Aura Energy Limited
(ACN 115 927 681)

Annual Report

Year 30 June 2019

Corporate Directory

Directors

PD Reeve	Executive Chairman
R Beeson	Non-Executive Director
BF Fraser	Non-Executive Director
JC Perkins	Non-Executive Director

Company Secretary
JM Madden

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Nominated Advisor
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Mayfair London United Kingdom

Joint brokers
SP Angel Corporate Finance LLP
WH Ireland Limited

Auditor
Bentleys
Level 3, London House
216 St Georges Terrace
Perth WA Australia

Solicitors
Dentons Australia
Level 17, 585 Collins Street
Melbourne Victoria Australia

Dear Shareholder

During 2019 Aura continued to advance its philosophy that the best path to creating shareholder wealth is the advancement towards, and ultimately the achievement of, production from its exploration and development projects.

With the Tiris Uranium Project, the Häggån Vanadium Project and our exploration tenements for gold, base and battery metals Aura pursued this strongly and concluded the end of 2018/19 with the business side of the company in great shape.

Whilst the financial year was one of outstanding success from a business building point of view the response on the equity market for Aura was poor and at year end the lack of recognition of Aura's business activity resulted in a low share price. The reasons revolve around the poor outcome for Aura's February share placement, unavoidable delays in studies, uranium price and the general market tone around the US/China Trade War.

To re-iterate however, Aura's development projects are in excellent shape and the events and achievements that drove this strong business build were as follows;

- In late 2018 Aura secured the Exploitation Licence for the Tiris Uranium Project.
- Following definition of the Häggån Vanadium Project high grade zone Aura pursued the Häggån Scoping Study aggressively and completed capital and operating cost estimates for the new project before the end of the financial year.
- With a strong vanadium price and a will to innovate, Aura also detailed the path to vanadium recovery with the Tiris Uranium Project. This vanadium will be a strong revenue contributor
- Declaring Aura was putting "the building blocks to cashflow' in place the Company secured a significant offtake agreement for its Tiris Uranium Project which still allowed exposure to higher uranium prices in the future.
- An additional building block was the commencement of a detail process via our London-based advisors to obtain low-cost Export Credit Finance support for both Tiris and Häggån
- After some years of patient frustration Aura secured two highly prospective gold exploration licences near the massive Kinross Tasiast project. Nickel and cobalt also identified here.
- The Company later expanded that position securing additional ground prospective for its Tasiast South Project.
- Significantly in May 2019 Aura produced the first Mauritanian Yellowcake ever as part of the test work for Tiris.
- Subsequent to the end of the financial year, Aura announced the completion its Tiris Uranium Project Definitive Feasibility Study with the Häggån Vanadium Scoping Study close behind.

Aura will continue to pride itself on real advancement of the projects it has already discovered in-house and this is achieved with the excellent technical team it has assembled over the years. Aura thanks this team and all it staff and director for their efforts during the year.

In the year ahead Aura is targeting finance for the Tiris Project and, subject to a receptive uranium environment, a move towards development of the project. Additional optimization projects around Tiris have been commissioned and should result in project improvements.

The Häggån Project Study will be released and, in conjunction, Aura will pursue battery manufacturing initiatives with that project.

Also, to place the Häggån Vanadium Project and gold tenements on a stronger independent funding footing the Company will seek more optimum corporate structures for these assets.

I want to thank the shareholders for their support in the year and we look forward to delivering shareholder returns off the back of the strong business we have created.

Yours sincerely

PD Reeve
Executive Chairman

URANIUM

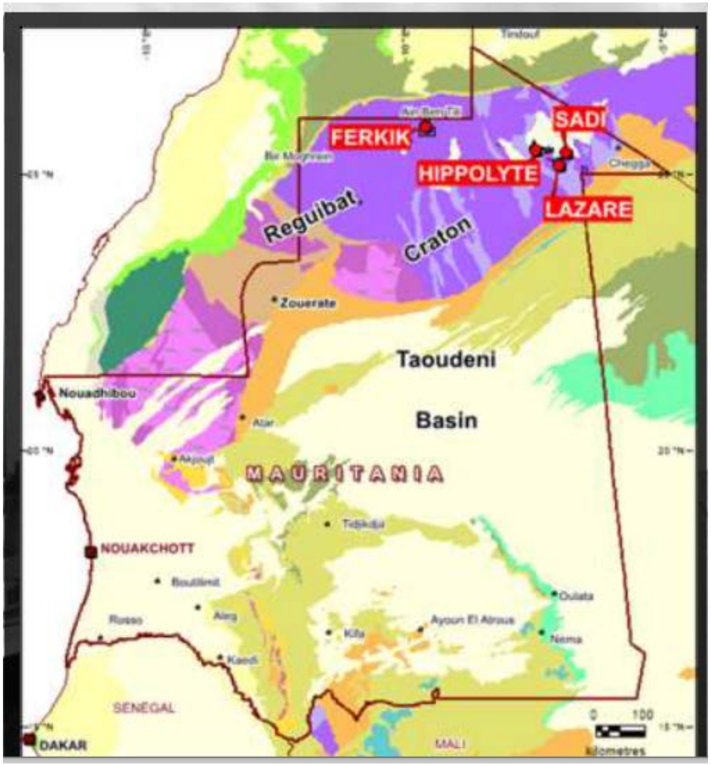
Tiris Uranium Project

By the end of the financial year, the Group had virtually completed the Tiris Definitive Feasibility Study. The formal release of the DFS took place on 29 July 2019 and confirmed the Tiris Uranium Project as a low cost and low operating cost development.

The DFS is designed to support a 1.25 million tonne/annum (Mtpa) uranium processing plant, an associated open cut mine, and supporting infrastructure.

