



ASX RELEASE

28 January 2022

## Quarterly Report for the Period Ending 31 December 2021

### KEY POINTS

- Strategic transformational board restructure in preparation for production at the low capex, low operating cost Tiris Uranium Project (“Tiris” and the “Project”).
- US\$10m Offtake Financing Agreement with Curzon in October 2021, with up to US\$20m available and funds to be used for mining working capital and commencement of production, complementing the Uranium Offtake Agreement executed with Curzon in January 2019.
- Peter Reeve transitioned to Managing Director & CEO of Aura’s gold subsidiary, Archaean Greenstone Gold, and focuses on advancing the highly prospective Tasiast South Gold Project, just 30km south of Kinross’ 20Moz Tasiast South Gold Mine.
- Completion and successful results from the water drilling program, with strong flows encountered at the Tiris Uranium Project, reconfirming results from the 2019 water drilling program.
- Loyalty Options Entitlement Offer with strong support from eligible shareholders who applied for 68,029,541 new Loyalty Options, raising approximately \$1,020,443.

### AFTER BALANCE SHEET DATE EVENTS

- In January 2022, Dr Will Goodall was appointed as acting CEO to continue to drive Aura towards expanding the Tiris Uranium resource, with Company having commenced the recruitment process to appoint a Managing Director & CEO with significant production experience.

Aura Energy Limited (ASX:AEE, AIM:AURA) (“Aura”, the “Company”) is pleased to provide an overview of activities for the period ending 31 December 2021 (“Quarter”, “Reporting Period”) to accompany the Appendix 4C.

Commenting on the Quarter acting CEO, Will Goodall, said: *“The December 2021 Quarter was an important period as Aura underwent a strategic Board restructure to position the company for transition to uranium producer. This was an important step in preparation for production at the low capex, low operating cost Tiris Uranium Project. During the quarter the uranium market*



*maintained the strong gains from the September quarter, supporting the high growth demand for nuclear power and carbon free energy."*

*"The Company continues to prepare to finance the Tiris Project entering into a US\$10m Offtake Financing Agreement with Curzon in October 2021, with up to US\$20m available under the facility, Funds from this agreement are to be used for mining working capital and commencement of production. This complements the Uranium Offtake Agreement executed with Curzon in January 2019 and Aura will continue to pursue further offtake financing agreements and pursue debt and equity finance to complete the financing of Tiris to bring it into production."*

*"As part of the strategic Board restructure, Peter Reeve transitioned to Managing Director & CEO of Aura's gold subsidiary, Archaean Greenstone Gold, and is now focused on advancing the highly prospective Tasiast South Gold Project, just 30km south of Kinross' 20Moz Tasiast South Gold Mine. The Company aims to commence exploration at this project in 2022, and thereby create further value for Aura shareholders. The Company would like to sincerely thank Peter for his contributions in setting the groundwork for Aura and the Tiris project to be in the strong position it is to capitalise on the rising uranium market"*

*"During the Quarter, Aura also completed and announced successful results from the water drilling program, with strong flows encountered at the Tiris Uranium Project, reconfirming results from the 2019 water drilling program. With sufficient water located in the Oued el Foule Depression at the Project. This is a major milestone for progression of Tiris, confirming assumptions from the DFS. Production can be expedited with capital expenditure and operating costs also likely to remain low in comparison to peer uranium projects."*

*"Further capital was raised during the Quarter through the Loyalty Options Entitlement Offer that was strongly supported by eligible shareholders who applied for 68,029,541 new Loyalty Options, raising approximately \$1,020,443."*

*"In January 2022, I was appointed as acting CEO to continue to drive towards expanding the Tiris uranium resource and preparing the Company for uranium production and expansion of resources at Tiris in Mauritania. Having worked with the Company for over a decade and bringing an intimate knowledge of the Project I look forward to leading the Company through one of the most exciting phases in our history."*

*"We look forward to an exciting 2022 for Aura, as we expand our resources and rapidly bring the project into production."*

## **Strategic Board Restructure**

With Aura preparing for production at the low capex, low operating cost Tiris Uranium Project ("Tiris", "Project"), the Company underwent strategic changes to focus on uranium, and the high growth demand for nuclear power and carbon free energy (ASX & AIM release 22 November 2021).

