

27 October 2022

QUARTERLY REPORT

For the quarter ended 30 September 2022

Highlights

- Transformational property purchases in Nevada
- Additional claims staked in Nevada and in Oregon
- 17-hole, 3,400m Reverse Circulation exploration program planned
- Drilling company mobilised, finalising site preparations for first hole
- Phase 2 BLM Drilling Program Notice submitted and under assessment
- Final lithium assays received, consistent with previous results
- Mineral Resource conversion of uranium deposit close to completion

USA focused uranium and lithium explorer, Aurora Energy Metals Limited (**Aurora or the Company**) (ASX:1AE) is pleased to report its Activities Report for the three months ended 30 September 2022.

The Company is advancing its Aurora Energy Metals Project (**AEMP**) in south-eastern Oregon, USA. The exploration program is aimed at growing the shallow basement uranium mineral resource whilst also defining lithium mineral resources in the shallow, overlying and surrounding sediments. Metallurgical testwork and techno-economic studies are also planned.

During the quarter, the Company secured land in neighbouring Nevada, suitable for the future construction of a processing facility. The Company also acquired a ranch house that will be utilised as the Company's Project Operations Office.

The permitting process for drilling programs progressed during the quarter and in October the Company announced that drilling is scheduled to commence prior to the end of the month.

Aurora Energy Metals' Managing Director, Greg Cochran, commented:

"We are getting closer to finalising the permitting for drilling at AEMP, which has given us a better understanding of the processes and timeframe required by the authorities. As such, we have already started the process for the next round of drilling in order to expedite approvals."

"The securing of land for a future processing facility in Nevada is an environmentally sound but also strategically important purchase as the state is a world-leading mining jurisdiction. It has a large mining sector and approvals processes are well tried and tested and understood by all parties."

"Over the next few months, we expect the level of newsflow to increase significantly, with drilling results expected to flow regularly once we commence the program."

TRANSFORMATIONAL PROPERTY PURCHASES IN NEVADA

- 410-acre private property purchased, an ideal location for plant and tailings facilities
- Property serviced by excellent infrastructure with easy access to the AEMP
- Offers tangible environmental, permitting and operational advantages
- Ranch house purchased to serve as Project Operations Office

Aurora purchased two properties in Nevada during the quarter, with one being considered an ideal location for plant and tailings facilities and the other to establish a Project Operations Office.

The properties are conveniently contiguous, located on the Oregon-Nevada border, just 7km from the town of McDermitt and approximately 12km by road from the AEMP (Figure 1).

The properties are also only 8km direct from the AEMP, presenting the opportunity to develop an in-pit crushing mining operation connected to a plant via a pipeline or conveyor belt, thus removing the need for trucking. The sealed, Cordero Mine Road passes through the property as does a hydro-electricity HV transmission line, supplied from the nearby substation less than 500m away from the edge of the property.

The ranch house is centrally located on the southern edge of the property, has a structurally sound shed, is connected to the power grid and has its own water borehole. It is just 9km from McDermitt on the sealed Cordero Mine Road and some 12.5km by road from the AEMP. The house is an ideal operating base for the forthcoming exploration program and work is already well advanced on making the modifications required. Diamond core from the 2011 drill program has already been re-located from its previous storage location to a lay down area close to the house.

