



ASX ANNOUNCEMENT
29 October 2019

ASX Code: ARM

Aurora Minerals Group of Companies

*Diversified exploration and development via direct
and indirect interests*



Peninsula Mines Limited
(ASX: PSM) – 16.8%

Graphite Business Development in **South Korea**



Predictive Discovery Limited
(ASX: PDI) – 13.5%

Gold Exploration and Development in
West Africa



Project Acquisitions

Project acquisition plan in progress

Contact Details

Principal & Registered Office

Suite 2, Level 2
20 Kings Park Road
West Perth, WA 6006

Managing Director

Geoff Laing
Tel: +61 8 6143 1840

Website

www.auroraminerals.com



QUARTERLY ACTIVITIES REPORT to 30 September 2019

Aurora Minerals Limited ("Aurora" or "the Company") is pleased to provide its Quarterly Activities Report for the Quarter ended 30 September 2019.

Highlights of the Quarter:

Aurora Minerals Limited

- Aurora successfully completed its fully underwritten, non-renounceable Entitlement Offer. ^{A2}
- Post Quarter-end, Aurora lodged tenement applications over open ground prospective for copper-lead-zinc. ^{A4}
- Aurora continues to assess advanced projects for procurement. ^{A1, A3}

Peninsula Mines Limited ("Peninsula") (Aurora 16.8%)

- Peninsula has reached agreement in July 2019, to merge its South Korean graphite projects with those of Battery Mineral Resources Limited (BMR) and enable a Korean strategic advantage, with BMR's advanced projects and Peninsula's operational expertise, to develop graphite raw materials in one of the world's leading battery manufacturing jurisdictions. ^{D2}

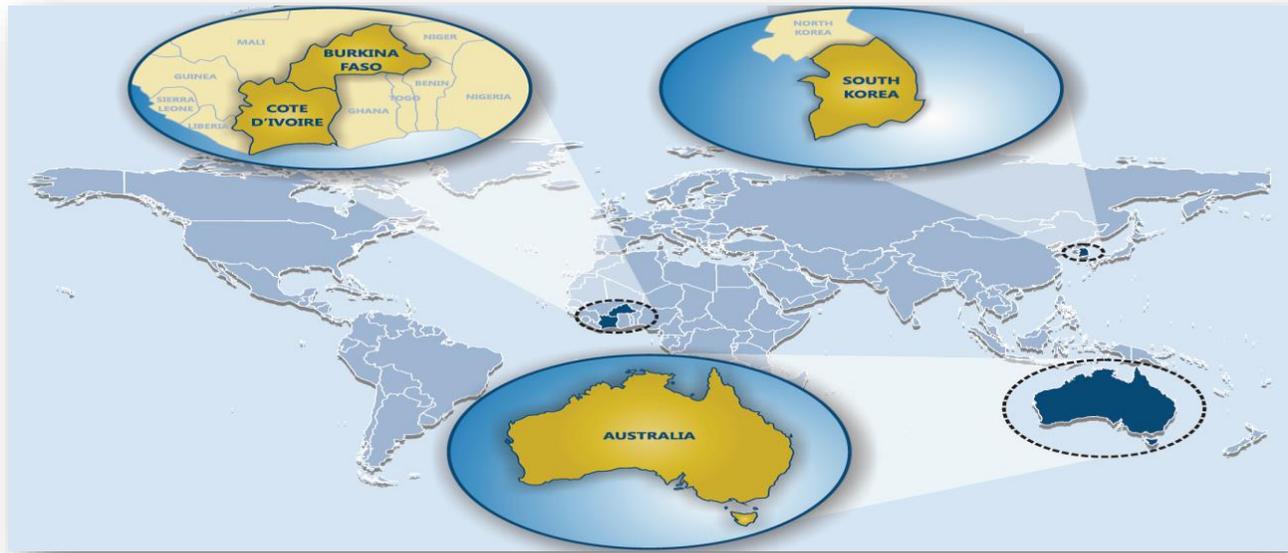
Predictive Discovery Limited ("Predictive") (Aurora 13.5%)

