



Aurora Uranium Limited

ABN 87 604 406 377

2020 ANNUAL REPORT

Corporate Directory

Directors

Mr Alasdair Cooke BSc (Hons)
Executive Chairman

Mr Gregory (Bill) Fry
Executive Director

Mr Steven Jackson BEc
Non-Executive Director

Company Secretary

Mr Steven Jackson BEc

Principal Registered Office in Australia

Suite 1
245 Churchill Avenue
Subiaco WA 6008

Share Registry

Link Market Services
Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000

Auditor

BDO Audit (WA) Pty Ltd
38 Station Street
Subiaco WA 6008

Solicitors

Fairweather Corporate Lawyers
Suite 2, 589 Stirling Highway
Cottesloe WA 6011

Bankers

Bankwest Limited
Bankwest Place
300 Murray Street
Perth WA 6000

Website

www.aurorauranium.com.au

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Dear Shareholder,

During the year, Aurora Uranium and ASX listed Superior Lake Resources ("Superior Lake") entered into an option agreement over the Company's wholly owned Aurora Uranium Project. Aurora received a non-refundable deposit of \$30,000 in consideration for providing the 3-month exclusive option. Unfortunately, the transaction with Superior Lake did not proceed to completion and accordingly, the Company is now free to pursue other transactions to maximise the value of the Aurora Project for Aurora's shareholders.

More broadly, in the uranium market there were improvements in both the spot price for the uranium and the long-term uranium price compared to the prior year. It is noted¹ that a significant number of uranium reactors are planned to come online in the coming years. Annual demand for uranium is expected to increase from 170 million pounds to 245 million pounds.

In February, the US administration submitted a request to the US congress for US\$150 million in funding for a strategic uranium reserve. The US Department of Energy (DOE) said the reserve would be part of efforts to help "re-establish" the USA's nuclear fuel supply chain through the domestic production and conversion of uranium. According to the DOE, it reflects the priorities of the Nuclear Fuel Working Group (NFWG) which was set up following a July 2019 presidential decision in response to a Section 232 Petition from two US uranium miners, Energy Fuels Inc and Ur-Energy.

With the prospect of an increase in nuclear power developments and growing demand there is renewed interest in the uranium sector. The Company will continue seeking out a suitable partner for the further development of the Aurora Uranium Project

A background on the Aurora Uranium Project is below:

The Aurora Uranium Project is located in a historical mining area, approximately 5 km to the north of the Nevada border and approximately 15 km to the west of the town of McDermitt, where the Company has a base of operations. The project is a volcanic-hosted uranium deposit within an area comprising 116 federal unpatented lode mining claims and one State of Oregon Prospecting Permit application, covering an area of approximately 13.34 square km.

The project is located in a historical mining district and has excellent access to existing infrastructure. Technical feasibility studies on the viability of the deposit are in progress, in parallel with the advancement of environmental baseline studies and permitting of the project with both state and federal agencies.

The Aurora deposit has a total resource base of 38 Mlb eU₃O₈ comprising an Indicated Resource of 36.7 Mlb eU₃O₈ at a grade of 253 ppm eU₃O₈, and an Inferred Resource of 1.2 Mlb eU₃O₈ at a grade of 151 ppm eU₃O₈. The Indicated Resource includes a contiguous zone of mineralisation that contains 18 Mlb eU₃O₈ at a grade of 444 ppm eU₃O₈ (300 ppm eU₃O₈ cut-off grade) and occurs in the upper part of the deposit.

Results of previous feasibility work completed suggest that the Aurora Uranium Project has potential to be developed as a low-cost conventional open pit mine with co-located processing plant producing around 2 Mt U₃O₈ per annum over a 10-year mine life. The current uranium price would not support development at this point. However, given the level of new reactor builds and potential supply side constraints the Company remains optimistic for an improved outlook in the sector.

Mining is expected to be low cost due to the soft sedimentary rock overburden and low stripping ratio of the uranium deposit. A simple scrubbing beneficiation process appears to both upgrade the mineralisation and allow rejection of a coarse, low-grade waste component. Scrubbing could also potentially contribute to a reduction in crushing and grinding costs, with the majority of uranium occurring within finer size fractions. The Company continues to assess the leaching characteristics of the mineralisation to determine typical uranium recoveries.