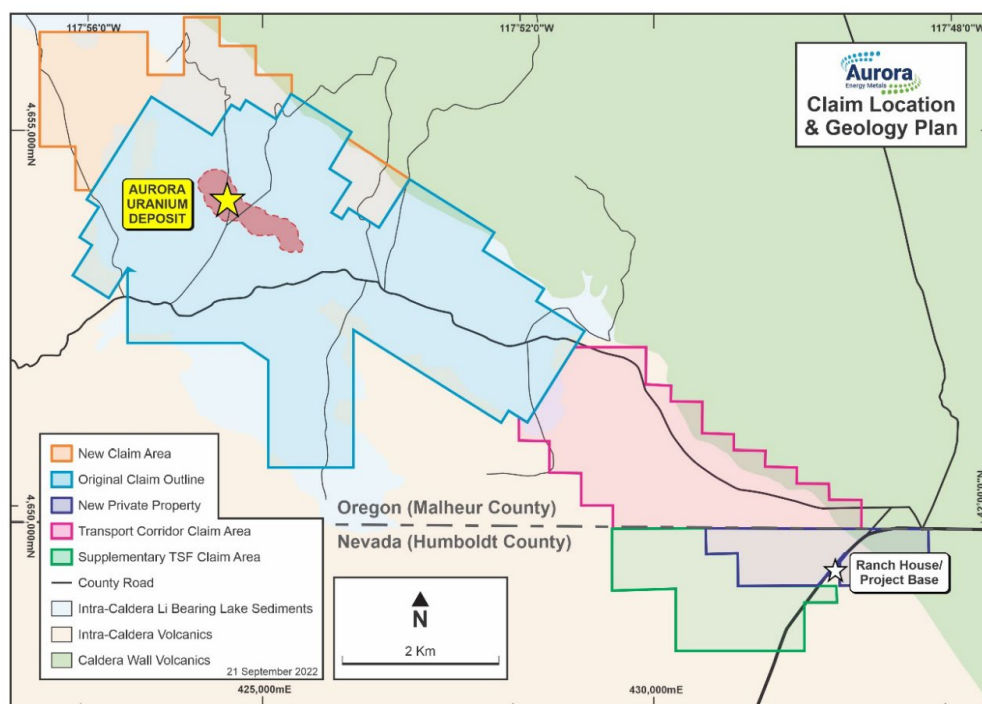


Figure 1: Map showing location of Nevada Property and new claims, relative to AEMP

DRILL PERMITTING / PREPARATIONS

- Site preparation for the first hole of the planned 17-hole, Phase 1 RC Drill Program has been completed and drilling operations are about to commence
- An application for the Phase 2 RC and Diamond Drill Campaign has been submitted to the BLM
- The FY2023 Drill Campaign was designed to test for the potential extension of the uranium deposit, explore for lithium and obtain samples for advanced uranium metallurgical testwork

The drilling company has mobilised and completed the site preparation required to enable the drilling of the first hole to commence.

