



EXPLORE, DISCOVER, DEVELOP

10 AUGUST 2020

UPDATE ON AURA GOLD FUNDING TRANSACTION

Aura Energy Limited (AEE:ASX, AURA: AIM) is pleased to advise that it has moved to the final documentation stage of the C\$4.5 million (A\$4.8 million) gold funding deal it signed recently.

Aura's Tasiast South tenements over 435 km² are in a highly prospective area lying on two lightly explored mineralised greenstone belts in Mauritania. The areas lie along strike from Kinross' giant +20 Moz¹ Tasiast Gold Mine, where Kinross has recently announced that it will expand gold production to 530,000 ounces per year.

As part of the initial termsheet the creation of a joint venture vehicle (PubCo) was required and was to be sponsored by TSX-listed Chilean Metals. Further to the announcement of 7 July 2020 and in order to improve timing and simplify regulatory requirements, the transaction will now be executed directly between Aura and PubCo, now named Achean Gold Inc.

The transaction, which is subject to due diligence and shareholder approval, remains the same in all aspects as outlined in the 7 July 2020 announcement and will see Aura progressively vend its Mauritanian gold and base metal licences into Achean Gold Inc. Achean Gold will receive the four scheduled payments totalling C\$4.5 million before October 2021, following which Aura Energy will own 50% of Achean Gold .

This announcement was made with the approval of the board of directors.

Mr Peter Reeve
Executive Chairman
Phone +61 (0)3 9516 6500
info@auraenergy.com.au

¹ +20 M.ozs refers Tasiast's gold "endowment", i.e. current reserves + resources (9.8 M.Oz – refer Kinross 2019 Annual Report) plus gold previously mined. In confirmation Kinross's published Tasiast resource at December 2011 was 20.5 million ounces at 1.2 g/t gold based on cut-off grades of 0.6 g/t gold for CIL ore, 0.25 g/t Au for heap leach ore and 0.1 g/t Au for dump leach ore.