



TARGET MARKET DETERMINATION

Made by:	Aura Energy Limited (ACN 115 927 681) (“Company” or “Aura”)
Product:	Listed options to acquire fully paid ordinary shares in the capital of the Company pursuant to a prospectus dated 19 October 2021 (as supplemented by a supplementary prospectus on 25 October 2021) (“Listed Options”)
Effective date:	19 October 2021

1. About this document

This target market determination (“TMD”) seeks to offer investors with an understanding of the class of investors for which this product has been designed, having regard to the objectives, financial situation and needs of the target market.

This document is not to be treated as a full summary of the product’s terms and conditions and is not intended to provide financial advice. Investors should refer to the Prospectus dated 19 October 2021 (as supplemented by a Supplementary Prospectus dated 25 October 2021) (“Prospectus”) issued by the Company which outlines the relevant terms and conditions under the product when making a decision about this product.

Pursuant to the Prospectus, the Company offered a non-renounceable pro-rata offer of one (1) Listed Option (exercisable at \$0.052 each and an expiry date of 30 June 2024) for every three (3) Shares held on the Record Date (defined below) at an issue price of \$0.015 to raise up to \$2,030,399 before costs (“Entitlement Offer”).

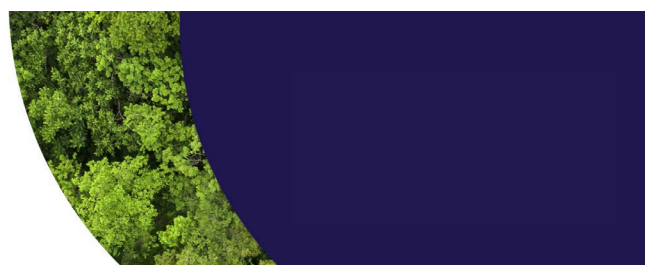
This TMD is not a disclosure document for the purposes of the Corporations Act 2001 (Cth), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (ASIC).

2. Class of investors that fall within this target market

The information below summarises the overall class of investors that fall within the target market for Listed Options, based on the product key attributes and the objectives, financial situation and needs that they have been designed to meet.

The Listed Options have been designed for investors whose likely objectives, financial situation and needs (as listed below) are aligned with the product (including the key attributes). The Listed Options are for those who:

- seek to profit from an appreciation in the market price of shares in Aura; and
- are accustomed to participating in speculative investments in the mining exploration sector.



Product description and key attributes

The key eligibility requirements and product attributes of Listed Options are:

- the Entitlement Offer is non-renounceable and is being undertaken on the basis of one (1) Listed Option for every three (3) ordinary shares held by eligible shareholders;
- the Listed Options will be issued at \$0.015 each and are exercisable at \$0.052 each and an expiry date of 30 July 2024;
- the record date to determine entitlements for eligible shareholders was 5.00pm AEDT on 22 October 2021 ("**Record Date**"). Only shareholders with a registered address in Australia and New Zealand as at the Record Date were eligible to participate in the Entitlement Offer ("**Eligible Shareholders**");
- the Entitlement Offer is fully underwritten by KTM Capital Pty Ltd ("**Underwriter**");
- there will not be the ability for Eligible Shareholders to subscribe for any shortfall Listed Options, as these will be taken up by the Underwriter, pursuant to the Underwriting Agreement set out in the Prospectus;
- each Listed Option will rank equally with and be issued on the same terms as those quoted Options already issued by the Company. Application for quotation of the Listed Options offered under the Entitlement Offer will be made by the Company on 15 November 2021;
- the Entitlement Offer is non-renounceable, accordingly rights will not be tradeable on ASX or otherwise transferrable. Shareholders who do not take up their entitlements in full will not receive any value in respect of that part of their entitlement that they do not take up. Shareholders who are not eligible to receive entitlements will not receive any value in respect of entitlements they would have received had they been eligible; and
- a maximum of approximately 135,359,902 Listed Options (based on the undiluted share capital of the Company as at 19 October 2021) will be issued under the Entitlement Offer. This number is subject to reconciliation of entitlements and rounding. Based on that number, the maximum number of Options on issue following the Entitlement Offer will be 165,130,198.