Existing power and transport infrastructure, plus the nearby town of McDermitt, indicate reductions in typical capital expenditure requirements are possible and greatly simplify access to the project area. Furthermore, the project has access to skilled labour in the immediate region, which also has excellent services and support for a mining operation at the appropriate point.

Yours Sincerely



Alasdair Cooke
Executive Chairman

¹ <https://smallcaps.com.au/uranium-is-long-awaited-supply-shock-finally-here/>

The Directors present their report together with the financial report of Aurora Uranium Limited ("the Company" or "AUL") and the Company and its controlled entities ("Group" or "Consolidated Entity"), for the financial year ended 30 June 2020.

1. Directors and Company Secretary

The Directors and Company Secretary in office at any time during or since the end of the financial year are:

Mr Alasdair Cooke, Executive Chairman
Mr Gregory (Bill) Fry, Executive Director
Mr Steven Jackson, Non-Executive Director and Company Secretary

Directors' Meetings

	Present	Held
Alasdair Cooke	-	-
Gregory Fry	-	-
Steven Jackson	-	-

Directors and Company Secretary

Mr Alasdair Cooke BSc (Hons) | Executive Chairman

Mr Cooke is a qualified geologist and has been involved throughout his career in mineral exploration and corporate development, including eight years spent with BHP Minerals Business Development Group and over fifteen years managing public resource companies.

Mr Cooke is a founding partner of the Mitchell River Group, which over the past fifteen years has established a number of successful mining projects and resources companies, developing greenfield mines in Australia, Africa and South America.

Other current directorships

African Energy Resources Limited
Caravel Minerals Limited
EVE Investments Limited

Former directorships in the last three years

Anova Metals Limited

Interests in shares and options

150,466,963 ordinary shares

Mr Gregory Fry | Executive Director

Mr Fry has more than 20 years corporate experience in the mining and resources industry, specialising in accounting, management, business development and general corporate activities. He has vast experience in project evaluation and development, project funding, management, finance and operations. Over the past 15 years, Mr Fry has been a Director of several private and public companies with activities ranging from funds management, minerals exploration, mining and quarrying.

Other current directorships

EVE Investments Limited

Former directorships in the last three years

African Energy Resources Limited
Anova Metals Limited

Interests in shares and options

39,460,716 ordinary shares

Mr Steven Jackson BEc CPA | Non-Executive Director and Company Secretary

Mr Jackson is a member of CPA Australia who graduated from the University of Western Australia in 2008 with a Bachelor of Economics having majored in International Business Economics and Money and Banking.

Other current directorships

Nil

Former directorships in the last three years

Nil

Interests in shares and options

9,246,667

2. Review of Operations

Aurora Uranium holds a 100% interest in the Aurora Uranium Project as well as 2.6m shares in African Energy Resources Ltd.

During the year no significant work was conducted on the project to conserve funding in the current uranium market.

3. Principal Activities

The principal activity of the Group during the financial year was mineral exploration.

There were no significant changes in the nature of the Group's principal activities during the financial year.

4. Operating Results

The operating loss of the Group attributable to equity holders of the Company for the year ended 30 June 2020 amounted to \$58,931 (2019: \$132,989).

5. Gain / Loss per Share

The basic loss per share for the Group for the year was 0.01 cents per share (2019: loss per share of 0.02).

6. Dividends Paid or Recommended

The Directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend to the date of this report.

7. Events Since the End of the Financial Year

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not had an impact for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

8. Likely Developments and Expected Results of Operations

The Group will continue pursue activities on its project in order to maximise shareholder returns.

9. Significant Changes in State of Affairs

In the opinion of the Directors, other than stated under Review of Operations, and Events Since the End of the Financial Year, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review and subsequent to the financial year end.

10. Environmental Regulations

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation. However, the Board believes there are adequate systems in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply.

The Group is not subject to the reporting requirements of both the Energy Efficiency Opportunities Act 2006 and the National Greenhouse and Energy Reporting Act 2007.

11. Share Options/Rights

As at the date of this report, there were nil unlisted options or performance rights on issue.

12. Non-Audit Services

The company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the group are important.

During the year, there were no non-audit services provided by BDO Audit (WA) Pty Ltd.

13. Lead Auditors Independence Declaration under Section 307c of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 22 and forms part of the Directors' Report for the year ended 30 June 2020.