The Tiris Uranium Project is based on a substantial greenfield uranium discovery by the Company with 51.8 million pounds U_3O_8 in current resources. Two exploitation licences covering 390 km^2 were granted to Tiris Ressources SA, a Mauritanian registered subsidiary of Aura, on 8 February 2019. The two licences cover the Eastern Tiris resources at Oued El Foule and Ain Sder. An application for a 38 km^2 exploitation licence remains pending over the smaller Western Tiris resource at Oum Ferkik.

Figure 1
Project Location



This DFS is focussed primarily on the two granted exploitation permits - 2491C4 Ain Sder and 2492C4 Oued El Foule. These comprise the Eastern Tiris resource zone in Wilaya du Tiris Zemmour.

Geology

Table 1
Mineral Resources

Cut-off U_3O_8 ppm	Class	Tonnes (Mt)	U_3O_8 ppm	U_3O_8 (Mlb)
100	Measured	10.2	236	5.3
	Indicated	24.5	218	11.8
	Total M+I	**34.7**	**224**	**17.1**
	Inferred	57.4	274	34.7
	Total Resource	**92.1**	**255**	**51.8**
200	Measured	4.6	355	3.6
	Indicated	9.5	334	7.0
	Total M+I	**14.1**	**341**	**10.6**
	Inferred	36.8	344	27.9
	Total Resource	**50.9**	**345**	**38.5**
300	Measured	2.1	497	2.3
	Indicated	4.0	465	4.1
	Total M+I	**6.1**	**476**	**6.4**
	Inferred	18.0	446	17.7
	Total Resource	**24.1**	**455**	**24.1**

Over the years there has been three resource estimation exercises carried out with the 2017 drilling campaign substantially upgrading a portion of the resources to Measured and Indicated status (see ASX Announcement, dated 30 April 2018).

Potential exists to add to the resource base within the immediate vicinity of the recently known resources. In the Sadi zone, drilling has demonstrated that mineralisation extends at least 1.5 kilometres south of the current resource boundary. This extension has not been closed off by drilling or included in any resource boundary.

The delineation of Measured and Indicated Resources (see Table 1) has been limited for cost reasons only to portions of the of the Lazare and Hippolyte deposits. Additional Measured/Indicated Resources will be established within the currently defined Inferred Resources zones, and within further resources yet to be outlined.

The declared Ore Reserves at a 175 ppm U_3O_8 cut-off is set out in Table 2.

The Ore Reserves were generated by H&S Consultants with appropriate modifying factors to apply for mining dilution This Resource model was used in an open pit optimisation process, to produce a rang of pit areas using operating costs and other inputs derived from previous studies.

Mining Plus were retained by the Group to complete the mining design for the Tiris Uranium Project, including Ore Reserve estimation in accordance with The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the “JORC Code”), 2012 Edition.

The uranium mineralisation lies largely within 3 to 5 metres of the surface in a relatively soft, free digging material containing patchy calcrete. Based on trenching and metallurgical test work to date, the mineralisation does not require blasting before mining or crushing prior to beneficiation.

Table 2
Ore Reserves

Description	Mt	U_3O_8 (ppm)	U_3O_8 (Mlb)
Lazare North			
Proved	0.7	354	0.6
Probable	4.4	332	3.2
Lazare South			
Proved	1.5	342	1.1
Probable	0.7	340	0.5
Hippolyte			
Proved	1.9	331	1.4
Probable	1.7	334	1.3
Total Reserve			
Proved	**4.1**	**339**	**3.1**
Probable	**6.8**	**333**	**5.0**
Total	**10.9**	**336**	**8.1**

Mining

The Feasibility Study (see ASX Announcement, dated 29 July 2019) has shown that the three mining areas can be developed in a practical sequence to production 800,000-1,100,000 pounds per year of UO_4 through the processing plant for over ten years. The first nine years will come from the currently defined Measured or Indicated Resources, which form the declared Ore Reserve.

The cost to develop and operate the mine for 10 years has been estimated at US$66 million or US$2.24 per tonne of material mined.

Resource optimisations for the Lazare North, Lazare South, Hippolyte, Hippolyte South and Sadi were developed for the Feasibility Study using an optimisation sales price of US$44 per pound for U_3O_8 as set in the Offtake Agreement between the Group and Curzon Uranium Trading Limited (see ASX Announcement, dated 29 January 2019).

A conventional open pit dry mining method utilising a combination of bulldozers, excavators and trucks will be employed through a contract mining arrangement. Where waste is mined it will be returned to a previously mined area without the need for building waste dumps.

Processing

The uranium is hosted with ultra-fine grained carnotite (K2(UO2)2(VO4)2.3H2O) that is loosely attached to barren gangue particles. This means uranium bearing carnotite can be readily separated from barren particles, allowing highly efficient upgrade of uranium concentration by simple scrubbing and screening. This greatly reduces the mass of material for leaching, reducing footprint and throughput for the hydrometallurgical plant.

The processing facility consists of three main sections. These are separated by surge tanks and include:

- Beneficiation circuit
- Uranium extraction circuit (Alkaline leach – solid liquid separation – Ion exchange)

- Uranium purification and precipitation circuit.

Tiris mineralisation is well suited to uranium recovery by alkaline leaching, using the sodium carbonate/ sodium bicarbonate system. The leach is undertaken at a temperature of 90°C with a residence time of 12 hours.

