

ASX RELEASE

29 October 2021

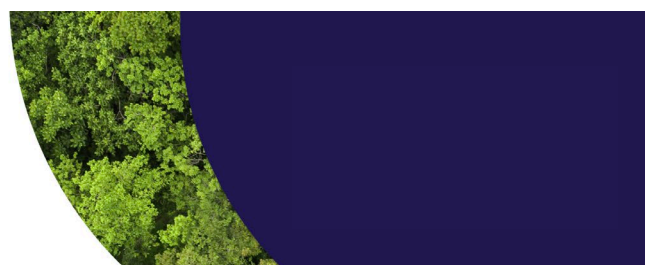
Quarterly Report for the Period Ending 30 September 2021

KEY POINTS:

- The Company's shares recommenced trading on the ASX, with Aura continuing to fast track the low capex, low operating cost Tiris Uranium Project to near term production.
- Aura entered a US\$10m Offtake Financing Agreement with Curzon in October 2021, with the funds to be used for mining working capital and commencement of production. The Agreement includes an additional up to US\$10m facility by mutual consent. The potential maximum available under the Agreement is US\$20m.
- Resource upgrade of 10% or 5.0 million lb U₃O₈ to the Company's Tiris uranium deposit in Mauritania, bringing the total JORC Resource to 56 Mlbs (at a 100 ppm U₃O₈ lower cut-off grade).
- Capital estimate update for Tiris to reflect 2021 input costs, with only a modest increase in the Capital Estimate.
- Updated DFS reconfirming Tiris as a low capital cost development opportunity.
- Stage 2 exploration underway at Tiris with the results from the Opportunity Review, Net Zero Emission Study, Water Drilling and Vanadium assays expected before the end of the 2021 calendar year.
- Two geophysical crews from gravity specialist, GeoFocus, were mobilised from South Africa to carry out detailed gravity surveying on all three of Aura's tenements.
- As announced on 1 April 2021, Aura is offering a fully underwritten 1 Loyalty Option Entitlement Rights Issue ("Options") for every 3 Shares held with the Record Date of 22 October 2021.

Aura Energy Limited (ASX:AEE, AIM:AURA) ("Aura", the "Company") is pleased to provide an overview of activities for the period ending 30 September 2021 ("Quarter", "Reporting Period") to accompany the Appendix 5B.

Commenting on the Quarter, Managing Director, Peter Reeve, said: *"The September 2021 Quarter was a monumental period for Aura, with the Company's shares relisting on the ASX on 23 September 2021, with Aura's share price and market cap rerating upon listing. During the Quarter, Aura also announced a resource upgrade of 10% bringing the total resource to 56 Mlbs, and with an updated capital estimate, we now have one of, if not the most current Definitive Feasibility Studies compared to our uranium peers."*



"Although occurring outside the Reporting Period, in October 2021 Aura announced a US\$10m Offtake Financing Agreement with Curzon, with the funds to be used for mining working capital and production commencement, complementing the Uranium Offtake Agreement executed with Curzon in January 2019. The Agreement includes an additional up to US\$10m facility by mutual consent. With the sentiment towards uranium and nuclear power shifting rapidly amongst investors, we see considerable potential to further expand our resource, production throughput and undertake further offtake finance agreements."

"With stage two exploration currently underway at Tiris, we look forward to releasing the results of the water drilling confirming the results from the 2019 campaign, as well as the results from the Opportunity Review, Net Zero Emission Study and Vanadium assays, which are expected before the end of the 2021 calendar year."

"We also continued to advance activities at the Tasiast South Gold Projects, with Two geophysical crews from gravity specialist, GeoFocus, mobilised from South Africa to carry out detailed gravity surveying on all three of Aura's tenements."

"I would like to thank shareholders for their ongoing support to date and we look forward to an exciting period to come as we continue to advance Tiris to near term production and capitalise the rapidly growing demand for carbon free energy."

Aura Energy Recommences Trading on the ASX

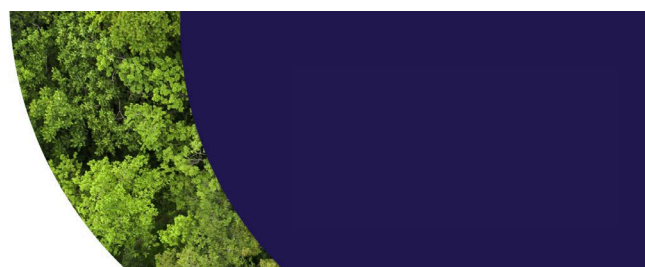
On 23 September, the Company's shares (ASX:AEE) recommenced trading on the ASX, with Aura continuing to fast track the low capex, low operating cost Tiris Uranium Project ("Tiris", "Project") to near term production. Upon relisting, Aura's shares and market capitalisation rerated, driven in part by Sprott Asset Management's aggressive buying of physical uranium supplies.