- Post Quarter-end, Predictive announced a Placement to raise \$1.75M, with cornerstone investment by Capital DI, to enable ongoing exploration of grassroots projects in Guinea as well as contributing to the JV with Resolute to explore Boundiali and Ferkessedougou North in Cote D'Ivoire. ^{P1}

Corporate

- Aurora's fully underwritten entitlement offer to raise \$1.17M concluded successfully. ^{A2}
- Aurora cash at bank ~\$2.27M (parent) at end of September 2019
- Value of cash and investments as at 30 September 2019 ~\$3.2M (~1.4c/share)

Figure 1: Aurora and its substantial interests conduct exploration across three continents



Aurora's company investments and market valuations, as at 30 September 2019, are summarised in Table 1, below.

Table 1: Aurora Minerals Group Investments

Investment	Code	Type	Number	% Holding	Unit Value	Total Value
Predictive Discovery Ltd	PDI	Shares - Listed	49,653,686	16.82%	\$0.012	\$595,844
Peninsula Mines Ltd	PSM	Shares - Listed	171,295,270	16.85%	\$0.002	\$342,590
						\$938,434

Aurora activities update

During the Quarter, the Company continued to assess advanced projects consistent with its procurement strategy.

A1, A3

This work has brought to light areas of open ground over which significant exploration had previously been done for gold, copper and other base metals. Post Quarter-end, the Company announced that it had taken the opportunity to secure tenement applications over open ground prospective for structurally controlled volcanogenic massive sulphide (VMS) style deposits in the Ravensthorpe and West Pilbara areas. These areas are well mineralised and strategically located in relation to port and road infrastructure. The tenement applications have been extensively, historically explored and will provide exploration opportunities that complement future project procurement. ^{A4}

Consistent with the Company's strategy, Aurora will continue its assessment of more advanced projects that are suited to the application of technical solutions (such as sorting) and which provide the opportunity to rapidly advance through to development and production.