14. Indemnifying Officers

The Group has paid insurance premiums in respect of Directors' and officers' liability, legal expenses and insurance contracts, for current Directors and Executives of the Group. The premiums were paid in respect of the following officers of the Group: Alasdair Cooke, Gregory Fry and Steven Jackson.

*On behalf of the Board of
Aurora Uranium Limited*

Dated at Perth this 27 October 2020.

Signed in accordance with a resolution of the Directors.



Gregory William Fry
Executive Director

AURORA URANIUM AND ITS CONTROLLED ENTITIES

The Directors of the Company declare that:

- 1 The financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001; and
 - (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the financial position as at 30 June 2020 and of the performance for the year ended on that date of the Consolidated Entity.
- 2 In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 3 In the Directors' opinion, the financial statements and notes are prepared in compliance with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board, as described in Note 16(a).
- 4 The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Gregory William Fry
Executive Director

Perth
27 October 2020

	Note	2020 \$	2019 \$
Other income		30,000	-
Professional fees	2	(23,305)	(17,874)
Employee benefit expense	2	(18,000)	(18,000)
Exploration expenditure		(29,460)	(25,774)
Fair value gain / (loss) on financial assets at fair value through profit or loss	4	3,168	(40,966)
Other expenses	2	(21,334)	(30,375)
Loss before income tax		(58,931)	(132,989)
Income tax benefit / (expense)	6	-	-
Loss after income tax for the year		(58,931)	(132,989)
Loss is attributable to:			
Equity holders of the Company		(58,931)	(132,989)
Loss for the year		(58,931)	(132,989)
Other comprehensive income			
Items that will be reclassified to profit or loss			
Foreign currency translation reserve		(49)	1,880
Total other comprehensive loss for the year		(49)	1,880
Total comprehensive loss for the year		(58,980)	(131,109)
Loss per share for loss attributable to the ordinary equity holders of the Company:			
Basic and diluted earnings / (loss) per share (cents per share)	14	(0.01)	(0.02)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

	<i>Note</i>	2020 \$	2019 \$
Assets			
<i>Current assets</i>			
Cash and cash equivalents	3	39,157	34,125
Trade and other receivables	3	3,161	4,760
Financial assets at fair value through profit or loss	3	36,145	68,277
Total current assets		78,463	107,162
Total assets		78,463	107,162
Liabilities			
<i>Current Liabilities</i>			
Trade and other payables	3	24,939	77,158
Total current liabilities		24,939	77,158
Total liabilities		24,939	77,158
Net assets		53,524	30,004
Equity			
Issued capital	4	2,806,478	2,723,978
Foreign currency translation reserve		11,866	11,915
Accumulated losses		(2,764,820)	(2,705,889)
Total equity attributable to shareholders of the Company		53,524	30,004

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

	Contributed equity	Accumulated losses	Foreign currency translation reserve	Total equity
	\$	\$	\$	\$
Total equity at 1 July 2019	2,723,978	(2,705,889)	11,915	30,004
Loss for the year	-	(58,931)	-	(58,931)
Foreign currency translation	-	-	(49)	(49)
Total comprehensive loss for the year	-	(58,931)	(49)	(58,980)
Transactions with owners in their capacity as owners:				
Share issue net of issue costs	-	-	-	-
Share based payments	82,500	-	-	82,500
	82,500	-	-	82,500
Total equity at 30 June 2020	2,806,478	(2,764,820)	11,866	53,524

	\$	\$	\$	\$
Total equity at 1 July 2018	2,723,978	(2,572,900)	10,035	161,113
Loss for the year	-	(132,989)	-	(132,989)
Foreign currency translation	-	-	1,880	1,880
Total comprehensive loss for the year	-	(132,989)	1,880	(131,109)
Transactions with owners in their capacity as owners:				
Share issue net of issue costs	-	-	-	-
	-	-	-	-
Total equity at 30 June 2019	2,723,978	(2,705,889)	11,915	30,004

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

	<i>Note</i>	2020 \$	2019 \$
Cash flows from operating activities			
Cash paid to suppliers and employees		(30,758)	(51,360)
Payment for exploration and evaluation expenditure		(29,461)	(22,953)
Other income received		30,000	-
Net cash used in operating activities	7	(30,219)	(74,313)
Cash flows from financing activities			
Sale of listed investments		35,300	-
Net cash provided by financing activities		35,300	-
Net increase / (decrease) in cash and cash equivalents		5,081	(74,313)
Cash and cash equivalents at beginning of year		34,125	106,558
Effect of exchange rates on cash holdings in foreign currencies		(49)	1,880
Cash and cash equivalents at 30 June	3	39,157	34,125

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. Segment information

The Group operates only in one reportable segment, being exploration. Results are analysed as a whole by the chief operating decision maker. Consequently, revenue, profit net assets and total assets for the operating segment are reflected in this financial report.