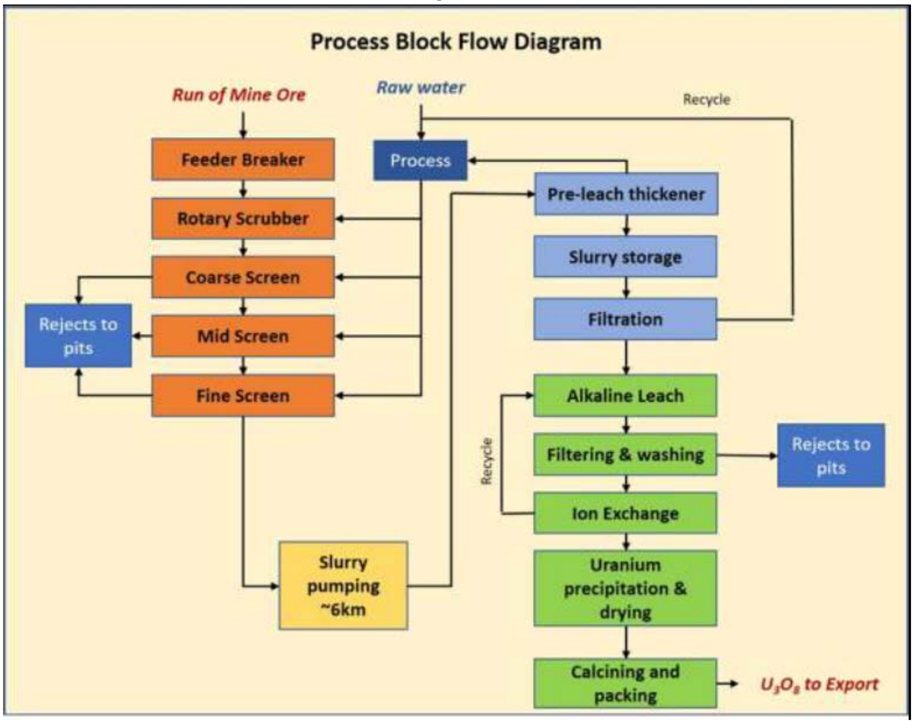
For alkaline systems the main process options available for recovery of uranium are ion exchange (IX), Resin in Pulp (RIP), or Direct Precipitation. For the Tiris process, ion exchange was selected. For efficient application of Direct Precipitation higher concentrations of uranium in leach solution would be required, to minimise downstream reagent requirements. Similarly, the elevated clay concentration may cause 'binding' of resin in an RIP system, reducing recovery efficiency.

After ion exchange the resin loaded with uranyl carbonate is eluted using sodium bicarbonate. The eluted uranium stream is then further concentrated by nano-filtration, and sodium bicarbonate recovered for recycle back to the leach circuit. Uranium is then precipitated with sodium hydroxide as sodium diuranate (SDU). The SDU precipitate is filtered and dissolved in sulphuric acid as uranyl sulphate, ready for final precipitation.

Uranium is precipitated with hydrogen peroxide to form the final uranyl peroxide (UO4) product. UO4 will then be dried or calcined to form the final Yellowcake product. Yellowcake is a term used to cover all Uranium Oxide Concentrates (UOC), which may include UO4, UO3, UO2 or U3O8.

The final UOC product will be packed in secure 205L IP-1 open head steel drums and strapped within a 6m container for transport by road to the Port of Nouakchott.

Figure 2



Infrastructure

The infrastructure component of the Tiris Project includes all supporting facilities located outside the mining area. Infrastructure includes the engineering design, procurement and management for the following site infrastructure works:

- Internal roads within the process site, and minor roadworks on the 665km site access road from Zouerat.

- Bulk earthworks
- Accommodation camp installation, reticulated services, waste disposal, water treatment and associated infrastructure.
- Transportable buildings including offices, change rooms, crib rooms and ablutions.
- Communications systems
- Steel framed buildings including workshops, warehouse and uranium packaging building.
- Power reticulation across the project site.
- Site security.
- Process plant security.
- Remote water borefield and pipeline.

The process plant area includes a heavy vehicle workshop, which will carry out maintenance on all the mining fleet. All the designated road areas within the process plant area, and the process plant equipment area, will require some soil compaction to avoid settlement. Key process equipment/traffic areas will be prepared by stripping the topsoil, proof rolling the area and installing a crushed compacted granite sub-base. Earthworks will thus be limited to the minimum required only. No earthworks are planned for the camp 3km north east of the process plant, due to the low building weights involved.

Capital and operating costs

Engineering company, Mincore Pty Ltd, provided the capital cost estimate for the Tiris Project which included the scope of facilities and services required to design, purchase and construct the entire project, up to practical completion and handover to operations.

An exhaustive in-country engineering review was conducted during the course of the financial year covering all infrastructure needs and, particularly, the road infrastructure to site. The in-country review found that of the 680 km road from Zouerate to Tiris, only 2km will require substantial roadworks.

Significantly, 85% of the capital cost for the Tiris Uranium Project has been sourced from **direct supplier quotes**. As a result of this thorough estimating approach, Aura is confident that the capital cost estimate for Tiris Uranium Project is robust.

No direct mining capital costs are outlined, as infrastructure to support the mining operations is included in the infrastructure numbers, there is no pre-strip required and mining costs are based direct supplier quotes from a number of mining contractors with all mobile equipment costs included in the operating cost estimation received.

Table 3
Capital Costs

Description	Cost (U$M)	Ratio (%)
Mining (contract mining assumed)	0.00	0
Process Plant	25.0	40
Infrastructure	17.9	28
EPCM	4.45	7
Owner's cost	10.02	16
Contingency	5.57	9
Total Capital Cost	62.94	100

The Power generation capital costs have been allocated to Operating expenses, with the delayed costs paid over three years once production commences. Aura obtained conceptual agreement to this financing arrangement, with one of the Power generation suppliers. The capital expenditure total cost is therefore reported as $62.94M USD.

The scope for the facilities also includes two specialised plant areas that were separately engineered for both quantities and prices. The specialised plant areas include:

- Leach and uranium recovery plant developed by Simulus Engineers, and
- Fluid bed precipitation, calcining and drum packing plant developed by Adelaide Control Engineering.

The costing for these two specialised packages includes full engineering, procurement of all equipment and packing ready for transportation (site erection and commissioning by others).

The operating cost estimate for the Tiris Project was developed by Aura Energy with assistance of MinCore Engineers, Simulus Engineers and MiningPlus. An estimate review was undertaken by METS Engineering. The estimate is based on the LOM ore schedule, process design criteria, steady state mass and energy balance and metallurgical test work undertaken as part of the Feasibility Study.
The estimate includes all costs associated with production of an average 0.8Mlbs U3O8 per annum, including:

- Contract mining;
- Labour;
- Fuel;
- Power;
- Reagents and consumables;
- Maintenance;
- General and administration;
- Product transport;
- Sustaining capital;
- World Bank Community contributions; and
- Royalties.

