

11 October 2023

QUARTERLY REPORT

30 September 2023

Highlights

- Scoping level uranium metallurgical testwork program underway at ALS Metallurgy in Perth.
- Testwork results will inform flowsheet options for Scoping Study and future PFS testwork program.
- Potential for significant beneficiation step that could reduce capital and operating costs.
- Project de-risking continues with permitting being advanced through ongoing engagement with the US Bureau of Land Management (**BLM**) for the Exploration Plan of Operations, completion of a cultural survey and the imminent commencement of a first biological survey.
- Uranium market momentum continued to accelerate throughout the quarter.

Aurora Energy Metals Limited (**Aurora** or **the Company**) (ASX:1AE) presents its Activities Report for the three months ended 30 September 2023.

The Company is advancing its Aurora Energy Metals Project (**AEMP**) in south-eastern Oregon, USA. During the September quarter, uranium core samples generated from the Company's most recent drill program were delivered to ALS Metallurgy (**ALS**) in Perth for a scoping level uranium metallurgical testwork program¹.

AURORA ENERGY METALS PROJECT

The Aurora Energy Metals Project (**AEMP**) is located in southern Oregon, USA. The Project hosts the largest mineable, Measured and Indicated Uranium Mineral Resource in the United States. The AEMP claim package is also prospective for lithium, with multiple wide-spaced lithium intersections having already been identified.

Strategically, the Company is focussed on its advanced stage uranium project and the multi-phase program currently underway is focussed on completing uranium feasibility studies and permitting its flagship project, which hosts a very well-defined uranium mineral resource of 107.3 Mt @ 214 ppm U₃O₈ for 50.6 Mlb U₃O₈.

The Project's shallow, high grade core (18 Mt @ 485 ppm U₃O₈ for 19.2 Mlb U₃O₈) is the key to the Company's uranium project development strategy, which is planned to be a conventional

¹ 29 August 2023 Scoping Study Metallurgical Testwork Program Underway

open pit operation. 99.5% of this part of the resource is JORC classified in the Measured and Indicated categories.

SCOPING STUDY METALLURGICAL TESTWORK PROGRAM UNDERWAY

During the quarter, a scoping level uranium metallurgical testwork program commenced on drill core and reject samples generated from last year’s drill campaign at the AEMP. ALS Metallurgy (ALS) in Perth are conducting the program as they have extensive uranium experience that is directly relevant to the Aurora deposit. ALS is a highly respected, global leader in testing and operates in over 65 countries.

The program will focus on beneficiation and leach testwork and optimisation to enable flowsheet development, design and costing for the scoping study. In addition, the results will inform future decision-making pertaining to PFS and then DFS level testwork programs.

The previously announced review of historical uranium testwork² highlighted the significant potential to reduce forecast processing costs by utilising simple physical beneficiation techniques to upgrade future run-of-mine ore.

The Aurora uranium deposit hosts two key lithological packages of interest comprised of layers of competent volcanic rocks within which lie zones of alteration. The volcanic rocks are typically low grade/waste rock whilst the alteration zones are highly mineralised.

A previous testwork program using a representative, composite sample from the upper, higher-grade part of the Aurora uranium deposit resource delivered highly encouraging beneficiation results. Summarised results from the scrubbing and screening tests are shown in Table 1 and in Figures 1 and 2.

Table 1: Results of Aurora uranium scrubbing and screening tests

Size Fraction	Fraction Weight (%)		Grade U ₃ O ₈ (ppm)		U ₃ O ₈ Content (%)		Comment
	Min	Max	Min	Max	Min	Max	
+19.0 mm	29.4	36.8	71	126	5.1	11.2	Coarse grained, low grade
-19.0 mm, +12.7 mm	9.6	11.1	165	259	5.3	8.2	Coarse middlings
-12.7 mm, +6.35 mm	10.1	12.1	248	366	8.5	12.4	Coarse middlings
-6.35 mm, +2.0 mm	11.9	15.1	366	578	14.0	20.4	Coarse middlings
-2.0 mm, +595 µm	5.8	7.5	427	620	9.2	11.2	Coarse middlings
-595 µm, +149 µm	7.0	11.5	408	574	10.4	15.1	Coarse middlings
-149 µm, +37 µm	4.0	8.5	443	623	5.6	16.7	Fine middlings
-37 µm	7.9	12.1	562	829	14.7	24.9	Clay fraction

The testwork consistently demonstrated that typically, over 30% of the composite sample occurred as a coarse fraction (+19mm) containing only approximately 10% of the uranium, at low grade, generally less than 100 ppm U₃O₈.