2. Expenses from continuing operations

	2020 \$	2019 \$
Professional fees		
Audit fees	7,600	7,700
Tax consulting services	2,490	2,350
Legal costs	3,718	1,638
Other professional fees	9,497	6,186
	23,305	17,874
Employee benefit expense		
Directors fees	18,000	18,000
	18,000	18,000
Other expenses		
Corporate costs	6,855	6,885
Premises and insurance	11,718	20,777
Other operating expenses	2,761	2,713
	21,334	30,375

3. Financial assets and liabilities

	2020 \$	2019 \$
Cash and cash equivalents		
Cash at bank	39,157	34,125
	39,157	34,125
Trade and other receivables		
Other receivables	3,161	4,760
	3,161	4,760
Financial assets at fair value through profit or loss		
Listed equity securities - level 1	36,145	68,277
	36,145	68,277
Trade and other payables		
Trade creditors	10,302	1,144
Other payables	14,637	76,014
	24,939	77,158

Cash on hand and in banks and short-term deposits are stated at nominal value. For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks, and money market investments readily convertible to cash within two working days, net of any outstanding bank overdrafts.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days. The carrying amounts of trade and other receivables and trade payables are assumed to approximate their fair values due to their short-term nature.

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group. The amounts are unsecured and are usually payable within 30 days of recognition.

4. Fair values

AASB 13: Fair Value Measurement, requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

At 30 June 2020 Aurora Uranium owned 2,581,797 shares (2019: 4,551,797) in ASX listed African Energy Resources. The investment has been revalued to its fair value as at the reporting date.

	2020 \$	2019 \$
Fair value gain / (loss) on financial assets at fair value through profit or loss	3,168	(40,966)
	3,168	(40,966)

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Risk exposure

Information about the Group's exposure to credit risk, foreign exchange and interest rate risk is provided in note 8.

5. Contributed equity

	2020 \$	2019 \$
Issued capital	2,806,478	2,723,978
	2,806,478	2,723,978

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in the proportion to the number and amount paid on the shares held.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Movement in share capital

2020		Number of shares	Issue price \$ cents	\$
01 July 2019	Opening Balance	643,949,325		2,723,978
17 June 2020	Placement	27,500,001	0.3	82,500
30 June 2020	Closing balance	671,449,326		2,806,478
2019		Number of shares	Issue price \$ cents	\$
01 July 2018	Opening Balance	643,949,325		2,723,978
30 June 2019	Closing balance	643,949,325		2,723,978

6. Income taxes

Income tax expense / (benefit):

Current tax
Deferred tax

2020 \$	2018 \$
-	-
-	-
-	-

Reconciliation of income tax expense/ (benefit) to prima facie income tax payable / (refundable):

Loss before income tax
Prima facie income tax at 27.5% (2019: 27.5%)
Tax effect of permanent differences

Difference in overseas tax rates
Movement in temporary differences
Effect of tax loss not recognised as deferred tax assets
Impact of reduction in future domestic corporate tax rates
Income tax expense / (benefit)

2020 \$	2019 \$
(58,931)	(132,989)
(16,206)	(36,572)
22,688	-
6,481	(36,572)
(1,503)	(4)
(23,010)	-
12,364	11,333
5,668	25,243
-	-

Unrecognised net deferred tax assets (Domestic @ 25% & Foreign @ 30%):

Losses - revenue (Domestic)
Losses - revenue (Foreign)
Losses - capital (Domestic)
Losses - capital (Foreign)
Fair value (gain) / loss on investments
Provisions, accruals and other

2020 \$	2019 \$
31,398	47,895
662,606	644,575
18,642	-
35,093	35,093
36,791	11,266
3,038	3,186
787,567	742,015

Unrecognised net deferred tax liabilities (Domestic @ 25% & Foreign @ 30%):

Prepayments

2020 \$	2019 \$
694	-
694	-

There has been a legislated change in the domestic corporate tax rate that will apply to future income years. The impact of this reduction in the domestic corporate tax rate has been reflected in the unrecognised domestic deferred tax positions and the prima face income tax reconciliation above.