The operating cost estimate is considered to have an estimate accuracy of +15% -10%.

The comparison of the DFS Capital cost estimate with the Scoping Study showed an increase of 21% from the 2014 escalated estimate. This is a good result given the greater detail in the DFS estimate. Importantly, the estimate for the main processing facility was within 3% between the studies.

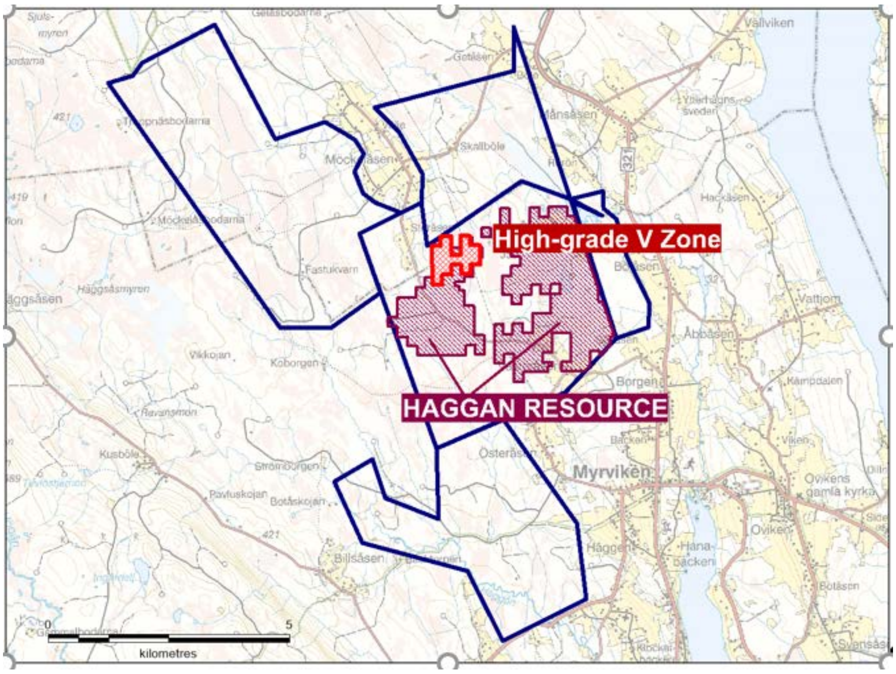
Table 4
Operating Costs

Description	Scoping Study 2014	Scoping Study esc to 2019	DFS 2019
	US$/M	US$/M	US$/M
Mining	1.12	1.30	0.00
Process Plant	22.07	25.59	26.3
Infrastructure	9.03	10.47	17.9
EPCM	3.19	3.70	4.45
Owner's cost	1.58	1.83	9.81
Contingency	8.05	9.33	4.30
Total Capital Cost	**45.04**	**52.21**	**62.94**

VANADIUM
Haggan vanadium project

The Group commenced an infill diamond drilling campaign at Häggån in late November 2018 aimed at upgrading 250 million lbs V_2O_5 to Measured and Indicated Resource status. The drilling campaign involved a 3,000-metre of drilling in 22 holes and was completed by the end of April 2019.

Figure 3
Location of Northwest High-Grade Zone



The program is focussed on the northwest high-grade vanadium zone at the Haggan vanadium project. As well as containing high grade vanadium, the mineralisation comes close to surface in this zone with the top of mineralisation averaging circa 27 metres below surface in the recent drilling.

While the mineralisation is up to 200 metres thick the drilling is aiming to test only the upper 100 metres as this is likely to support mining for the first 15 years.

On 23 May 2019 (see ASX Announcement, dated 23 May 2019), the group informed the market orebody modelling had defined a significant high-grade vanadium zone close to the surface. The modelling confirmed the Global Resource of 15.1 billion pounds of V_2O_5 which included a new significant high-grade hear surface vanadium zone of 90 million tonnes at 0.42% V_2O_5 at a cut-off grade of 4000 ppm.

On 14 August 2019, the Group announced assays from the 3,000-metre drilling campaign (see ASX Announcement, dated 14 August 2019) with the most significant results:

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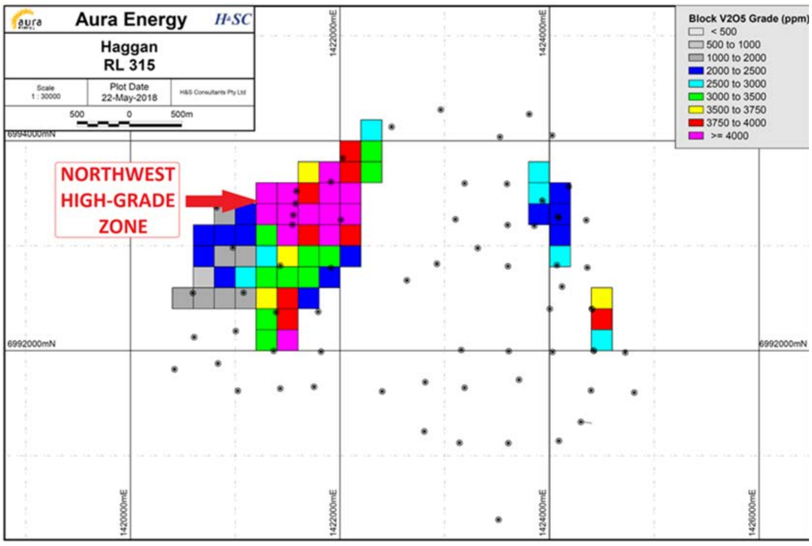
- 103 metres at 0.41 % V_2O_5 hole 19DDHG085
- 101 metres at 0.43 % V_2O_5 hole 19DDHG089 (including 68 metres at 0.5% V_2O_5)
- 93 metres at 0.41 % V_2O_5 hole 19DDHG084
- 78 metres at 0.43 % V_2O_5 hole 19DDHG083
- 71 metres at 0.43 % V_2O_5 hole 19DDHG080
- 54 metres at 0.45 % V_2O_5 hole 19DDHG090

Figure 4
High-Grade Vanadium Zone



Depth to the top of the mineralisation in the 28 drillholes in this high-grade zone averaged 27 metres which confirms the low stripping ratio of the future/planned mining operation.

