

ASX RELEASE

28 July 2021

Stage 1 Exploration and Advancement Initiatives Complete

–Tiris Uranium Project

KEY POINTS:

- As part of the ASX requirements for the relisting of Aura Energy, an agreed portion of funds recently raised were required to be expended on budgeted project activities.
- That expenditure has now been undertaken and Aura will now work with the ASX on the re-listing timetable.
- As announced on 1 April 2021, the Company intends to conduct a non-renounceable loyalty entitlement offer of Options one month from relisting, on the basis of 1 Option for every 3 Shares held, with the Loyalty Options having an upfront payment of \$0.013 each, an exercise price of \$0.052, and expiry of 30 June 2024 (this offer will only be available to Australian and New Zealand registered shareholders).
- The Company continues discussion with parties regarding to financing arrangements for the zero emission Tiris Uranium Project.
- Stage 2 Exploration commenced with completion expected by the end of the 2021 Calendar Year.

Aura Energy Limited (ASX:AEE) (“Aura”, the “Company”) is pleased to provide an update on the Company’s zero emission Tiris Uranium Project (“Tiris”, “Project”) in Mauritania.

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

The activities that have been undertaken are as follows;

- A revised uranium mineral resource estimate is well progressed and is anticipated to be released shortly.
- Aura has completed the work required to re-state the capital cost estimate for the zero emission Tiris Uranium Project 2019 DFS (ASX Release: Tiris Uranium Definitive Feasibility Study Complete, 29 July 2019). A further release will detail the results of this study.
- Vanadium content of Tiris from assaying of Tiris Material will now be used to calculate a vanadium resource with the target of delivering a by-product credit for the Tiris cash cost, lowering the overall operating costs.

- Opportunity review for Tiris has identified several opportunities, that are expected to further enhance the Tiris project with capital and operating cost reductions.
- Wood PLC engaged to complete a net emissions study in respect to the Tiris Uranium Project, with encouraging findings produced.
- Water Drilling commenced in July 2021, which the Company expects to reconfirm the results from the 2019 water drilling.
- Gravity survey on Aura's substantial gold tenements is complete which is now being used for additional drill site targeting.

Stage 2 Exploration Commenced

The Company is also pleased to announce that Aura Energy has commenced Stage 2 exploration at the zero emission Tiris Uranium Project, with results expected before the end of the 2021 Calendar Year.

The key results expected in this timeframe are:

- Detailed results of the Tiris Opportunity Review with several items being considered to lower operating costs for the project.
- Completion and outcomes of the Net Zero emission study by Wood PLC.
- Water drilling results reconfirming the 2019 findings.
- Potential positive impact on Tiris operating cost from vanadium by-product recovery.
- Results for the initial gold exploration surveys for drill site targeting.

Managing Director and Chief Executive Officer, Peter Reeve, commented: "We are very pleased to have completed a significant amount of development work on the zero emission Tiris Uranium Project, further advancing the project, as the Company progresses towards relisting on the ASX. Importantly, MinCore was appointed in late June 2021 to update the capital estimate of the zero emission 2019 Tiris Uranium Project."

"The Board encourages shareholders to hold their position in Aura Energy as, one month from relisting, the Company intends to offer 1 Loyalty Option Rights Issue for every 3 Shares held, with the Loyalty Options having an upfront payment of \$0.013 each, an exercise price of \$0.052, and expiry of 30 June 2024. Both myself and the directors of Aura Energy intend to take up our full entitlement."

"Over the past month, Aura has also further advanced the Project with an opportunity review, which has identified a number of opportunities that were not included in the original DFS, thereby providing potential for further cost reductions."

"Wood PLC has also been appointed to complete an emissions study for the Tiris Uranium Project, with positive outcomes received. With Stage 2 Exploration now commenced at Tiris,

the Company also continues discussions with parties globally in regard to financing arrangements for the zero emission Tiris Project, as we progress towards production."

Restating the Tiris Feasibility Study

Aura Energy has completed the work required to re-state the capital costs contained in the zero emission Tiris Uranium Project Definitive Feasibility Study ("DFS") completed in 2019.

As announced on 28 June 2021, Aura 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.

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 2019 DFS reported the Project as having positive economic figures, low-cost basis and attractive economic return. This presents a robust opportunity for Aura to enter uranium development early in the commodity cycle, maximising shareholder value as the uranium market recovers.

An updated DFS incorporating the revised capital costs is anticipated to be released in the September 2021 quarter. Consistent with ASX Release – Successful Rights Issue Completed, 21 May 2021, Aura has met the proposed expenditure for the Capital Estimate Update.