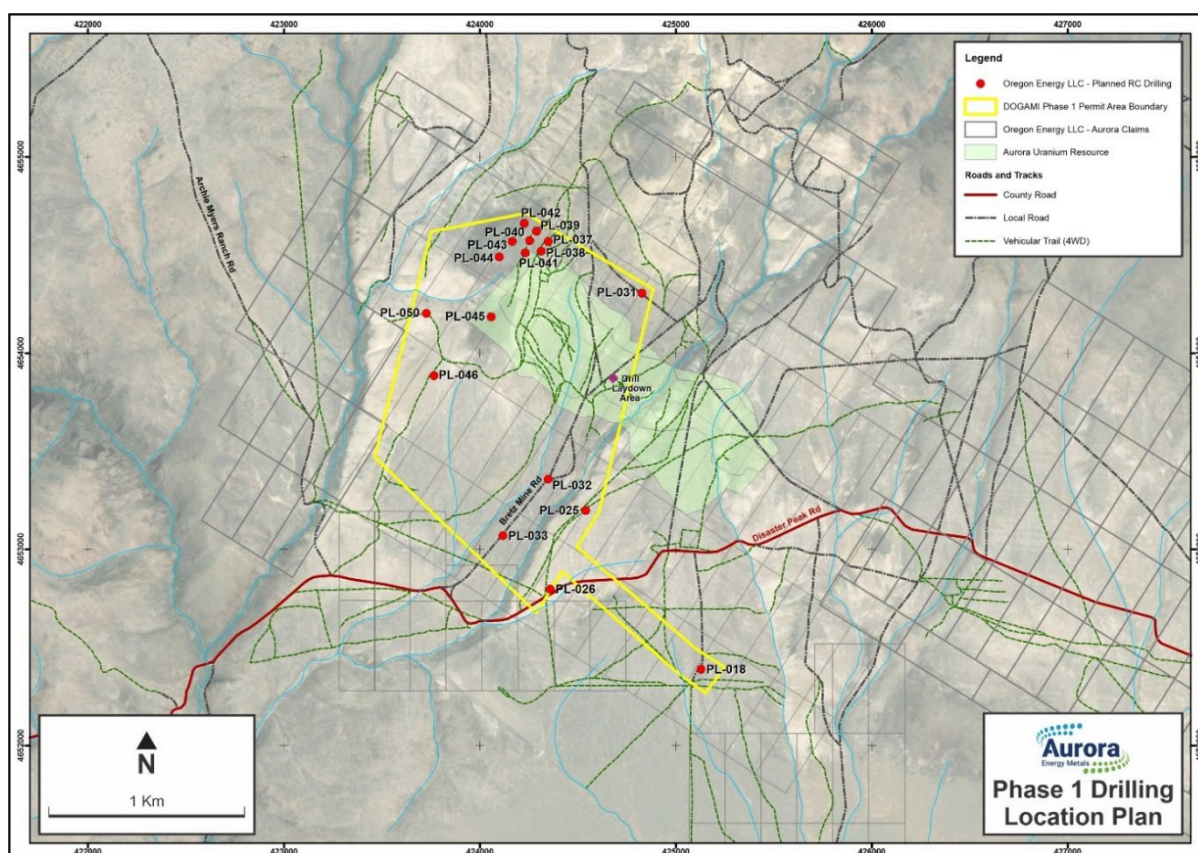


Figure 2: Map showing the DOGAMI Phase 1 Project Area and planned RC Drill holes

During the quarter, Aurora submitted its Phase 2 exploration permit application to the Bureau of Land Management (the **BLM**), which includes all the remaining RC and DD holes that the Company plans to drill in FY2023. Figure 3 shows the location of all the planned holes, including Phase 1 holes. The required cultural/heritage clearance of the drill sites (drill pads and sumps) was completed and the report submitted to the BLM.

Once BLM approval has been received several DOGAMI applications will be prepared and submitted.

