ASX advised that upon the Company undertaking sufficient exploration on its projects in line with its proposed expenditure commitments, and following the completion and results of those exploration programs being released to the market, ASX would be in a position to reinstate AEE's securities to trading on the Official List.

This ASX Release was authorised by the Aura Energy Board of Directors.

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**Notes to Project Description**

The Company confirms that the material assumptions underpinning the Tiris Uranium Production Target and the associated financial information derived from the Tiris production target as outlined in the Aura Release dated 29th July 2019 for the Tiris Uranium Definitive Feasibility Study continue to apply and have not materially changed.

Statement of the Tiris Uranium Project Resource was reported in ASX announcement: Tiris Resource Upgrade Success, 30th April 2018 and Tiris Uranium Ore Reserve in ASX announcement: Tiris Uranium DFS complete, 29th July 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

In respect to Resource statements there is a low level of geological confidence associated with inferred mineral resource and there is no certainty that further exploration work will result in the determination of indicated measured resource or that the production target will be realised.