The area covered by the recent drilling in this high-grade zone covers only a small portion of the giant Häggån Resource leaving potential for repeats of the current zone to be discovered within proximity of the current resource.

By the end of the financial year, all major technical work for the Häggån Scoping Study has now been completed as per schedule with the final report being assembled currently. The Haggan Scoping Study will be released in early October 2019.

GOLD AND BASE METALS
Tasiast South tenements

On 3 April 2019 (see ASX Announcement, dated 3 April 2019) the group was granted, through its Mauritanian controlled entity, TIMCO sarl, two exploration tenements covering of 175km^2 in an underexplored greenstone belt The areas lie along strike from the giant 20 million ounce Tasiast gold mine operated by Kinross Gold Corporation and Tijirit gold project held by Algold Inc. The Group believes that these tenements, with the single large Tasiast gold mine along strike, and strong base and battery metal results, represent some of the best under-explored greenstone belt targets in the world.

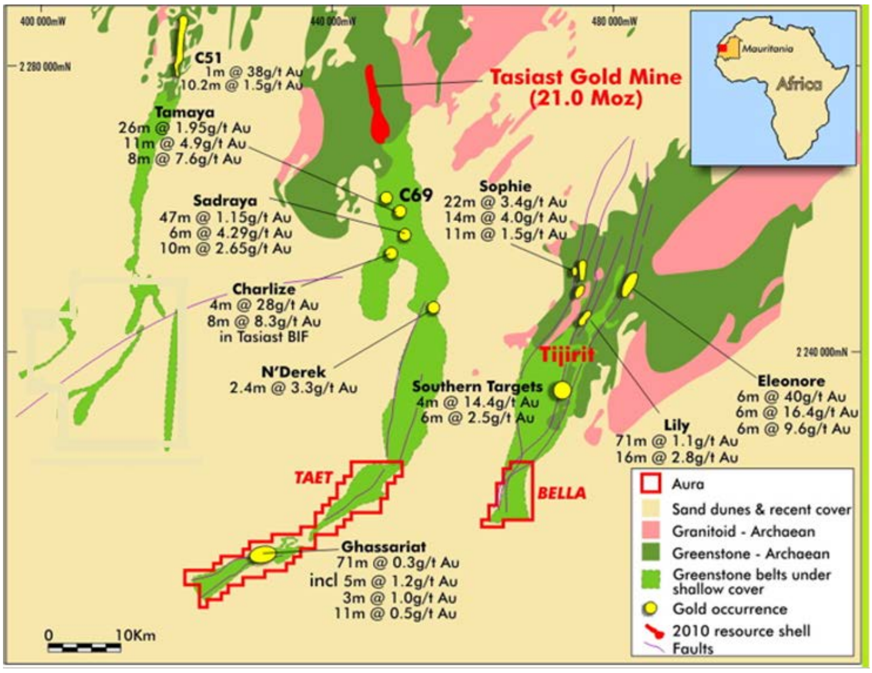
The prospects cover portions of the Tasiast and Tijirit greenstone belts which have been previously explored by another entity but it was forced to suspend activities in the mineral industry downturn in 2012, despite having located zones of significant gold mineralisation. Drilling by the previous holder of the tenements was shallow with some limited deeper reverse circulation (RC) drilling testing below air-core drilling. A small number of RC holes have provided very good results; however. the density of drilling is very low averaging approximately one hole per 20 km^2.

On 11 June 2019 (see ASX Announcement, dated 11 June 2019), the group informed the market that it had extended its footprint in this greenstone belt by entering into a Farm-in and Joint Venture Agreement with Nomads Mining Company sarl.

The formal agreement was executed on 26 June 2019.

Under the agreement the Group has a right to earn 70% of the equity in Nomads Mining Company sarl of Mauritania by funding US$1,000,000 of exploration expenditure. The exploration tenement, Nderik, covers approximately 50 km^2 of Archean greenstones in the Tasiast greenstone belt. The Nomads' Nderik tenement adjoins and is along strike from the Group's Touerig Taet exploration tenement which covers approximately 30 km in strike length of the Tasiast greenstones.

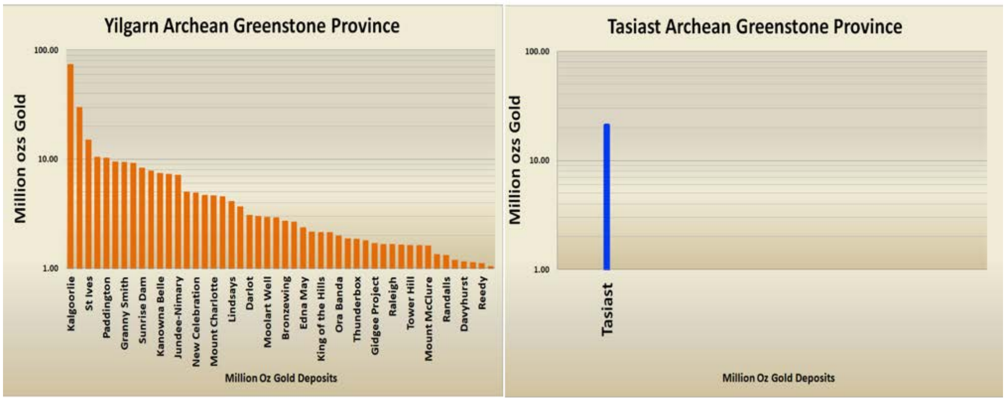
Figure 5
Tasiast Greenstone Belt



The Group is not aware of any significant prior exploration on the Nderik tenement area despite the area being previously held by Normandy La Source (who made the initial discovery of the Tasiast gold deposit) during the 1990s. The area of the Nderik tenement, which is close to the large Tasiast mine, has not been exposed to modern exploration techniques.