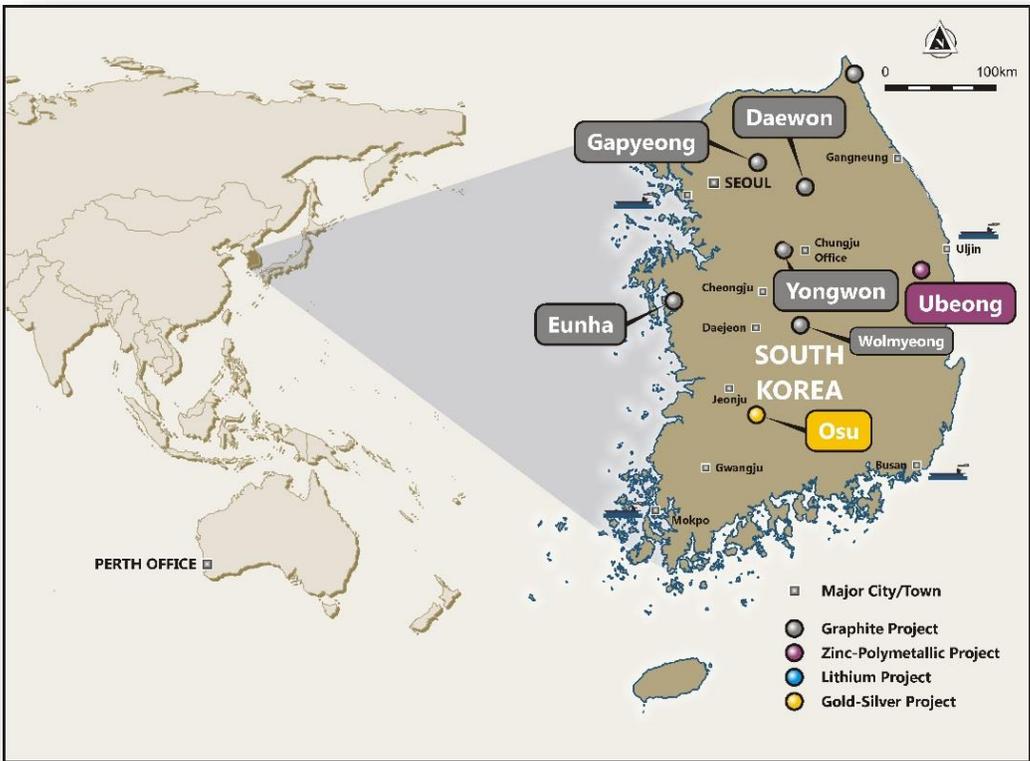
Peninsula Mines Limited

Peninsula is working to close the gap between graphite production from mining and spherical graphite demand from lithium-ion battery manufacturers in the Korean Republic, currently dependent on Chinese supply chains. In order to achieve this, Peninsula is planning a graphite processing research and development project, while simultaneously cultivating relationships with key Korean manufacturers and local governments and progressing its Korean graphite projects towards development.

Graphite Business Development

In July 2019, Peninsula announced the agreed merger of its wholly-owned Korean subsidiary, Korean Graphite Company Limited (KGCL), with the Korean branch of Battery Mineral Resources Limited (BMRK) to form a new company, 45% owned by PSM and 65% BMR. This will enable both companies to maximise their strategic advantage, applying Peninsula’s operational expertise to BMRK’s advanced projects. BMRK’s Geumam Project resource currently stands at **7.2Mt @ 5.4%TGC for 407,000t contained graphite**, with plans to upgrade the resource. ^{D2}

Figure 2: Location Plan of Peninsula’s South Korean Projects ^{D1}



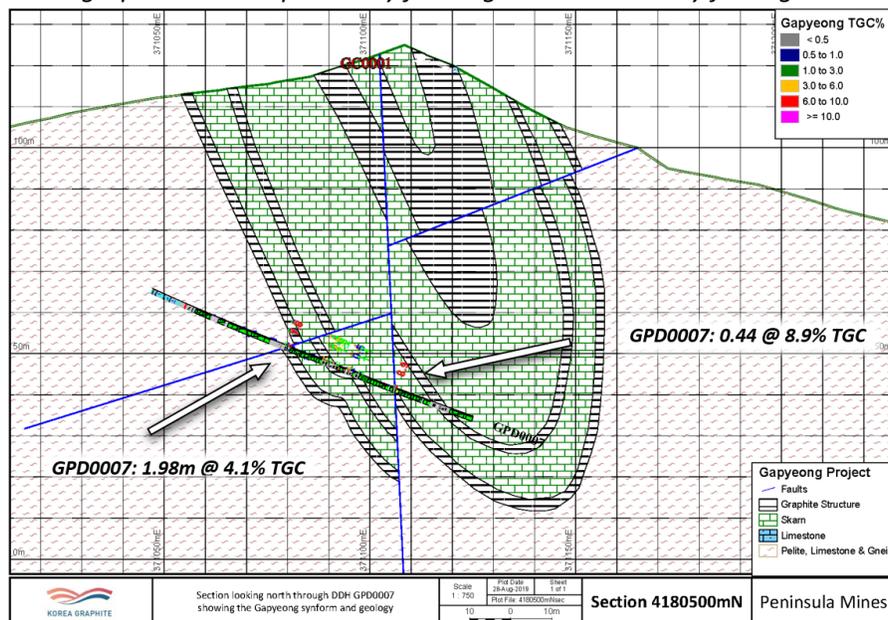
Graphite Projects

KGCL's own flake graphite projects, locations shown in Figure 2 above, have been selected on the following basis:

- High-grade, flake-graphite mineralised units ~10m wide, mapped over a strike of more than 1km
- Metallurgical and petrographic analysis confirmed the quality and suitability of the flake graphite for spherical graphite production
- Each has undergone detailed, ground electromagnetic (EM) surveys, trenching and sampling
- Drilling of each project is planned pending drill access being negotiated with land holders.