Offtake Financing Agreement with Curzon

As an after balance date event, Aura entered a US\$10m Offtake Financing Agreement with Curzon in October 2021, with the funds to be used for mining working capital and production commencement, complementing the Uranium Offtake Agreement executed with Curzon in January 2019. The Agreement includes an additional up to US\$10m facility by mutual consent.

The Agreement complements the Uranium Offtake Agreement executed with Curzon in January 2019¹, for the sale of 800,000 pounds of uranium production at fixed prices, 750,000 pounds at market linked pricing, and a further 1.05 million pounds of uranium production available to Curzon as optional volumes at fixed and market pricing, with the average price above US\$44 per pound U₃O₈. The January 2019 agreement is over a seven-year period starting from the commencement of production.

¹ Released 29 January 2019



With the original production at approximately 1 million pounds of U_3O_8 pa, the fixed pricing volumes of the original 2019 offtake agreement account 150,000 pounds of U_3O_8 pa.

This provides the ability for Aura Energy to undertake further offtake finance agreements and be exposed to potentially higher uranium prices.

Tiris Uranium Project – Resource Upgrade

During the Quarter, Aura announced a Resource upgrade of 10% or 5.0 million lb U_3O_8 to the Company's Tiris uranium deposit in Mauritania, bringing the total JORC Resource to 56 Mlbs (at a 100 ppm U_3O_8 lower cut-off grade). Aura Energy is the operator and has an 85% interest in the Zero Emission Tiris Uranium Project.

The Resource Upgrade follows Aura commissioning a new resource estimate on the Sadi South Zone to incorporate drillholes not included in earlier resource estimates. This resulted in a 5.4 Mlbs U_3O_8 increase in the Tiris resource of which 2.4 Mlbs is classified as Indicated Resource with the remainder classified as Inferred Resource.

Prior to the Resource Upgrade, Tiris held a resource of 50.6 Mlbs at a grade of 254 ppm U_3O_8 (at a 100 ppm U_3O_8 lower cut-off grade), including 38.4 Mlbs at 343 ppm U_3O_8 (at a 200 ppm U_3O_8 lower cut-off grade)².

Within this resource Aura has defined Proven and Probable Reserves of 8.1 Mlb U_3O_8 at an average grade of 336 ppm U_3O_8 and completed a Definitive Feasibility Study.³

Updated Capital Estimate and DFS

During the Reporting Period, Aura updated the capital estimate for Tiris to reflect 2021 input costs, with the Company confirming that despite significant changes in global economies due the COVID-19 pandemic, the Tiris Capital Estimate remains robust and within the error and sensitivity margins of the original estimate.

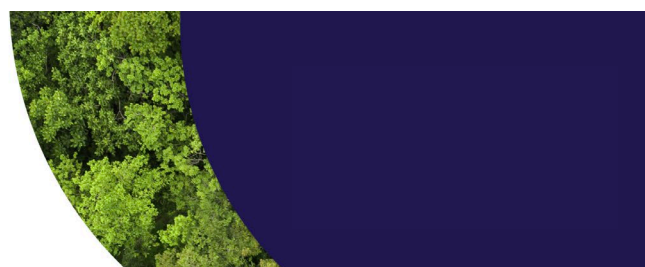
Since completion of the DFS in 2019, global economic conditions have changed, with increases in steel, freight and other project development costs driven by the COVID-9 pandemic. Subsequently, Aura has updated the capital costs for the DFS to ensure that in the two years since completion, the input costs remain valid.

To understand the impact of changing global conditions on the capital cost estimate, Aura commissioned Mincore Engineers Pty Ltd to provide the update to the Tiris capital estimate. This has provided the opportunity for Aura to progress the project with confidence that DFS estimates are robust and up to date.

Subsequent to the capital estimate update, Aura released an updated DFS reconfirming the Tiris Uranium Project as a low capital cost development opportunity.

² Refer Aura ASX announcement dated 30 April 2018 "Tiris Resource Upgrade Success"

³ Refer ASX announcement dated 29 July 2019: "Tiris Uranium Definitive Feasibility Study Completed."



Stage 2 Exploration

In July 2021, Aura Energy commenced Stage 2 exploration at Tiris, with results expected before the end of the 2021 Calendar Year.