Initial field geological work indicates the greenstone sequences within the Nderik tenement and within the Group's Touerig Taet tenement have strong similarities in age (late Archean) and geology with those of the prolifically mineralised greenstone belts in the Yilgarn Province of Western Australia and the Superior Province in Canada. In the Mauritanian Archean greenstone belts, there is currently only one operating mine (excluding small-scale artisanal mining which is active in the area) operated by Kinross at Tasiast and one other reported gold resource at Tijirit held by Algold Limited.

Figure 6
Operating Mines in Yilgarn vs Tasiast



The directors present their report, together with the financial statements of Aura Energy Limited (ACN 115 927 681) (hereafter referred to as the "Company"), for the financial year ended 30 June 2019.

Principal Activities

The principal activities of the Company during the financial year were exploration and evaluation of uranium, vanadium and gold and base metals in Mauritania and Sweden. There was no significant change in the nature of these activities during the year.

Operating Results

The Group recorded a net loss after tax of $2,896,262 the year ended 30 June 2019 (the net loss after tax for the previous financial year was A$1,987,057). The increase in the net loss after tax was primarily due to higher employee benefits, financing costs (Convertible Security Funding Agreement) and consulting and government and public relations costs. The impairment of exploration expenditure previously capitalised on Swedish tenements also negatively impacted on the result.

State of affairs of the Company

No significant changes in the Company's state of affairs occurred during the financial year.

Dividends

No dividends were declared and paid during the year.

Events After Balance Date

On 16 July 2019 (see ASX Announcement ,dated 16 July 2019), the Group issued to:

- 11,111,111 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its first conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 5,000,000 fully paid ordinary shares on the conversion of performance shares to Messrs NJ Clifford and JM Madden and DR WR Goodall under the terms and conditions of the Long-Term Incentive Plan. The value of the shares issued to management on conversion of performance shares was $105,000.

- 3,251,773 fully paid ordinary to the shareholders of Nomads Mining Company Limited pursuant to the first payment of the entry fee pursuant to the Farm-in and Joint Venture Agreement, dated 26 June 2019. The value of the shares issued to the shareholders of Nomads Mining Company sarl $36,127 (the equivalent of US$26,000).

- 1,893,233 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $21,564.

On 21 July 2019 (see ASX Announcement, dated 21 July 2019), the Group issued 15,430,919 loyalty options to shareholders that subscribed to the rights issue (see ASX Announcement 21 June 2019). The loyalty options expire on 21 July 2020 and are exercisable at 2.2 cents per option over ordinary share. The loyalty options were issued at 0.5 cents per option over ordinary share and raised $77,154.

On 25 July 2019 (see ASX Announcement, dated 25 July 2019), the Group released a cleansing prospectus to enable the Group to issue a replacement convertible note to Lind Global Macro Fund LP as required by the Convertible Security Funding Agreement (see ASX Announcement, dated 30 April 2019).

On 29 July 2019 (see ASX Announcement, dated 29 July 2019), the Group released to the market the Tiris Uranium Project definitive feasibility study.

On 12 August 2019 (see ASX Announcement, dated 12 August 2019), the Group issued to 1,931,218 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $21,475.

On 14 August 2019 (see ASX Announcement, dated 14 August 2019), the Group release a revised Mineral Resource estimate for its Haggan vanadium project.

On 6 September 2019 (see ASX Announcement, dated 6 September 2019), the Group issued to:

- 14,285,715 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its second conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 2,041,281 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $22,209.

On 19 September 2019, the Company and Lind Global Macro Fund LP executed an R&D Funding Agreement whereby the Company received $250,000 to fund its research and development activities and repay the R&D Funding by way of assigning its Tax Rebate.

On 25 September 2019 (see ASX Announcement, dated 25 September 2019), the Group issued to:

- 16,666,667 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its third conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 18,811,250 fully paid ordinary shares to Met Forages sarl under the terms and conditions of a Drilling Settlement Agreement, dated 25 July 2019. The value of the shares issued to Met Forages sarl was $150,490.

- 2,021,250 fully paid ordinary shares to WH Ireland Limited for advisory services. The value of the shares issued to WH Ireland Limited was $16,170.

On 30 September 2019, the Company issued a supplementary prospectus to amend the terms and conditions of the options over ordinary shares set out in its prospectus, dated 19 June 2019, in relation to proposed listed options granted to subscribers to the Share Placement and Share Purchase Plan. The Company simultaneously issued 11,604,181 unlisted options and 19,544,508 loyalty options over ordinary shares pursuant to the Share Placement and Share Purchase Plan.