Gapyeong Graphite Project - During the Quarter, enabled by limited drill access, Peninsula completed the diamond drilling of three holes for 397m, intersecting two, new, parallel, graphitic schists in the western limb of the north-plunging graphite mineralised synform, the target of exploration to date. Faulting has repeated these units advantageously in places, expanding the potential graphite target. Folding has thickened the graphitic units in the nose of the synform, defining additional drill targets. The two newly identified units are expected to be repeated in the eastern limb of the fold, providing further channel sampling and drill targets. Drilling was part funded by KORES (Korean Resources) as an incentive to mineral exploration in the country. ^{D3}

Figure 3: Gapyeong South Section 4,180,500mN showing diamond drilling intersecting interpreted synformal graphitic units repeated by faulting and thickened by folding ^{D3}



Base and Precious Metals Projects - JV Proposition

Ubeong Zinc-Lead-Copper Project consists of numerous mineralised skarn deposits offset by faulting. This is a very large porphyry system (10km long), situated along strike of the operating Keumho Zinc Mine. Peninsula's work has included extensive ground magnetic surveys, induced polarisation, mapping, trenching and diamond drilling. ^{D1}

Osu Gold-Silver Project tenure secures a number of historical, underground gold and silver mines on the flanks of Mount Pal Gong, with workings over 1.2km strike. Peninsula's own work has included channel sampling and

diamond drilling to confirm surface and depth continuity of mineralised sheet veins, with results including **0.31m @ 22.2g/t Au and 182 g/t Ag from 157.79m**, in recent drilling. ^{D1}

While Peninsula is focused on developing its graphite business in South Korea, it is seeking suitable joint venture partners to further develop these two, historically mined projects, each with significant mineralisation potential as confirmed by Peninsula’s exploration. ^{D1}

Predictive Discovery Limited

Predictive Discovery Limited (“Predictive”) holds prime gold exploration tenure in the West African Golden Triangle. Predictive’s holdings in Cote D’Ivoire and Burkina Faso are operated under a number of joint venture agreements with experienced and respected companies, including Resolute Mining Limited (formerly Toro Gold Limited ^{P3}) and TSE listed Progress Minerals Inc., while Predictive is actively advancing new ground in Guinea through grass roots exploration. See Figure 4, below.

Figure 4: Predictive Discovery Project Locations in West Africa’s Golden Triangle ^{P4}



Cote D'Ivoire

During the Quarter, Resolute Mining Limited announced their acquisition of Toro Gold Limited, thus Predictive's Ivorian joint ventures with Toro will be operated by Resolute going forward. Predictive noted no change to the JV agreement under Resolute and anticipated ongoing successful development of its Ivorian projects. ^{P3}

In September 2019, Predictive announced Resolute's JV exploration programme would commence in November 2019 and focus on the Ferkessedougou North permit with diamond drilling, soil sampling, mapping and reinterpretation of airborne geophysics. ^{P2}

Predictive intend to maintain a 25% equity in that project by part-funding the proposed exploration work. To this end, Predictive announced a placement to raise \$1.75M post Quarter-end, with a cornerstone investment by Capital DI of \$250,000. ^{P1}

Burkina Faso

PDI is free carried through the development of its Burkina Faso tenure via a JV with Progress Minerals. ^{P4}

Guinea

Five, 100% PDI-owned Reconnaissance Authorisations in Guinea cover over 500km² of the Siguiri Basin. ^{P4} Work to date has included rock chip and stream sampling at Kaninko, Nonta and Kankan, as well as dump sampling at artisanal mine sites (with a peak value of **29g/t Au**). Soil sampling at Kankan generated a 6km long gold anomaly. Regolith mapping, trenching and ground magnetic surveys are planned to better understand the depositional environment. RC drilling is also planned for the early 2020 field season, funded by the Placement announced post Quarter-end. ^{P1, P4}

Aurora Corporate

Aurora cash at bank ~\$2.27M. Value of cash and investments as at 30 September 2019 ~\$3.2M (~1.4c/share).