The removal of the hard, coarse low-grade material (implying a 70% mass pull with 90% uranium recovery) may significantly reduce crushing and grinding costs, as well as potentially reducing capital costs due to less material being fed into the grinding circuit prior to leaching.

² 26 April 2023 Positive review of historical uranium testwork

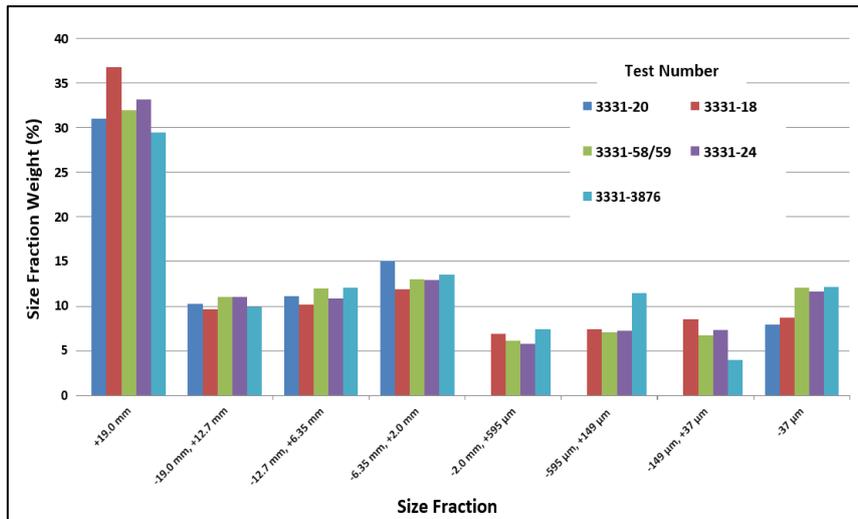


Figure 1: Size fraction weight distribution

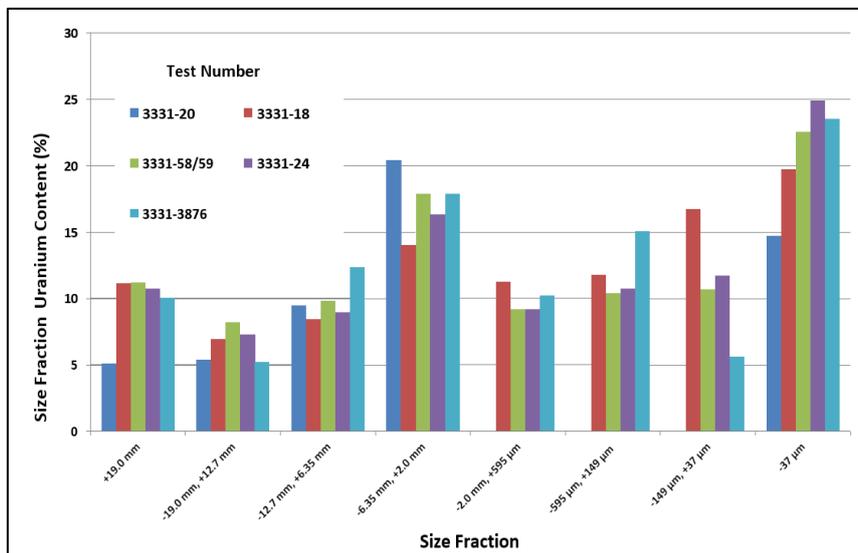


Figure 2: Size fraction uranium content distribution

In addition to the direct metallurgical benefits of physical beneficiation, there are also positive implications for mining as there will be no need to mine selectively, allowing the deposit to be more cost effectively bulk mined.

DRA Global, in conjunction with other independent experts, designed and are managing the testwork program. Results are expected in the December quarter.

PERMITTING – EXPLORATION PLAN OF OPERATIONS

The Company’s environmental consultants engaged with the US BLM throughout the quarter on the various surveys required for the Exploration Plan of Operations. These surveys will be undertaken over the next nine months, with the fall biological survey due to commence imminently. The first phase of the cultural survey has been completed, whilst the second phase, covering the transport corridor and the Nevada plant and tailings site (on Aurora privately owned land) will be conducted at a future date.