Information on directors

PD Reeve	Executive Chairman and Managing Director
Qualifications	Bachelor of Applied Sciences.
Experience	Board member since 13 July 2013 with over 30 years' experience positions with Rio Tinto, Billiton Australia and Newcrest Mining as well as experience as a Resource Fund Manager and Resources Corporate Finance Director at J B Were and Son. More recently Peter was Chief Executive Officer of Ivanhoe Australia Ltd.
Interest in shares and options	27,218,304 ordinary shares directly in Aura Energy Limited and 17,500,000 performance shares and 3,103,724 indirectly in Aura Energy Limited.
Directorships held in other listed entities in last 3 years	Round Oak Minerals Pty ltd (formerly CopperChem Limited) from 2013
Dr R Beeson	Director (Non-executive)
Qualifications	Bachelor of Science with Honours; PhD; Member of the Australian Institute of Geoscientists
Experience	Board member since 31 March 2006. Geologist with over 35 years of global experience in uranium and other commodity management, exploration and development.
Interest in shares and options	3,129,071 ordinary shares directly in Aura Energy Limited and 2,820,366 ordinary shares and 166,667 options over ordinary shares indirectly in Aura Energy Limited.
Directorships held in other listed entities in last 3 years	Managing Director of Drake Resources Limited from November 2004 until 31 January 2015. Non-executive director or Drake Resources Limited until 10 March 2017, Non-executive Director of Cohiba Resources Limited from 3 May 2018. No other directorships in the past three years.
BF Fraser	Director (Non-executive)
Qualifications	FCPA, F.Fin, B.Bus, FGIA
Experience	Board member since 24 August 2005. Mr Fraser has worked in the finance and securities industry for over 25 years' and has owned and operated businesses across wine, health, finance, media and mining.
Interest in shares and options	546,965 ordinary shares directly in Aura Energy Limited and 3,419,636 ordinary shares indirectly in Aura Energy Limited.
Directorships held in other listed entities in last 3 years	Non-executive director and Chairman of Blina Diamonds NL until 19 September 2019 and non- executive director and Chairman of Drake Resources Limited until 10 March 2017. Non-executive Director of Sundance Resources Limited from 10 March 2018. No other directorships in the past three years.
JC Perkins	Director (Non-executive)
Qualifications	Master of Science (Imperial College of Science and Technology) 1972; Associate of the Camborne School of Metalliferous Mining (Honours) 1967; Fellow of the Australasian Institute of Mining and Metallurgy; and Graduate of the Australian Institute of Company Directors.
Experience	Board member since 7 June 2011.

	Mr. Perkins has over 40 years' experience in operations and management with major companies in the international minerals industry. He was Manager of Mining and Technology (Australia) for AngloGold Ashanti Ltd, until 2006. His career includes operating and management roles on the Zambian Copperbelt, leading the mineral processing at Shell Research in the Netherlands before returning to corporate management in Australia. He was Chairman of Parker Centre Ltd for Hydrometallurgy from 2006 to 2012 and previously a director of the CRC Mining and the Australian Centre for Mining Environmental Research.
Interest in shares and options	3,799,490 ordinary shares and 500,000 options over ordinary shares indirectly in Aura Energy Limited.
Directorships held in other listed entities in last 3 years	No other directorships held in other listed entities.

Meetings of directors

During the financial year, the board of directors held 12 meetings (including committee meetings of directors) with the remainder of meetings conducted by way of written resolution. Attendances by each director during the year were as follows:

			Committee Meetings			
	Directors Meetings		**Audit & Risk Committee Meetings**		**Remuneration Committee Meetings**	
	No	Attended	No	Attended	No	Attended
PD Reeve	8	8	-	-	-	-
R Beeson	8	7	2	2	2	2
BF Fraser	8	8	2	2	2	2
JC Perkins	8	8	2	2	2	2

Non-Audit Services

Bentleys, the external auditor for the Group, provided the parent entity, Aura Energy Limited, with taxation services during the financial year totalling $3,200 (2018: $894). Details of remuneration paid to the auditor can be found within the financial statements at Note 31 Auditor's remuneration.

The directors are satisfied that the provision of non-audit services during the year by Bentleys (or by another person or firm on Bentley's behalf) is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* (Cth).

Indemnifying officers or auditor

During or since the end of the financial year the Group has given an indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums as follows:

- The Group has entered into agreements to indemnify all directors and provide access to documents, against any liability arising from a claim brought by a third party against the Company. The agreement provides for the Company to pay all damages and costs which may be awarded against the directors.

- The Group has paid premiums to insure each of the directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the company, other than conduct involving a wilful breach of duty in relation to the Company. The amount of the premium was $41,140 (2018: $31,959).

No indemnity has been paid to auditors of the Group

Environmental regulations

The Company is commencing exploration and evaluation activities in Mauritania and Sweden. Both countries have environmental regulation for the conduct of exploration activities. The Company has complied with these environmental regulations in the conduct of all field activities.

The directors have considered the enacted National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduced a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act has no effect on the Company for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises

Options

On 21 July 2019 (see ASX Announcement, dated 21 July 2019), the Group issued 15,430,919 loyalty options to shareholders that subscribed to the rights issue (see ASX Announcement 21 June 2019). The loyalty options expire on 21 July 2020 and are exercisable at 2.2 cents per option over ordinary share. The loyalty options were issued at 0.5 cents per option over ordinary share and raised $77,154. financial year and there were no options outstanding at the date of this report.

At the date of this report, the unissued ordinary shares of the Company under options (listed and unlisted) are as follows:

Grant date	Expiry date	Exercise Price	Option Number
14 June 2018	30 September 2019	$0.0330	96,815,790
14 June 2018	30 September 2019	$0.0330	5,000,000
14 June 2018	30 September 2019	$0.0330	2,747,788
14 June 2018	30 September 2019	$0.0330	1,172,566
18 July 2019	18 July 2020	$0.0220	15,430,919
30 April 2019	30 April 2022	$0.0160	62,500,000
30 September 2019	31 July 2021	$0.0220	11,604,161
30 September 2019	31 July 2020	$0.0220	19,544,508
			214,815,732

No person entitled to exercise an option over ordinary shares has or has any rights by virtue of the option over ordinary shares to participate in any share issue of any other body corporate.

Proceedings on behalf of the Group

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 21.

Remuneration report (audited)

Remuneration policy

The remuneration policy of the Group has been designed to align director and management objectives with shareholder and business objectives by providing a fixed remuneration component, and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The board of directors believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best management and directors to run and manage the Group, as well as create goal congruence between directors, executives and shareholders.

The policy of the board of directors for determining the nature and amount of remuneration for board members and senior executives of the Group is described in the following paragraphs.