The tax benefits of the above deferred tax assets will only be obtained if:

- the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- the consolidated entity continues to comply with the conditions for deductibility imposed by law; and
- no changes in income tax legislation adversely affect the consolidated entity from utilising the benefits.

The income tax expense or revenue for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting year in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management annually evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

7. Reconciliation of profit or loss after income tax to net cash inflow from operating activities

	2020 \$	2019 \$
Profit / (loss) for the year	(58,931)	(132,989)
<i>Adjustments for:</i>		
Fair value (gain) / loss on listed investments	(3,168)	40,966
Share based payment expense	82,500	-
Operating loss before changes in working capital and provisions	20,401	(92,023)
(Increase)/decrease in trade and other receivables	1,598	(1,830)
(Decrease)/increase in trade and other payables	(52,218)	19,540
Net cash provided by operating activities	(30,219)	(74,313)

8. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure different types of risk to which it is exposed.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

Market risk

a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States dollar. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis (see table below) and cash flow forecasting.

The Group's risk management policy is to form a natural hedge to foreign exchange fluctuations by holding funds in the currency the costs are forecast to be expended in.

The Group's exposure to foreign currency risk at the end of the reporting year, was:

	2020 \$	2019 \$
Trade payables	10,921	3,707

If the United States dollar had been 10% higher or lower at the reporting date the following adjustments would be required to carrying values:

		Foreign exchange risk			
		-10%		10%	
	Carrying amount	Profit \$	Equity \$	Profit \$	Equity \$
30 June 2020					
Financial assets					
Cash	7,244	-	724	-	(724)
Financial liabilities					
Trade payables	10,921	-	1,092	-	(1,092)
30 June 2019					
Financial assets					
Cash	27,273	-	2,727	-	(2,727)
Financial liabilities					
Trade payables	3,707	-	371	-	(371)

b) Price risk

The Group is exposed to share price movements on financial assets at fair value through profit or loss. Group sensitivity to movement in the share prices of listed investments is shown in the summarised sensitivity analysis table below. The sensitivity is based on movements in the ASX Small Ordinaries Index (XSO) during the year.

30 June 2020	Carrying amount	6%	Equity	-31%	Equity
		Profit \$	\$	Profit \$	\$
Financial assets at fair value through profit or loss	36,145	2,169	2,169	(11,205)	(11,205)

30 June 2019	Carrying amount	2%	Equity	-16%	Equity
		Profit \$	\$	Profit \$	\$
Financial assets at fair value through profit or loss	68,277	1,366	1,366	(10,924)	(10,924)

c) Interest rate risk

The Group does not have significant interest-bearing assets; therefore, a percentage change in interest rates would not have a material impact on the results.

Credit risk

The carrying amount of cash and cash equivalents, financial assets, trade and other receivables (excluding prepayments), represent the Group's maximum exposure to credit risk in relation to financial assets.

Cash and short term liquid investment are placed with reputable banks, so no significant credit risk is expected.

The Group does not have any material exposure to any single debtor or group of debtors, so no significant credit risk is expected.

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit rates:

	2020 \$	2019 \$
Cash and cash equivalents A-1+	31,913	6,852
Cash and cash equivalents A-1	7,244	27,273

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Due to the dynamic nature of the underlying businesses, Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available with a variety of counterparties. Surplus funds are only invested in instruments that are tradeable in highly liquid markets.

The table below analyses the Group's financial liabilities into relevant maturity groupings. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

Contractual maturities of financial liabilities

2020	Less than 6 months	6 - 12 months	Total contractual cash flows
Trade and other payables	24,939	-	24,939
	24,939	-	24,939

2019	Less than 6 months	6 - 12 months	Total contractual cash flows
Trade and other payables	77,158	-	77,158
	77,158	-	77,158

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Group is the current closing price.

Total gains or losses for the year included in revenue from continuing operations that related to assets held at the end of the reporting year are set out below:

	2020 \$	2019 \$
Fair value gain / (loss) on financial assets at fair value through profit or loss	3,168	(40,966)

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

The carrying value less impairment provision of trade and other receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

Refer to note 4 for details of the Consolidated Entity's assets measured and recognised at fair value as at 30 June 2020.