The key results expected in this timeframe are:

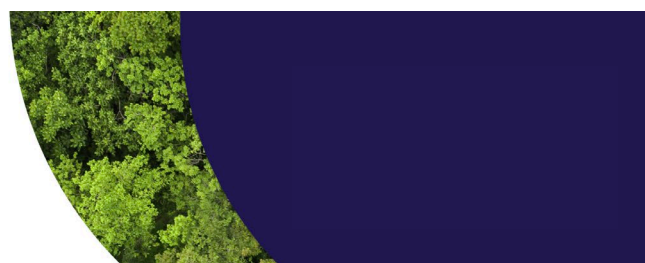
- Detailed results of the Tiris Opportunity Review with several items being considered to lower operating costs for the project
- Completion and outcomes of the Net Zero emission study by Wood PLC
- Water drilling results continuing the 2019 findings
- Potential positive impact on Tiris operating cost from vanadium by-product recovery

During the Quarter, the Company commenced water drilling at Tiris and Aura is confident that the program will continue the previous results from Water Drilling undertaken by Aura in 2019. Substantial water located within the Oued el Foule Depression in the first drilling program will ensure production can be expedited.

Following a period of initial geophysical evaluation, in 2019 Aura conducted a significant and broad based round of water drilling at Tiris, which reported significant success. Of 5 targets tested, 2 reported significant water flows, with the current follow up water drilling campaign designed to reconfirm that significant water exists within the Oued el Foule Depression, as discovered in a number of the deeper drillholes during evaluation drilling into the Tiris uranium mineralisation.



Image 1 – Water drilling underway at Tiris



Gravity Survey Results for Tasiast South

During the Quarter, two geophysical crews from gravity specialist, GeoFocus, were mobilised from South Africa to carry out detailed gravity surveying on all three of Aura's tenements, with the data to allow better definition of geology, the identification of structures likely to be of relevance to gold deposition and the possibility of direct detection of sulphide mineralisation on the nickel/cobalt targets.

In total 6,643 stations were surveyed, with the program specifications designed and activities overseen by Newexco, geophysical consultants based in Perth, with extensive experience in Archean geophysics.

The gravity data allows better definition of geology, the identification of structures likely to be of relevance to gold deposition and the possibility of direct detection of sulphide mineralisation on the nickel/cobalt targets.

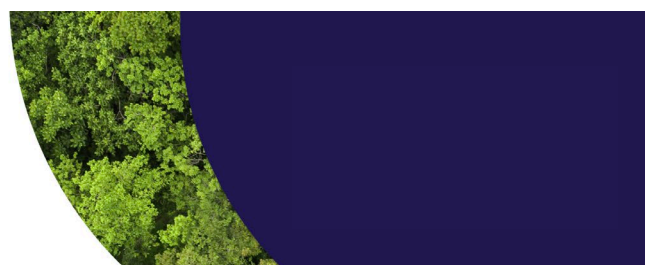
Tenement Summary

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

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

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

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



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

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

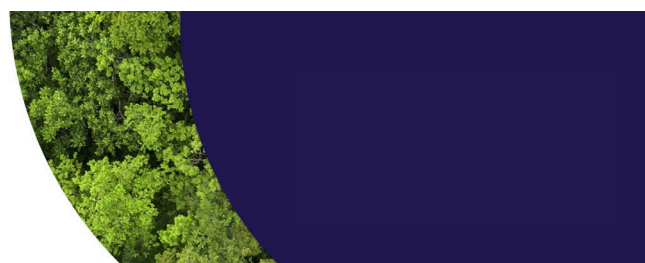
The Company is now focused on the Tiris Uranium Project, a major greenfields uranium discovery in Mauritania, with 49 Mlb U₃O₈ in current resources from 66 million tonnes @ 334 ppm U₃O₈.

Notes to Project Description

The Company confirms that the material assumptions underpinning the Tiris Uranium Production Target and the associated financial information derived from the Tiris production target as outlined in the Aura Energy release dated 18 August 2021 for the Tiris Uranium Project Definitive Feasibility Study continue to apply and have not materially changed.

Disclaimer Regarding Forward Looking Statements

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



Annexure A – Tiris Resource Inventory as at 27 August 2021⁴

Cut-off U ₃ O ₈ g/t	Resource Zone	Class	Tonnes (Mt)	U ₃ O ₈ (g/t)	U ₃ O ₈ (Mkg)	U ₃ O ₈ (Mlb)
100	All	Measured	10.2	236	2.4	5.3
100	All	Indicated	29.0	222	6.4	14.2
100	All	Total M&I	39.2	226	8.8	19.5
100	All	Inferred	61.1	267	16.3	36.0
100	All	All	100.3	254	25.2	55.5

Note: Totals may not add due to rounding.

