

ASX RELEASE

19 October 2021

Loyalty Options Entitlement Offer

KEY POINTS:

- As announced on 1 April 2021, Aura Energy will offer a non-renounceable pro-rata offer to eligible shareholders of one (1) listed option for every three (3) ordinary shares held following the recent reinstatement of its securities to the Official List of the ASX.
- This offer will only be available to Australian and New Zealand registered shareholders.
- Stage 2 exploration continues at Tiris, with the results from the opportunity review, vanadium assaying, water drilling and net zero emission study to be announced during this quarter.

Aura Energy Limited (AEE:ASX, AIM:AURA) ("Aura", the "Company") is pleased to announce a non-renounceable pro-rata offer to Eligible Shareholders of one (1) Listed Option (exercisable at \$0.052 each and with an expiry of 30 June 2024) ("Listed Option") for every three (3) Shares held on the Record Date of 22 October 2021, at an issue price of \$0.015 to raise up to \$2,030,399 before costs ("Entitlement Offer").

This Entitlement Offer was foreshadowed in conjunction with the successful rights issue announced on 1 April 2021, and is fully underwritten by KTM Capital. The funds raised through the Entitlement Offer will be used for exploration, mining working capital and production commencement.

As previously advised, this offer is only available to Australian and New Zealand registered shareholders. Full details of the Entitlement Offer are contained in the Prospectus to be released today.

Aura Energy Managing Director & CEO, Peter Reeve, commented: "The funds raised through the Entitlement Offer will also assist in financing Stage 2 exploration which is continuing at Tiris. Water drilling is ongoing with excellent flow rates being achieved¹, and we are also awaiting the outcomes from the opportunity review and vanadium assaying, which has the potential to further lower the cash cost of the project. We also look forward to announcing the results from the net zero emission study in due course."

1 Tiris Field Activities Update, 20 September 2021

The timetable for the Loyalty Options Rights Issue is below:

Event	Date ²
Announcement of Offer, Release of Prospectus and Appendix 3B	19 October 2021
Ex-date for the Offer	21 October 2021
Record Date (date for determining Eligible Shareholders to participate in the Offer)	22 October 2021
Opening Date – Prospectus and personalised Entitlement and Acceptance Forms sent to Shareholders	27 October 2021
Last day to extend the Offer Closing Date	3 November 2021
Closing Date for the Offer (closes at 5:00 pm Melbourne time)	8 November 2021
Options quoted on a deferred settlement basis	9 November 2021
Announcement of results of Offer	11 November 2021
Issue date for options and lodgement of Appendix 2A with ASX applying for quotation of the securities	15 November 2021
Quotation of options under the Offer	16 November 2021

As detailed in the Prospectus, the funds raised under the Entitlement Offer are planned to be used in accordance with the table set out below:

Planned Use of Funds	Amount
Tiris Project	\$1,200,000
Corporate costs (including capital raising cost)	\$217,000
Working capital	\$613,399
Total Use of Funds	\$2,030,399

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

² Melbourne time, UTC +11



ASX:AEE

For Further Information, please contact:

Peter Reeve

Managing Director & CEO

Aura Energy Limited

preeve@auraee.com

Jane Morgan

JMM

Investor & Media Relations

jm@janemorganmanagement.com.au

+61 405 555 618

About Aura Energy (ASX:AEE, AIM:AURA)

Aura Energy is an Australian based minerals company that has major polymetallic and uranium projects with large resources in Europe and Africa. The company has rapidly grown by acquiring new projects in areas with known polymetallic and uranium occurrences including Sweden and greenfield projects in Mauritania

The Company is now focused on the Tiris Uranium Project, a major greenfields uranium discovery in Mauritania, with 49 Mlb U₃O₈ in current resources from 66 million tonnes @ 334 ppm U₃O₈.