9. Contingent assets and liabilities

There were no contingent liabilities or contingent assets at 30 June 2020.

10. Capital and other commitments

The Group was required to pay \$28,775 in August 2020 for the on-going renewal of claims at the Company's Aurora project. The Group will be required to pay a similar amount in August 2021 and in further years should it wish to retain the existing licences.

There were no other commitments at 30 June 2020.

11. Events occurring after reporting date

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has not had an impact for the consolidated entity up to 30 June 2020, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

There are no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

12. Related parties

a) Parent entity

The parent entity of the Group is Aurora Uranium Limited and is incorporated in Australia.

b) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described under note 17(a).

	Country of incorporation	Equity holding 30-Jun-20 %	Equity holding 30-Jun-19 %
Direct subsidiary of the parent			
Oregon Energy LLC	USA	100	100

c) Transactions with key management personnel

The totals of remuneration accrued to key management personnel of the Company and the Group during the year are as follows:

	2020 \$	2019 \$
Short-term employee benefits		
Alasdair Cooke	6,000	6,000
Gregory (Bill) Fry	6,000	6,000
Steven Jackson	6,000	6,000
Total KMP compensation	18,000	18,000

d) Other transactions with related parties

The terms and conditions of the transactions with Directors, key executives and associates and their related entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-Director related entities on an arm's length basis. All of the below transactions are with companies of which Messer's Cooke and Fry are Directors.

	Charges from:	
	2020 \$	2019 \$
Mitchell River Group Pty Ltd		
Provision of admin staff	1,944	2,809

e) Assets and liabilities arising from the above transactions

	2020 \$	2019 \$
Trade debtors	-	-
Trade creditors	776	406

13. Remuneration of auditor

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	2020 \$	2019 \$
<i>BDO Audit (WA) Pty Ltd:</i>		
Audit and review of financial reports	7,600	7,700
Total auditors' remuneration	7,600	7,700

14. Earnings / loss per share

The calculation of basic loss per share at 30 June 2020 was based on the loss attributable to ordinary shareholders of \$58,931 and a weighted average number of ordinary shares outstanding during the financial year ended 30 June 2020 of 644,928,777 calculated as follows:

	2020 \$	2019 \$
<i>Profit / (loss) attributable to ordinary shareholders</i>		
Profit / (loss) for the year	(58,931)	(132,989)
Profit / (loss) attributable to ordinary shareholders	(58,931)	(132,989)
<i>Basic profit / (loss) per share</i>		
Basic loss per share (cents per share)	(0.01)	(0.02)
<i>Diluted profit / (loss) per share</i>		
Diluted profit / (loss) per share (cents per share)	n/a	n/a
	2020	2019
Weighted average number of shares	644,928,777	643,949,325
Options	-	-
Weighted average number of shares diluted EPS	644,928,777	643,949,325

Basic profit / loss per share

Basic profit or loss per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by weighted average number of ordinary shares outstanding during the financial year, adjusted for the bonus elements in ordinary shares issued during the year.

Diluted profit / loss per share

Diluted profit or loss per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

15. Parent company disclosures

	2020 \$	2019 \$
Current assets	71,219	79,889
Non-current assets	(3,678)	24,874
Total assets	67,541	104,763
Current liabilities	14,017	73,451
Total liabilities	14,017	73,451
Contributed equity	2,806,478	2,723,978
Reserves	-	-
Accumulated losses	(2,752,954)	(2,692,665)
Total equity	53,524	31,313
Loss for the year	(60,289)	(131,108)
Other comprehensive income / (loss) for the year	-	-
Total comprehensive loss for the year	(60,289)	(131,108)

There were no commitments, contingent liabilities or contingent assets at the parent level at 30 June 2020.

16. Basis of preparation

a) Statement of compliance

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial report of the Consolidated Entity also complies with IFRSs and interpretations as issued by the International Accounting Standards Board. Aurora Uranium Ltd is a for-profit entity for the purpose of preparing the financial statements.

Separate financial statements for Aurora Uranium Limited, as an individual entity, are no longer presented as a consequence of a change to the Corporations Act 2001. Financial information for Aurora Uranium Limited as an individual entity is included in note 15.

b) New and amended standards adopted by the Group

The entity has adopted all new, revised, or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the entity.