Geoff Laing
Managing Director
+61 (08) 6143 1840

Competent Persons Statement

The information in this report that relates to the exploration results and Mineral Resources of Peninsula and Predictive is summarised from publicly available reports as released to the ASX of the respective companies. The results are duly referenced in the text of this report and the source documents listed below.

The exploration results reported herein relating to Predictive Discovery Limited are based on information compiled by Mr Paul Roberts (Fellow of the Australian Institute of Geoscientists). Mr Roberts is a full-time employee of that company and has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Roberts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results for Peninsula Mines Limited is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan is employed as a consultant. Mr Noonan 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

APPENDIX 1 - List of Announcements to the Australian Securities Exchange which are referenced in this release:

Aurora Minerals Limited

- A1 Aurora Minerals Quarterly Activities and Cash Flow to 30 June 2019, 29 July 2019
- A2 Closure of Non-Renounceable Rights Issue, 8 July 2019
- A3 Annual Report 2019, 27 September 2019
- A4 Aurora Secures New Ground, 28 October 2019

Peninsula Mines Limited

- D1 Peninsula Mines Quarterly Activities Report to 30 June 2019, 31 July 2019
- D2 Peninsula in Merger Agreement with Battery Mineral Resources, 13 July 2019
- D3 Graphite Intersections from Gapyeong Drilling, 30 August 2019

Predictive Discovery Limited

- P1 \$1.75M raised to drive exploration push in Guinea and Cote D'Ivoire, 16 October 2019
- P2 Resolute JV Exploration Program to Commence in November, 24 September 2019
- P3 Predictive Welcomes Resolute to Cote D'Ivoire JV, 5 August 2019
- P4 Quarterly Activities Report for the Period Ending 30 June 2019, 31 July 2019
- P5 Company Presentation – Proactive Investors Sydney, 15 July 2019

Appendix 2:

The following information is provided pursuant to Listing Rule 5.3.3 for the Quarter ended 30 September 2019:

Tenement	Location	Status	Interest
E 47/4281*	West Pilbara Mineral Field, Western Australia	Application	100%
E 74/651*	Phillips River Mineral Field, Western Australia	Application	100%

*Interests in applications obtained post Quarter-end. See announcement dated 28 October 2019. ^{A4}

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AURORA MINERALS LIMITED

ABN

46 106 304 787

Quarter ended ("current quarter")

30 SEPTEMBER 2019

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*	(149)	(149)
(b) development		
(c) production		
(d) staff costs**		
(e) administration and corporate costs*	(164)	(164)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	6
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)	20	20
1.9 Net cash from/(used in) operating activities	(287)	(287)

* The company's accounting policy allocates staff costs to activities and are accordingly included in items 1.2 (a) and 1.2 (e). This represents expenditure on evaluation of potential project acquisitions.

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) 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) property, plant and equipment	-	-
(b) tenements (see item 10)		
(c) investments	359	359
(d) 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	359	359

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	1,171	1,171
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options ⁽¹⁾	(117)	(117)
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	1,054	1,054

(1) Costs incurred in relation to a Rights Issue concluded in July, raising \$1.17m before costs.

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,144	1,144
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(287)	(287)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	359	359
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,054	1,054
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	2,270	2,270

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	2,238	262
5.2 Call deposits	32	882
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)*	2,270	1,144

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	91
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1: Payment was for remuneration to directors.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

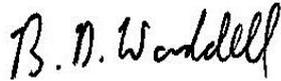
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration	50
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	150
9.6 Other – Evaluation of potential project acquisitions	100
9.7 Total estimated cash outflows*	300

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

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.



Sign here: Date: 29 October 2019
(Company secretary)

Print name: Bruce Waddell

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.