The strategic changes introduced three new board members; Mr. Phil Mitchell as independent Chairman, and Mr Warren Mundine and Mr. Bryan Dixon as independent non



executive directors. Mr. Martin Rogers and Mr Peter Ward stepped down from the Board with Mr. Peter Reeve transitioning to Managing Director & CEO of Aura's gold subsidiary, Archean Greenstone Gold, and now focused on advancing the highly prospective Tasiast South Gold Project, just 30km south of Kinross' 20Moz Tasiast South Gold Mine.

Non-Executive Chairman, Phil Mitchell, contributes significant experience in mining M&A having held former roles as Head of Business Development and Strategy at Rio Tinto, CFO of Rio Tinto Iron Ore, member of the Executive Committee at Anglo American, and also headed acquisitions for billionaire Robert Friedland's company, High Power Exploration.

Non-Executive Director, Warren Mundine, is one of Australia's prominent independent thinkers and a thought leader in the mining sector and nuclear power space. Mr Mundine has worked on numerous major resource projects for leading companies including Fortescue Metals Group, Rio Tinto, BHP and AGL Pipelines & Engineering Waanyi Downer Joint Venture.

Non-Executive Director, Bryan Dixon, contributes significant experience to the resource sector, as a Chartered Accountant building junior exploration companies into mining producers with over 20 years in the mining sector. He also holds extensive experience in the management of public and listed companies, and joint winner of the Mines and Money Asia-Pacific Mining Executive of the Year in 2017.

The newly appointed board will play a pivotal role in further expanding the Tiris uranium resource and rapidly bringing the project into production.

### **Offtake Financing Agreement with Curzon**

Aura entered a US\$10m Offtake Financing Agreement with Curzon in October 2021, with the funds to be used for mining working capital and production commencement (ASX & AIM release 7 October 2021). The agreement includes an additional up to US\$10m facility at the lender's sole discretion. The potential maximum available under the Agreement is US\$20m.

The Agreement complements the Uranium Offtake Agreement executed with Curzon in January 2019<sup>1</sup>, for the sale of 800,000 pounds of uranium production at fixed prices, 750,000 pounds at market linked pricing, and a further 1.05 million pounds of uranium production available to Curzon as optional volumes at fixed and market pricing, with the average price above US\$44 per pound U<sub>3</sub>O<sub>8</sub>. The January 2019 agreement is over a seven-year period starting from the commencement of production.

With the original production at approximately 1 million pounds of U<sub>3</sub>O<sub>8</sub> pa, the fixed pricing volumes of the original 2019 offtake agreement account 150,000 pounds of U<sub>3</sub>O<sub>8</sub> pa.

Over the coming periods, the Company will prepare financing options to move the Project into construction.

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<sup>1</sup> Released 29 January 2019

## Substantial Water Reconfirmed at Tiris

On the 13th December 2021 Aura announced the completion and successful results from the Company's 2021 water drilling program, with strong flows encountered at the Tiris Uranium Project. This reconfirmed results from the 2019 water drilling program undertaken by Aura (ASX & AIM Release – 25 September 2019).

Aura completed 8 boreholes for the 2021 water drilling program, 7 of which are at Target C22, with all producing strong water flows, including several with high yields. With sufficient water located in the Oued el Foule Depression at the Project, production can be expedited with capital expenditure and operating costs likely to remain low in comparison to peer uranium projects.

The Project has an initial water requirement of approximately 0.5 giga-litres. Based on the spacing of water bearing drillholes to date, the C22 water occurrence is estimated to contain several giga-litres of water, and possibly significantly more, without allowing for recharge. The C22 water field is therefore likely to supply the water requirements of the Project, with long term pump testing, drawdown and recharge observations in progress to confirm this.