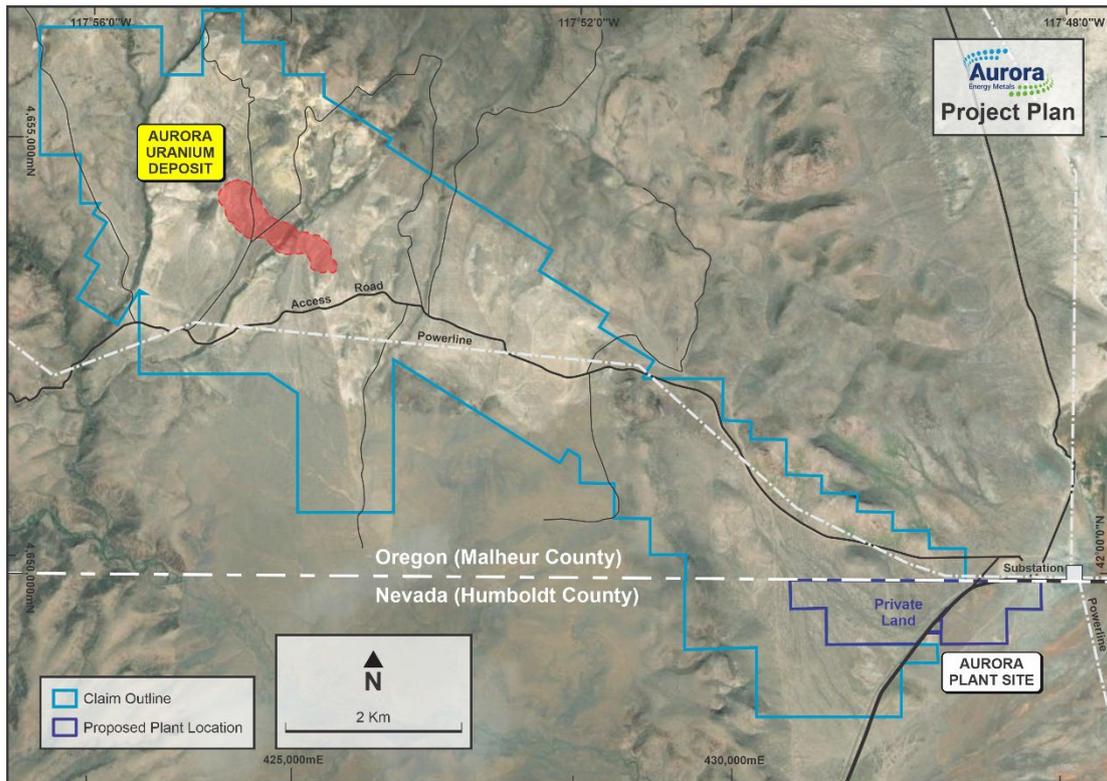


Figure 3: Plan showing the area covered by the Aurora Exploration Plan of Operations

URANIUM MARKET MOMENTUM CONTINUES TO ACCELERATE

The uranium price continued its upward momentum throughout the quarter, reaching US\$70/lb in September, up from US\$57.75/lb during the June period. Decarbonisation objectives from the world’s largest economies continued to drive government policy support for and investment in nuclear power. For example, China is expected to build another 32 nuclear reactors by the end of the decade and Japan has confirmed plans to restart multiple nuclear plants and build new facilities. These plans aligned with the World Nuclear Association’s upward revision of growth in global nuclear power production³.

The World Nuclear Association⁴ released the 2023 Nuclear Fuel Report in September with the reference scenario estimating a massive expansion of uranium mine developments, projecting a near doubling in demand by 2040.

The more positive projections are based on increasingly favourable global government policies over the last two years to encourage energy sources with zero or low-carbon emissions. Capacity will grow through not only new reactors, the bulk of which are planned in China and India, but by extending the operating lives of existing plants. The report said that several countries with large reactor fleets, such as Canada, France, Japan, Russia and Ukraine, are allowing existing plants to operate for up to 60 years, and in the USA, up to 80 years.

³ <https://tradingeconomics.com/commodity/uranium>

⁴ <https://world-nuclear.org/>

CORPORATE

CASH

The Company's consolidated cash at hand was \$3m as of 30 September 2023 with no debt.