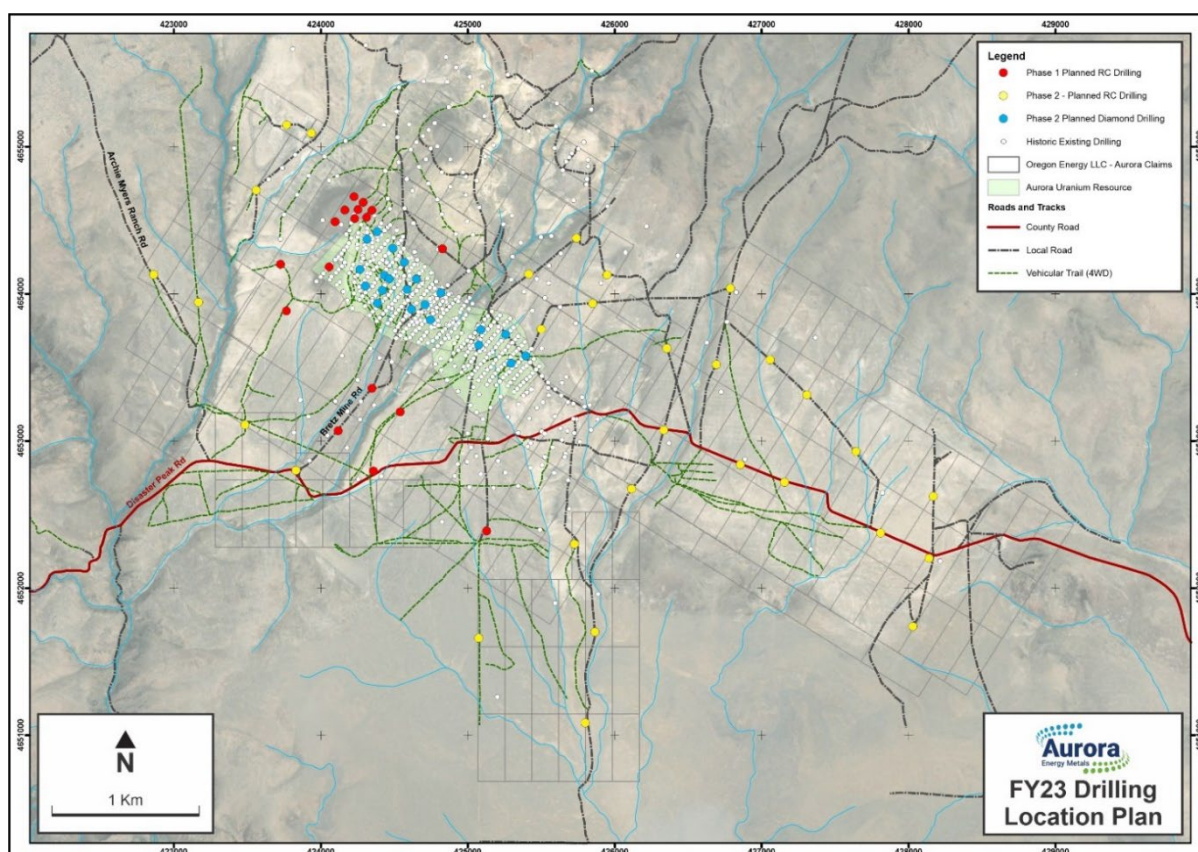


Figure 3: Map showing the full FY23 planned drill holes

FINAL LITHIUM ASSAYS RECEIVED

- Lithium assays on shallow lakebed sediment samples from two further 2011 drill holes have been completed and were consistent with previous results
- The results reinforce Aurora's confidence in future lithium exploration success at the AEMP

Following re-organisation of the core storage facilities at McDermitt in July, samples of the lakebed sediments for two additional 2011 core holes (AUD028 and AUD032) were sent for analysis. Results have now been received (refer Figure 4) and, at a cut-off of 1,000 ppm Li, include:

- AUD028: 27.3m @ 1,164 ppm Li from 17.4m, plus 6.7m @ 1,172 ppm Li from 61.0m
- AUD032: 4.6m @ 1,278 ppm Li from 45.5m

These results again are consistent with those previously reported¹ at Aurora and are comparable to those encountered at Jindalee Resources' (ASX:JRL) nearby McDermitt Lithium Project, one of the USA's largest lithium deposits.

¹ ASX Announcements 16 June 2022 - Encouraging lithium assay results received, 27 September 2022 - Aurora Energy Metals Project Update dated 27 September 2022 and 19 October 2022 – Drilling to Commence at Aurora Energy Metals Project.

The intercept in AUD028 is the thickest received to date at Aurora and is the hole closest to the graben margin to the north-east where it is interpreted that the lake sediments increase in thickness, potentially up to 200m (Figure 5).