Annexure B – Tiris Reserve Estimate as at 18 August 2021⁵

Description	Mt	U ₃ O ₈ (ppm)	U ₃ O ₈ (Mlb)
Proved	4.1	339	3.1
Probable	6.8	333	5.0
Total	10.9	336	8.1

Mineral Resource and Ore Reserve Estimates

The information in this announcement that relates to Mineral Resources or Ore Reserves is extracted from the reports titled 'Tiris Uranium Project - Resource Upgrade of 10%' released to the Australian Securities Exchange (ASX) on 27 August 2021 and 'Tiris Uranium Project DFS Update' released to the ASX on 18 August 2021 and for which Competent Persons' consents were obtained. Each Competent Person's consent remains in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcements.

⁴ Released 27 August 2021 "Tiris Uranium Project - Resource Upgrade of 10%"

⁵ Released 18 August 2021 "Tiris Uranium Project DFS Update"

OCTOBER 29, 2021

QUARTERLY CASH REPORT – APPENDIX 5B

QUARTERLY CASH REPORT FOR MINING EXPLORATION ENTITIES

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

Contents

CONSOLIDATED STATEMENT OF CASH FLOWS	2
1. CASH FLOWS FROM OPERATING ACTIVITIES.....	2
2. CASH FLOWS FROM INVESTING ACTIVITIES.....	3
3. CASH FLOWS FROM FINANCING ACTIVITIES	4
4. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD	5
5. RECONCILIATION OF CASH AND CASH EQUIVALENTS.....	6
6. PAYMENTS TO RELATED PARTIES OF THE ENTITY AND THEIR ASSOCIATES	6
7. FINANCING FACILITIES	6
8. ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES.....	7

Summary of cash flow activities for the period

Cash and cash movements

Closing cash for the quarter is \$1.7M, compared to \$3.2M for the end of the previous quarter and the end of the previous financial year. This amounts to a change of \$1.5M for the quarter and for the Year To Date (YTD).

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

	Current Quarter \$'000	Financial Year to date \$'000
Net Operating cashflow	(579)	(579)
Net Investing cashflow	(631)	(631)
Net financing cashflow	(293)	(293)
FX movements	2	2
Total net cashflow excluding fx movements	(1,503)	(1,503)

The highest area of activity and payments included investment in the Tiris Uranium and Tasiast South Gold projects of \$624k and staff costs of \$347k, including fees paid to former directors for their service as directors.

Based on an extrapolation of the net operating cashflow and the investment in exploration & evaluation for the quarter of \$1.2M and the closing cash balance of \$1.7M the company has enough cash for 1.4 quarters. The company is conducting a Loyalty Options Entitlement Offer, expected to raise \$2.0M. Furthermore, future cash flows from the exercise of options are expected to provide the company with sufficient funds to maintain operations.

Directors

Mr Martin Rogers, Non-Executive Chairman
Mr Peter Reeve, Chief Executive Officer & Managing Director
Mr Peter Ward, Non-Executive Director

Share price (prior day closing) \$0.245

Shares on issue 406,079,707
Market capitalisation \$99.49M
Closing cash \$1.70M
Enterprise value \$97.79M

Appendix 5B

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

Name of entity

Aura Energy Limited

ABN

62 115 927 681

Quarter ended ("current quarter")

30 September 2021

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	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(347)	(347)
	(e) administration and corporate costs	(259)	(259)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST input credits)	27	27
1.9	Net cash from / (used in) operating activities	(579)	(579)

2. Cash flows from investing activities		Current quarter \$A'000	Year to date (3 months) \$A'000
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(4)	(4)
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	(624)	(624)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(631)	(631)

3. Cash flows from financing activities		Current quarter \$A'000	Year to date (3 months) \$A'000
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	266	266
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(246)	(246)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(313)	(313)
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	(293)	(293)

4. Net increase / (decrease) in cash and cash equivalents for the period		Current quarter \$A'000	Year to date (3 months) \$A'000
4.1	Cash and cash equivalents at beginning of period	3,207	3,207
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(579)	(579)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(631)	(631)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(293)	(293)
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	1,706	1,706

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	1,706	3,207
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)	1,706	3,207

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	187
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

7. Financing facilities <i>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		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)	(579)
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(624)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,203)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,706
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	1,706
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.4
	<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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 30px;"> Answer: Yes </div>	
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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 100px;"> Answer: Yes <ul style="list-style-type: none"> - The company is conducting a loyalty options rights issue on the ASX, from which it expects to raise \$2,000k. - The company has received \$430k for the exercise of options between quarter end and the date of this report. - All options on issue are currently in the money. The exercise of which will result in further cash inflows to the company. </div>	
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?	
	<div style="border: 1px solid black; padding: 5px; min-height: 50px;"> Answer: Yes <ul style="list-style-type: none"> - The company has initiated funding arrangements as in 8.8.2 above. - The company has a demonstrated history of successful capital raises. </div>	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

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

Date: 29 October 2021

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

Notes

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