The majority of the expenditure during the quarter was on exploration and evaluation \$366k, staff costs \$131k and admin and corporate costs \$103k. This information is presented in the Quarterly Cashflow Report (Appendix 5B).

SEPTEMBER QUARTER ASX RELEASES

The Company released the following exploration announcement during the quarter:

- 29 August 2023 Scoping Study Metallurgical Testwork Program Underway

KEY ACTIVITIES PLANNED FOR THE DECEMBER 2023 QUARTER

During the December 2023 quarter, the Company plans to continue its Uranium Scoping Study activities, including:

- The ongoing metallurgical testwork program at ALS Metallurgy in Perth.
- Conduct further mining and infrastructure related trade-off studies.

Project permitting will advance during the quarter with the planned completion of a biological survey and ongoing engagement with the US BLM.

ASX ADDITIONAL INFORMATION

1. ASX Listing Rule 5.3.1 – Mining exploration activities and investment activity expenditure during the quarter was \$366,000. 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 of 30 September 2023.
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	\$3,091,523	\$291,523
Lithium exploration and evaluation	\$3,100,000	\$2,272,540	(\$827,460)
Administration costs	\$1,817,427	\$1,734,221	(\$88,206)
Property, plant and equipment	\$0	\$426,667	(\$426,667)
Expenses of the Offer	\$574,840	\$414,176	(\$160,664)
Working capital	\$269,733	\$0	(\$269,733)
Total	\$8,562,000	\$7,939,127	(\$622,873)

5. Major variances in the above table relate to timing of actual spend. The proposed spend was 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 was included in the Company's September 2022 quarterly report. The variance between the uranium exploration and lithium evaluation expenditure relates to the Company prioritising progress on the uranium scoping study.

6. ASX Listing Rule 5.4.5 – Payments to related parties of the Company during the quarter and outlined in the Appendix 5B include \$85,568 for Salaries, Director Fees and Consulting Fees paid to Directors and \$33,303 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% owned Aurora Energy Metals Project in south-east Oregon, USA. Boasting the USA's largest, mineable, measured and indicated uranium deposit (MRE: 107.3Mt @ 214ppm U₃O₈ for 50.6 Mlbs U₃O₈) with a shallow high-grade core of 18Mt @ 485ppm U₃O₈ for 19.2 Mlbs U₃O₈ and known lithium mineralisation in soft lakebed sediments above and surrounding the well-defined uranium deposit, the Company's vision is to supply minerals that are critical to the USA's energy transition.

ABN: 87 604 406 377 | ASX: 1AE

FOLLOW US ON TWITTER:

https://twitter.com/Aurora_1AE

FOLLOW US ON LINKEDIN:

<https://www.linkedin.com/company/aurora-energy-metals/>

CAPITAL STRUCTURE:

Share Price (10/10/23): \$0.125
Market Cap: \$22.4 million
Shares on Issue: 179 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: 15%
Management: 13%
Institutional shareholders: 10%
Balance of Top 20: 14%
Balance of Register: 48%

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 announcement titled 'Uranium Resource Up 34% to 50.6Mlb, Maiden Measured Resource' released by the ASX on 23 November 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 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 Disclosures:

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.

- 29 August 2023 Scoping Study Metallurgical Testwork Program Underway
- 26 April 2023 Positive Review of Historical Uranium Testwork

APPENDIX 1 – TENEMENTS (AS OF 30 SEPTEMBER 2023)

Project Name	Location	Claim Name	Interest at 30 June 2023	Interest at 30 September 2023
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%
AEMP	Oregon, USA	JH 01-71	100%	100%
AEMP	Nevada, USA	JH 72-102	100%	100%
AEMP	Nevada, USA	KB 01-56	100%	100%

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 2023

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	(366)	(366)
(b) development	-	-
(c) production	-	-
(d) staff costs	(131)	(131)
(e) administration and corporate costs	(103)	(103)
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	(600)	(600)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	60	60
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	(1)	(1)
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	59	59

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,554	3,554
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(600)	(600)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	59	59

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	10	10
4.6	Cash and cash equivalents at end of period	3,023	3,023

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	3,023	3,554
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)	3,023	3,554

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	119
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	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
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)	(600)
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)	(600)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,023
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,023
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	5
<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: 11 October 2023

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.