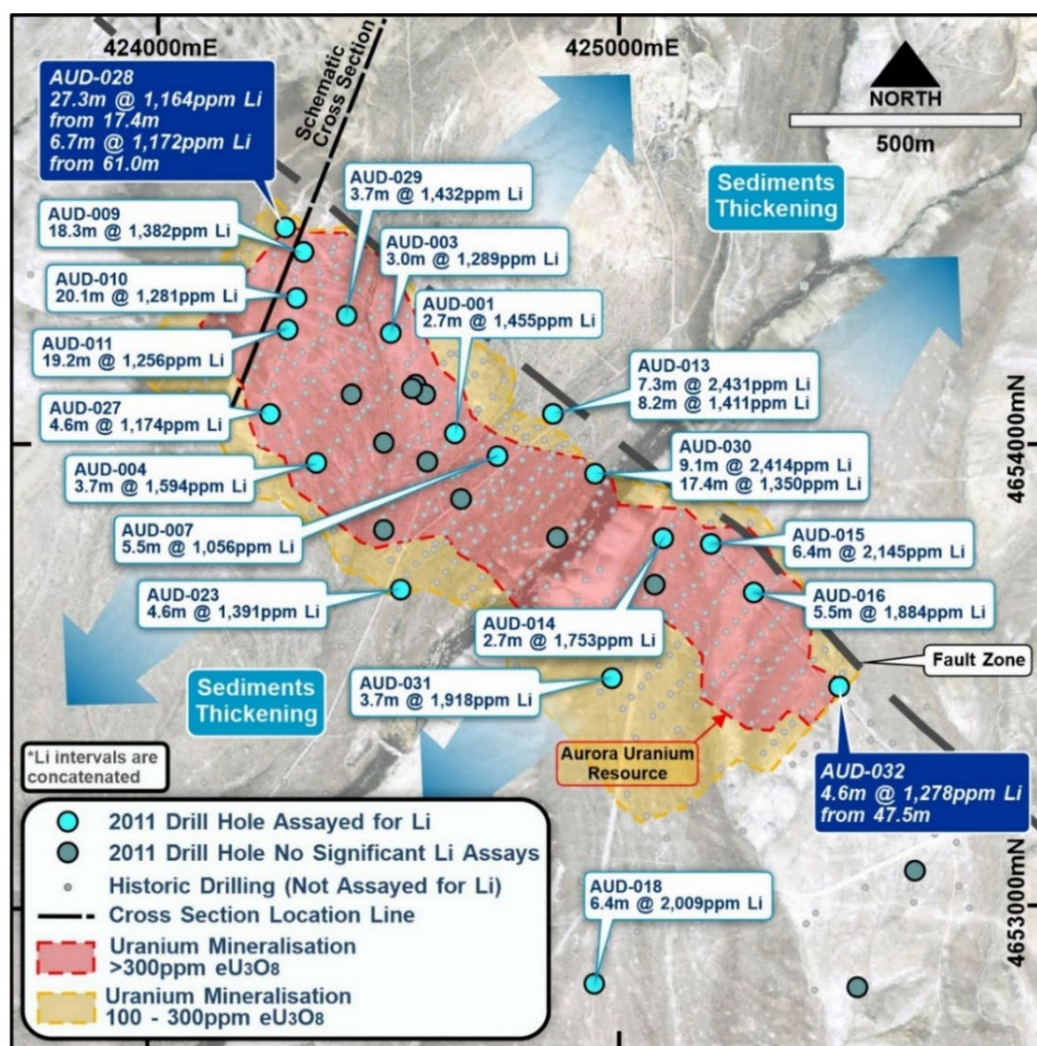


Figure 4 Map showing latest lithium assays results in shaded blue

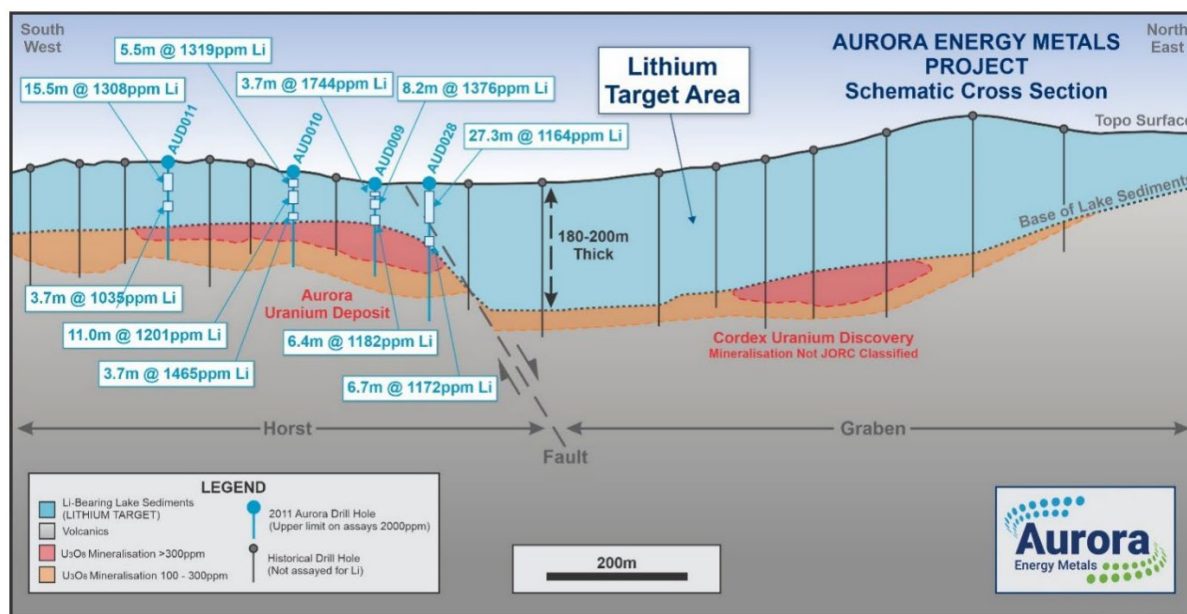


Figure 5 Section showing selected lithium assays above the Aurora Uranium Deposit.