Image 1 - Water Drilling at the Tiris Uranium Project





## Loyalty Options Entitlement Offer

The Loyalty Options Entitlement Offer announced on 19 October 2021 closed on 8 November 2021, with strong support from eligible shareholders, who applied for 68,029,541 new Loyalty Options, raising approximately \$1,020,443 (before costs), pursuant to their entitlements (ASX & AIM release 11 November 2021). This represented 73% participation of entitlements by eligible shareholders.

The Offer shortfall of 67,329,768 Loyalty Options was placed with existing long-term shareholders by the underwriter, KTM Capital, following intense interest by shareholders. The funds raised through the Offer will be used for exploration, mining working capital and production commencement.

## Dr Will Goodall Appointed as Acting CEO of Aura Energy

On 13 January 2022, Aura appointed Dr Will Goodall as acting CEO to rapidly build momentum towards expansion of the Tiris Resource and preparation for uranium production (ASX & AIM release 13 January 2022).

Dr Goodall has worked with Aura for over 10 years, has held the role of Aura's Principal Metallurgist since 2018, and was responsible for delivering the Tiris Uranium Scoping and Definitive Feasibility Studies, and the Häggån Uranium Scoping Study.

Dr Goodall contributes over 20 years of experience in geometallurgy, mineral processing and hydrometallurgy across a wide range of commodities, contributing a strong mix of technical expertise and corporate experience.

Further to the Strategic Board Restructure announcement on 22 November 2021, the Company has commenced the recruitment process to appoint a Managing Director & CEO with significant production experience.



## Use of funds from November 2021 Loyalty Options Rights Issue

Funds Raised from the Rights Issue completed in November 2021 have been utilised as follows.

Use of Funds under Prospectus	Funds allocated under Prospectus	Funds expended between Rights Issue and 31 Dec 2021	Variance	
Tiris Project	\$1,200,000	\$84,073	\$1,115,927	93%
Corporate costs (including capital raising cost)	\$217,000	\$234,458	(\$17,458)	(8%)
Working capital	\$613,399	\$150,636	\$462,763	75%
<b>Total</b>	<b>\$2,030,399</b>	<b>\$469,167</b>	<b>\$1,561,232</b>	<b>77%</b>

Corporate costs were incurred at the time of the raising. Funds allocated to other activities will be acquitted progressively in future quarters.

## Tenement Summary

Details of mining tenements, farm-in and farm-out agreements held at the end of the quarter, and any changes to such tenements and agreements during the quarter.

Country / Tenement number	Name	Grant / Application date	Expiry date	km <sup>2</sup>	Holder	Equity
<b>Mauritania</b>						
2491C4	Ain Sder	8/02/2019	Exploitation Licence	207	Tiris Resources SA	85%
2492C4	Oued El Foule	8/02/2019	Exploitation Licence	190	Tiris Resources SA	85%
561	Oum Ferkik	16/04/2008	Subject to exclusivity negotiation	60	Aura Energy Limited	100%
2457B2	Hadeibet Belaa	2/04/2019	2/04/2022	41	Tiris International Mining Co.	100%
2458B2	Touerig Taet	2/04/2019	2/04/2022	134	Tiris International Mining Co.	100%
<b>Sweden</b>						
2007-243	Haggan nr 1	28/08/2007	28/08/2022	18	Vanadis Battery Metals AB	100%
2018-9	Mockelasen nr 1	21/01/2019	21/01/2022	18	Vanadis Battery Metals AB	100%
2018-7	Skallbole nr 1	20/01/2019	20/01/2022	8	Vanadis Battery Metals AB	100%

Farm-in agreement with Nomads Mining Company sarl, Mauritania, to earn up to 70% interest in Nomads 100% owned exploration permit in Mauritania (details in ASX announcement 11 June 2019).