Objectives, financial situation, and needs

This product has been designed for individuals who have:

- the financial ability to bear the economic risk of the investment in Listed Options;
- adequate means to provide for their current needs and to withstand a loss of the entire investment in the Listed Options;
- such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of acquiring the Listed Options; and

- determined that the Listed Options are a suitable investment both in the nature and number of the Listed Options being acquired.

Excluded class of consumers

This product has not been designed for individuals who:

- require an income stream from their investment; and/or
- cannot bear the consequences of potential losses without material impact on their standard of living.

Consistency between target market and the product

The key feature of the Listed Options is that they provide leverage in respect of share price appreciation of Shares. As such, the Listed Options are exercisable at \$0.052 per Listed Option and the Company's current share price of the Company is \$0.28 per Share (as at the date of this TDM), making it a significant benefit for Eligible Shareholders who do participate in the Entitlement Offer.

However, there is a risk that Listed Options may become:

- lower in value in the event that the Company's share price does not appreciate; and
- worthless if the Company's share price on the expiry date is less than the exercise price of Listed Options.

Accordingly, investing in Listed Options is a high risk / high reward strategy and is only suitable for investors who can bear the risk of losing all their money.

3. How this product is to be distributed

Distribution channels

This product is designed to be distributed through the following means:

- under the Prospectus to Eligible Shareholders of the Company as at the Record Date only;
- under the Prospectus to the underwriter to the Entitlement Offer, as the underwriter for all of the "shortfall" to the Entitlement Offer as specified in the Prospectus; and
- on ASX's cash market once the Listed Options are issued and granted quotation. Investors may only trade Listed Options by placing orders through their financial advisors or through online platforms.



Distribution conditions

This product should only be distributed under the following circumstances:

- in accordance with applications made by Company's shareholders using an application form accompanying the Prospectus;
- under the Prospectus to the Underwriter as the underwriter for all of the "shortfall" to the Entitlement Offer as specified in the Prospectus;
- once quoted, Listed Options should only be traded on the ASX trading platform; or
- third party distribution of Listed Options issued by the Company must only occur in accordance with the client suitability and understanding procedures specified by us. Third party distributors must establish, implement, and maintain appropriate procedures, processes, and controls with a view of ensuring that the Listed Options are distributed in accordance with this TMD. No third-party distributor is permitted to distribute Listed Options issued by the Company to retail clients unless the distributor considers on reasonable grounds that each relevant retail client is likely to be within the target market.

Adequacy of distribution conditions and restrictions

For the purposes of the Entitlement Offer of Listed Options under the Prospectus, the Company has emphasised that an investment in Listed Options, and in the Shares underlying the Listed Options, is speculative in nature and not suitable for investors for whom such an investment is inappropriate.

Once the Listed Options are issued and trading on ASX, the Company will ensure that this TMD is displayed prominently on the Company's website.

4. Reviewing this target market determination

We will review this TMD in accordance with the below:

Initial review:	Within six (6) months of the effective date.
Periodic reviews:	At least every six (6) months from the initial review until the expiry date of the Listed Options, being 30 June 2024.
Review triggers or events:	Any event or circumstances arise that would suggest the TMD is no longer appropriate. This may include (but not limited to): <ul style="list-style-type: none">• a material adverse change to economic conditions;• ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Listed Options or this TMD; and

- significant adverse changes to the Company's circumstances such as suspension from trading or the appointment of administrators .

Where a review trigger has occurred, this TMD will be reviewed within 10 business days.

5. Reporting and monitoring this target market determination

Aura may collect the following information in relation to this TMD.

Complaints: The Company will review all complaints received in relation to the Listed Options on a continuous basis.

Significant dealings: The Company will not be in a position to determine whether "significant dealings" occur in an "on market" environment as it has no capacity to identify the objectives, financial situation and needs of investors who acquire Listed Options on-market.