AEMP URANIUM MINERAL RESOURCE CONVERSION UNDERWAY

- The 32 diamond core holes drilled in 2011 are not part of the current reported Mineral Resource
- These holes have now been included in the supporting dataset
- Additional drilling data from the adjacent historic (late 1970's) Cordex exploration was recently acquired and digitised into the Aurora drilling database
- Process is nearing completion and will be released imminently

The 32 diamond core holes drilled in the 2011 program were never incorporated into the Mineral Resource model. Also, an additional dataset (paper logs from Cordex, the explorer that operated to the northeast of the Aurora Uranium Deposit in the late 1970's and early 1980's) was recently acquired by the Company and have now been digitally captured into the Project database. Whilst none of the 112 Cordex holes intersected the Aurora Uranium Deposit (See Figure 6), they do add to the overall geological understanding in the AEMP claim area.

It is noteworthy that there are numerous uranium intersections in the Cordex holes, but these were considered to be at uneconomic depths at the time. However, should the overlying sediments contain economically recoverable lithium-bearing sediments, then it is feasible that this uranium could potentially also be exploited.

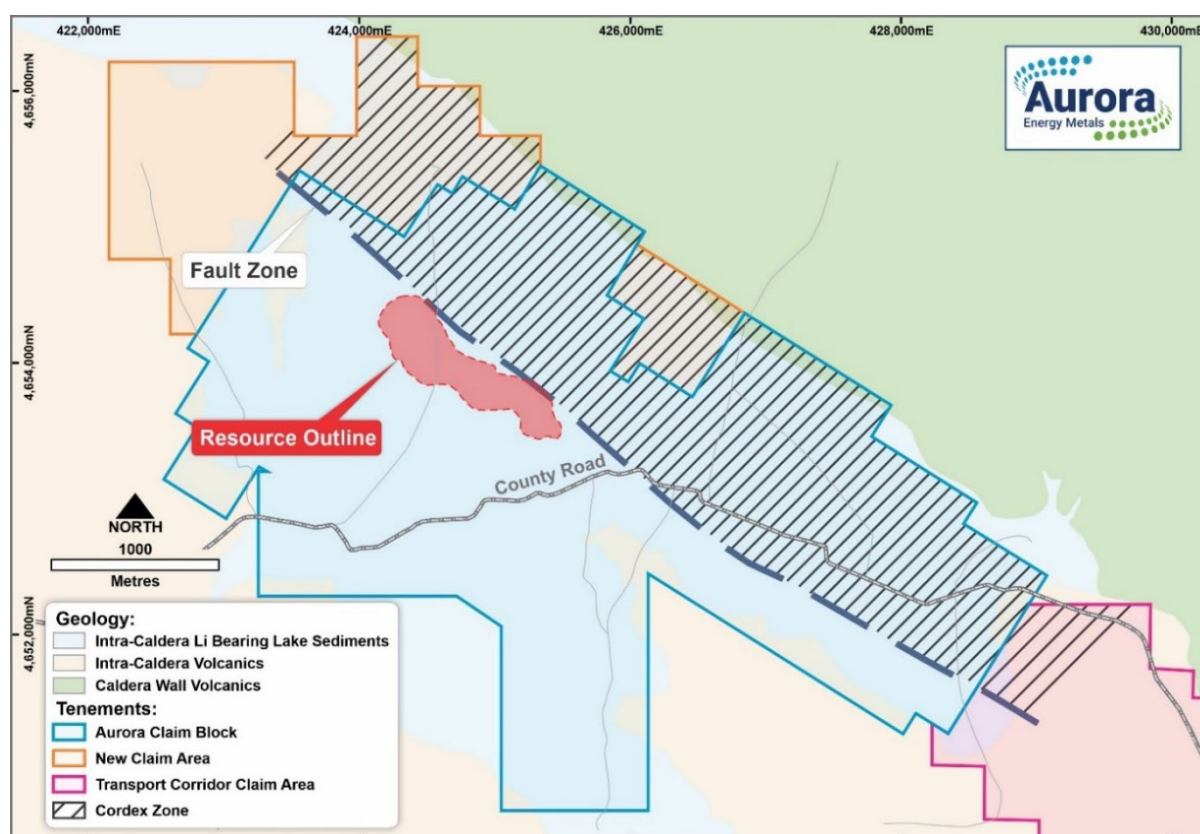


Figure 6: Map showing the Cordex Zone as well as existing and new claims.