AASB 16 Leases

AASB 16 eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It instead requires an entity to bring most leases onto its statement of financial position in a similar way to how existing finance leases are treated under AASB 117. An entity is required to recognise a lease liability and a right of use asset in its statement of financial position for most leases. There are some optional exemptions for leases with a period of 12 months or less and for low value leases. The application date of this standard is for annual reporting periods beginning on or after 1 January 2019. The standard has not had a material impact on the Company.

c) Basis of measurement

The financial report is prepared on the historical cost basis, as modified by the revaluation of financial assets at fair value through the profit or loss.

d) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars which is also the functional currency of the parent Company. The Group's US subsidiary has a functional currency of United States dollars.

e) Going concern

For the year ended 30 June 2020 the entity recorded a loss from continuing operations of \$58,931 and had net cash outflows from operating activities of \$30,219 and had working capital of \$53,524. On 31 January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic. These events are having a significant negative impact on world stock markets, currencies and general business activities. The full impact of the COVID-19 outbreak continues to evolve at the date of this report as disclosed in Note 11. The ability of the Company to continue as a going concern is dependent on the Company securing additional funding through the issue of equity or through either a partial or 100% divestment of the Aurora Uranium Project.

These conditions indicate a material uncertainty that may cast a significant doubt about the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Management believe there are sufficient funds to meet the entity's working capital requirements as at the date of this report.

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The directors have prepared cash flow projections that support the ability of the entity to continue as a going concern, subject to raising additional funds through equity as detailed above;
- The entity has the ability to sell its financial assets to meet expenditure requirements; and
- The entity also has the ability to reduce its expenditure to conserve cash.

Should the company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

f) Use of estimates and judgments

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These accounting policies have been consistently applied by each entity in the Consolidated Entity.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to level of expenditure and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year or in the year of the revision and future years if the revision affects both current and future years.

17. Significant accounting policies

a) Basis of consolidation

i. Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of a controlled entity of Aurora Uranium Limited ("Company" or "Parent Company") as at 30 June 2020 and the results of the controlled entity for the year then ended. Aurora Uranium Limited and its controlled entity together are referred to in this financial statement as the Group or the Consolidated Entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

ii. Transactions eliminated on consolidation

Intragroup balances, and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

b) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in the foreign currencies at the reporting date are translated to the functional currency at the foreign exchange ruling at that date. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Foreign exchange differences arising on the translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

iii. Group Companies

The functional currency of the Company is Australian dollars and foreign operations in the Group have a functional currency of US Dollars.

The financial results and position of operations with a functional currency different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at exchange rates prevailing at the reporting date; and
- Income and expenses are translated at the exchange rates prevailing at the date of transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the Statement of Financial Position. These differences are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the year the operation is disposed.

c) Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

d) Financial assets

The Group classifies its investments in the following categories: financial assets at cost, financial assets at fair value through profit or loss and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

i. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in the category if it is held principally for the purpose of selling in the short term. Assets in the category are classified as current assets.

ii. Impairment

The Group assesses at the end of each reporting year whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

iii. Subsequent measurement

Details on how the fair value of financial instruments is determined are disclosed in note 4.

e) Exploration and evaluation costs

Exploration and evaluation costs, including the costs of acquiring licences, are recognised in the profit or loss.

f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

g) Comparative figures

Prior year comparatives are for the year from 1 July 2018 to 30 June 2019.

h) New standards and interpretations not yet adopted

Australian Accounting Standards and Interpretations that have been recently issued or amended but are not yet effective have not been adopted by the Company for the annual reporting period ended 30 June 2020.



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DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF AURORA URANIUM LIMITED

As lead auditor of Aurora Uranium Limited for the year ended 30 June 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Aurora Uranium Limited and the entity it controlled during the period.

A handwritten signature in black ink, appearing to read 'J Prue', is written in a cursive style.

Jarrad Prue
Director

BDO Audit (WA) Pty Ltd
Perth, 27 October 2020



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INDEPENDENT AUDITOR'S REPORT

To the members of Aurora Uranium Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Aurora Uranium Limited (the Company) and its subsidiary (the Group), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of Aurora Uranium Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 16 (e) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial report and our auditor's report thereon.

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Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of our auditor's report.

BDO Audit (WA) Pty Ltd

A handwritten signature in dark ink, appearing to read 'J Prue', is written over the printed name 'Jarrad Prue'.

Jarrad Prue

Director

Perth, 27 October 2020