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

For Further Information, please contact:

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ASX:AEE



### **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  $U_3O_8$  in current resources from 66 million tonnes @ 334 ppm  $U_3O_8$ .

### **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 Energy release dated 18 August 2021 for the Tiris Uranium Project Definitive Feasibility Study continue to apply and have not materially changed.

### **Disclaimer Regarding Forward Looking Statements**

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements. The Company does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.



JANUARY 28, 2022

## QUARTERLY CASH REPORT – APPENDIX 5B

QUARTERLY CASH REPORT FOR MINING EXPLORATION ENTITIES

AURA ENERGY LIMITED ASX:AEE  
Suite 1, Level 3, 62 Lygon Street  
CARLTON SOUTH, VIC 3053

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## Summary of cash flow activities for the period

### Cash and cash movements

Closing cash for the quarter is \$3.3m, compared to \$1.7m at the end of the previous quarter and \$3.2m at the end of the previous financial year. This amounts to an inflow of \$1.6m for the quarter and \$0.1m for the Year To Date (YTD).

The areas of movement for the Quarter and YTD are as follows:

	<b>Current Quarter \$'000</b>	<b>Financial Year to date \$'000</b>
Net Operating cashflow	<b>(613)</b>	<b>(1,192)</b>
Net Investing cashflow	<b>(838)</b>	<b>(1,469)</b>
Net financing cashflow	<b>3,013</b>	<b>2,720</b>
FX movements	<b>(5)</b>	<b>(3)</b>
Total net cashflow excluding fx movements	<b>1,562</b>	<b>59</b>

The highest area of activity and payments included capital raising of \$2.0m through the issue of options and \$1.2m for the exercise of options, investment in the Tiris Uranium and Tasiast South Gold projects of \$838k and admin costs of \$343k.

Based on an extrapolation of the net operating cashflow and the investment in exploration & evaluation for the quarter of \$1.5m and the closing cash balance of \$3.3m the company has enough cash for 2.2 quarters.

#### Directors

Mr Philip Mitchell, Non-Executive Chairman  
Mr Nyunggai Warren Mundine, Non-Executive Director  
Mr Bryan Dixon, Non-Executive Director

#### Share price (prior day closing) **\$0.305**

Shares on issue 422,629,990  
Market capitalisation \$128.9m  
Closing cash \$3.3m  
Enterprise value \$125.6m

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

**Name of entity**

Aura Energy Limited

**ABN**

62 115 927 681

**Quarter ended ("current quarter")**

31 December 2021

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>			
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(294)	(641)
	(e) administration and corporate costs	(343)	(602)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST input credits)	24	51
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(613)</b>	<b>(1,192)</b>

<b>2. Cash flows from investing activities</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(4)
	(c) property, plant and equipment	-	(3)
	(d) exploration & evaluation	(838)	(1,462)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(838)</b>	<b>(1,469)</b>

3. Cash flows from financing activities		Current quarter \$A'000	Year to date (6 months) \$A'000
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,005	2,005
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	1,214	1,480
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(206)	(452)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(313)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,013</b>	<b>2,720</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.1	Cash and cash equivalents at beginning of period	1,706	3,207
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(613)	(1,192)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(838)	(1,469)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,013	2,720
4.5	Effect of movement in exchange rates on cash held	(5)	(3)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,263</b>	<b>3,263</b>



<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,263	1,706
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,263</b>	<b>1,706</b>

<b>6. Payments to related parties of the entity and their associates</b>		<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	275
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Item 6.1 – Payments for remuneration and director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses, as well as back pay for previous years and annual leave paid out on resignation.

<b>7. Financing facilities</b> <i>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>-</b>	<b>-</b>
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	n/a		

<b>8. Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(613)
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(838)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,451)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,263
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	3,263
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	2.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	n/a	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	n/a	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	n/a	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

## **Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 January 2022

Authorised by: The Board of Directors  
(Name of body or officer authorising release – see note 4)

## **Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.