CORPORATE

CASH

The Company's consolidated cash at hand was \$6.2m as at 30 September 2022 with no debt.

The majority of the expenditure was on Exploration and Evaluation \$529k, Property, Plant and Equipment \$340k, Admin and Corporate costs \$206k and Staff costs \$112k. This information is presented in the Quarterly Cashflow Report (Appendix 5B).

KEY ACTIVITIES PLANNED FOR THE DECEMBER 2022 QUARTER

During the December 2022 quarter, the Company plans to:

- Rapidly advance its Phase 1 RC drilling exploration campaign.
- Progressively release logging and assay results from the Phase 1 Drilling Campaign when available (laboratory turnaround times are currently two months).
- Submit and advance its Phase 2 drilling campaign applications to DOGAMI.
- Complete the first phase of a comprehensive review of the historical uranium metallurgical testwork conducted on the AEMP.
- Complete and release a mineral resource update (part conversion to Measured classification) of the existing AEMP uranium mineral resource.

ASX ADDITIONAL INFORMATION

1. ASX Listing Rule 5.3.1 – Mining exploration activities and investment activity expenditure during the quarter was \$529,000. Full details of the activity during the quarter are set out in this report.
2. ASX Listing Rule 5.3.2 – Mining production and development activity expenditure for the quarter was nil and there were no substantive mining exploration activities for the quarter.
3. ASX Listing Rule 5.3.3 – Tenement Schedule – Refer to Appendix 1 for details of the Company's tenements as at 30 September 2022.
4. ASX Listing Rule 5.3.4 – The Company provides the actual vs proposed use of Funds as outlined in Section 3.7 of the Prospectus dated 29 March 2022.

Proposed Use of Funds	Proposed	Actual	Variance
Uranium exploration and evaluation	\$2,800,000	\$424,314	(\$2,375,686)
Lithium exploration and evaluation	\$3,100,000	\$394,326	(\$2,705,674)
Administration Costs	\$1,817,427	\$659,685	(\$1,157,742)
Property, plant and equipment	\$0	\$340,491	\$340,491
Expenses of the Offer	\$574,840	\$407,790	(\$167,050)
Working Capital	\$269,733	\$0	(\$269,733)
Total	\$8,562,000	\$2,226,606	(\$6,335,394)

5. Major variances in the above table relate to timing of actual spend. The proposed spend is for a two-year period and the Company listed in May 2022. The variance in property, plant and equipment expenditure relates to un-forecast expenditure to acquire private land and property, the rationale for this expenditure is included earlier in the report.
6. ASX Listing Rule 5.4.5 – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include \$76,000 for Salaries, Director Fees and Consulting Fees paid to Directors and \$46,000 for a fully provisioned office and administration and technical staff.

THIS ANNOUNCEMENT HAS BEEN AUTHORISED FOR RELEASE ON THE ASX BY THE COMPANY'S BOARD OF DIRECTORS

ABOUT AURORA ENERGY METALS

Aurora Energy Metals is an ASX-listed company focused on the exploration and development of its flagship, the 100 per cent owned Aurora Energy Metals Project in Oregon, USA. Boasting a well-defined uranium resource (69.3Mt @ 248ppm eU₃O₈ for 37.9 Mlb eU₃O₈) with known lithium mineralisation in lakebed sediments above and surrounding the deposit, the Company's vision is to supply minerals that are critical to the energy transition.