Tiris Uranium and Vanadium Estimate

Aura has also now completed assaying for the Vanadium Estimate for Tiris, with assaying of Project Material used to calculate a vanadium resource, that is anticipated to create a credit for the cash cost and lower operating costs for Tiris. The Company has engaged Oliver Maputo to generate a resource estimate from this zone.

The Tiris uranium mineralisation contains large quantities of vanadium, however, a vanadium resource was never previously formally estimated. As part of the Tiris vanadium estimate, approximately 3,000 existing sample pulps from drilling in 2011 were resubmitted for assay for vanadium.

At Sadi South, there were also several dozen drill holes containing uranium and vanadium mineralisation were never included in previous resource estimates due to timing issues. These drill holes were submitted as part of the vanadium estimate.

As outlined above, the Tiris Vanadium Estimate which forms part of Stage 2 Exploration, will be completed by the end of the 2021 Calendar Year.

Project Advancement Initiatives Completion Table

| Activity | Description | Indicative Timeframe | Cost |
|--|--|---|-----------------|
| Tiris Vanadium Estimate | <ul style="list-style-type: none"> 3,000 existing sample pulps from drilling in 2011 will be resubmitted for assay for vanadium. Several dozen drill holes from Sadi South to be submitted for assay, with a resource consultant appointed to generate a resource estimate for this area. | Q3 2021 | \$80,000 |
| Tiris Water Drilling | <ul style="list-style-type: none"> Water drilling program commenced in 2019 at the Tiris Uranium Project, with four holes from a planned program of 10 to 12 holes completed due to weather. Water drilling to resume imminently, with targets identified by ground electrical surveying defined. | Completion by mid August 2021 | \$300,000 |
| Restate the Tiris Feasibility Study | <ul style="list-style-type: none"> Cost basis and assumptions around currency conversions may have changed since the Feasibility Study for the Tiris Uranium Project was completed in 2019. To provide a valid basis to assess potential cost reductions in 2021 terms, costs inputted in the initial Feasibility Study will be updated. | 2 – 4 weeks of which 2 weeks will be required to request and receive updated quotes | \$30,000 |
| Tiris DFS Opportunity Review | <ul style="list-style-type: none"> A number of opportunities were not included in the original Feasibility Study that could result in further cost reductions. Feasibility Study review to be undertaken with the aim of reducing overall capital and operating costs. | Q2 2021 | To be confirmed |
| Tiris Net Zero Emission Study | <ul style="list-style-type: none"> Aura will establish a scope of work and appoint consultants to undertake a net emissions study with respect to the Tiris Uranium Project. | Q2 2021 | To be confirmed |
| Tiris Metallurgical Test Work | <ul style="list-style-type: none"> Development of a test work program for evaluation of vanadium recovery as a by-product option for the Tiris Uranium Project will be undertaken with ANSTO Minerals, as an extension of Tiris Feasibility test work, which will include shipment of bulk beneficiated samples from Mintek laboratories, South Africa. | Q2 2021 | \$15,000 |
| Häggån Vanadium Project | <ul style="list-style-type: none"> Program of work to develop on metallurgical testing of the Häggån Vanadium Flowsheet examined at scoping level. Inclusive of a definition of test work requirements, assessment of available drill samples for metallurgical testing and a selection of a technically capable laboratory specialists to undertake the work. | Q3 2021 | \$60,000 |
| Tasiast South Gold Project | <ul style="list-style-type: none"> The entire area of greenstones will be surveyed, with three higher priority zones surveyed at 200m x 200m station spacing, and the remainder at 400m x 200m As a result, a total of 6221 stations will be surveyed. | Completion by mid July 2021 | \$277,000 |

Opportunity Review

The Company is pleased to advise that an opportunity review on Tiris has identified a number of opportunities that were not included in the original Feasibility Study, thereby potentially resulting in further cost reductions.

The Tiris Uranium Project represents one of the lowest cost hard rock uranium development projects globally, however, a number of opportunities were not included in the original Feasibility Study that had the potential to result in further reduction of costs.

The Company's has met the proposed expenditure commitments for the Tiris opportunity review.

Net Emissions Study

Aura appointed Wood PLC undertake a net emissions study with respect to the Tiris Uranium Project, with the results expected shortly.

The Company has now met the proposed capital expenditure on the Tiris net emission study.

Water Drilling

Water drilling commenced at the at the Emission Free Tiris Uranium Project in July 2021, with the results expected to reconfirm the findings from the 2019 water drilling campaign.

Aura Energy commenced a water drilling program at the Tiris Uranium Project in 2019, with 4 holes from a planned program of 10 to 12 holes completed before the program ceased due to weather related reasons and did not resume. Targets identified by ground electrical surveying had been previously defined.

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.