ABN: 87 604 406 377 | ASX: 1AE

FOLLOW US ON TWITTER:

https://twitter.com/Aurora_1AE

CAPITAL STRUCTURE:

Share Price (26/10/22): \$0.195
Market Cap: \$28 million
Shares on Issue: 142.6 million

COMPANY SECRETARY:

Steven Jackson

SHAREHOLDER CONTACT:

Steven Jackson
Email: info@auroraenergymetals.com
Tel: +61 8 6465 5500

BOARD OF DIRECTORS:

Peter Lester: Non-Executive Chairman
Greg Cochran: Managing Director
Alasdair Cooke: Non-Executive Director

SHAREHOLDERS:

Directors: 14%
Management: 13%
IPO Shareholders: 28%
Other Pre-IPO Shareholders: 45%

INVESTOR & MEDIA CONTACT:

Andrew Rowell
White Noise Communications
Tel: +61 (0) 400 466 226
Email: andrew@whitenoisecomms.com

JORC Disclaimer:

Information in this announcement relating to Exploration Results and Mineral Resources is based on information compiled by Mr. Lauritz Barnes (a consultant to Aurora Energy Metals Limited and a shareholder) who is a member of The Australian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists. Mr. Barnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Barnes consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to Mineral Resources is extracted from the Prospectus released by the ASX on 16 May 2022. Aurora Energy Metals Limited confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the Exploration Results and Mineral Resource continue to apply and have not materially changed. Aurora Energy Metals Limited confirms that the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement.

Previous Disclosure:

Information in this announcement is based on the following Aurora Energy Metals Limited Announcements, which are available from the Company's website, www.auroraenergymetals.com.au or the ASX website.

- 16 May 2022 – Prospectus
- 16 June 2022 – Encouraging lithium assays received
- 27 September 2022 – Aurora Energy Metals Project Update
- 19 October 2022 – Drilling to Commence at Aurora Energy Metals Project

APPENDIX 1 – TENEMENTS (as at 30 September 2022)

Project Name	Location	Claim Name	Interest at 30 June 2022	Interest at 30 September 2022
AEMP	Oregon, USA	AURORA 11-60	100%	100%
AEMP	Oregon, USA	AURORA 62-64	100%	100%
AEMP	Oregon, USA	AURORA 69-78	100%	100%
AEMP	Oregon, USA	AURORA 82-87	100%	100%
AEMP	Oregon, USA	AURORA 97-108	100%	100%
AEMP	Oregon, USA	AURORA 117-125	100%	100%
AEMP	Oregon, USA	AURORA 134-145	100%	100%
AEMP	Oregon, USA	AURORA 236	100%	100%
AEMP	Oregon, USA	AURORA 238	100%	100%
AEMP	Oregon, USA	AURORA 240	100%	100%
AEMP	Oregon, USA	AURORA 242	100%	100%
AEMP	Oregon, USA	AURORA 244	100%	100%
AEMP	Oregon, USA	AURORA 246	100%	100%
AEMP	Oregon, USA	AURORA 248	100%	100%
AEMP	Oregon, USA	AURORA 250	100%	100%
AEMP	Oregon, USA	CROTALUS CREEK 7-9	100%	100%
AEMP	Oregon, USA	CROTALUS CREEK 23	100%	100%
AEMP	Oregon, USA	CROTALUS CREEK 25	100%	100%
AEMP	Oregon, USA	CROTALUS CREEK 27	100%	100%
AEMP	Oregon, USA	CALD 01-91	100%	100%
AEMP	Oregon, USA	CALD 92-279	100%	100%

For a total area of approximately 2,842 hectares.

Appendix 5B

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

Name of entity

Aurora Energy Metals Limited

ABN

87 604 406 377

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(529)	(590)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(112)	(112)
	(e) administration and corporate costs	(206)	(145)
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 (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(847)	(847)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(340)	(340)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the 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)	-	-
2.6	Net cash from / (used in) investing activities	(340)	(340)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,317	7,317
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(847)	(847)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(340)	(340)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	28	28
4.6	Cash and cash equivalents at end of period	6,158	6,158

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,158	7,317
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,158	7,317

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	122
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
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.		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
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		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(847)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(847)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,158
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,158
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7
	<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?	
	Answer: 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?	
	Answer: 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?

Answer: n/a

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.

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: 27 October 2022

Authorised by: Steven Jackson, Company Secretary
(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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.