The remuneration policy of the Group sets the terms and conditions for executive directors and other senior executives. Due to the rapidly changing circumstances of the Group in recent years, the policy is reviewed annually by the board of directors with the purpose of maintaining alignment of the board and management with the Group's strategic objectives. Management is also entitled to participate in employee share and option arrangements. All executives receive a base salary which takes into account such factors as length of service and experience, superannuation and share based incentive such as options. The board of directors review executive packages annually by reference to the performance of the Group, individual executives and relevant comparable remuneration data from similar listed companies and appropriate industry sectors. Independent expert advice is sought as required

The total amount of non-executive directors' remuneration is proposed by the board of directors from time to time at the Annual General Meeting and is subject to formal approval by shareholders. Within this limit, the board of directors presently remunerates non-executive directors at around the average of those obtained from relevant comparable data from similar listed companies and appropriate industry sectors. A measure of longer-term incentive is provided by the allocation of options to non-executive directors. The board of directors determines remuneration to individual non-executive directors, working within the limit set by shareholders, and taking into account any special duties or accountability. Payments to non-executive directors are not linked to Company performance but in order to align their interest with those of shareholders, non-executive directors are encouraged to hold shares in Aura Energy Limited.

Executives and non-executive directors have received a superannuation guarantee contribution as required by law, which increased to 9.5% on 1 July 2014, but do not receive any other retirement benefits.

All remuneration paid to non-executive directors and executives is valued at the cost to the Company and is expensed. Options over ordinary shares granted to directors and employees are valued using the Black-Scholes methodology. Details of directors' and executives' interests in options as at 30 June 2018 are provided in the Remuneration Report of the financial statements.

The Chairman became Executive Chairman and Managing Director of the Company with effect on 1 January 2015 and accordingly, is a fulltime employee. The Executive Chairman and Managing Director had agreed to settle 20% of his salary by way of fully paid ordinary shares in the Company. On 2 November 2017, the above arrangement was varied by the Company and the Executive Chairman and Managing Director to convert the share-based remuneration to a cash-based remuneration.

Under clause 14.7 of the Constitution of the Company, shareholders approved at the annual general meeting on 30 November 2017 the total aggregate amount fixed sum per annum to be paid to non- executive directors increase from $200,000 to $300,000.

At the annual general meeting on 14 November 2018, 78.7% of votes cast for the adoption of the remuneration report voted in favour of the resolution. The number of votes cast in favour of the resolution totalled 142,294,652.

Remuneration details for the financial years ended 30 June 2019 and 2018

Group KMP	Short-term benefits				Post-Employment Benefits	Long-term Benefits	Share-based payments		Total	% S-BP
	Salary/Fees/ Leave	Profit share/ Bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options/ Performance Shares		
					For Financial Year Ended 30 June 2019					
PD Reeve	**425,000**	**-**	**-**	**-**	**25,000**	**-**	**-**	**362,832**	**812,832**	**44.6%**
R Beeson	**40,000**	**-**	**-**	**-**	**3,800**	**-**	**-**	**-**	**43,800**	**-**
BF Fraser	**40,000**	**-**	**-**	**-**	**3,800**	**-**	**-**	**-**	**43,800**	**-**
JC Perkins	**40,000**	**-**	**-**	**-**	**3,800**	**-**	**-**	**-**	**43,800**	**-**
JM Madden	**151,300**	**-**	**-**	**-**	**-**	**-**	**-**	**56,000**	**207,300**	**27.0%**
	696,300	**-**	**-**	**-**	**36,400**	**-**	**-**	**418,832**	**1,151,532**	**41.1%**
					For Financial Year Ended 30 June 2018					
PD Reeve	400,000	-	-	-	25,000	-	25,000	297,916	747,916	39.8%
R Beeson	40,000	-	-	-	3,800	-	-	-	43,800	-
BF Fraser	40,000	-	-	-	3,800	-	-	-	43,800	-
JC Perkins	43,800	-	-	-	-	-	-	-	43,800	-
JM Madden	-	-	-	99,936	-	-	-	-	99,936	-
	523,800	-	-	99,936	32,600	-	25,000	297,916	979,252	39.8%

Service Agreements

The Executive Chairman and Managing Director, Peter Reeve, is employed under a contract of employment, effective 1 January 2015.

The employment deed stipulates a four weeks' resignation period. The Company may terminate the employment contract without cause by providing four weeks' written notice, or making payment in lieu of notice based on the individual's annual salary component.

If employment is terminated other than for serious misconduct, and the employee is not then otherwise in default of this contract and his employment, the Managing Director will, in connection with his retirement from the office, receive in addition to the required four weeks' notice period, three months' salary. An additional benefit may be paid in the amount of one month for every year of service. This is subject to the provisions of the Corporations Act 2001 (Cth), which may require shareholder approval.

Mr JM Madden does not have a contract with Aura Energy Limited and is employed on a limited basis for 3-4 days per week and is paid a daily rate; however, during the course of 2018 and 2019 Mr Madden spent approximately 12 weeks in Mauritania and therefore, worked effectively on a full time basis during the period in Mauritania Mr Madden is not entitled to annual leave or superannuation guarantee levy.

Share-based compensation

a. Incentive Option Scheme

Options are granted under the Aura Energy Limited Incentive Option Scheme. All staff who have been continuously employed by the Company for a period of at least one year are eligible to participate in the plan. Options are granted under the plan for no consideration.

b. Director and Key Management Personnel Options

At the general annual meeting of shareholders on 30 November 2017, shareholders approved resolutions to cancel 35,000,000 options over ordinary shares previously granted to the Executive Chairman and Managing Director and to award the Executive Chairman and Managing director 35,000,`000 performance shares for zero consideration with tranche 1 of 17,500,000 performance shares vesting on 30 November 2019 and Tranche 2 of 17,500,000 performance shares vesting on 30 November 2020.

c. Performance shares of Aura Energy Limited held by each KMP

Group KMP	Balance at start of year No	Awarded as remuneration during the year No	Converted during the year No	Other changes during the year No	Balance at end of year No	Vested and convertible No
2019						
Reeve	**35,000,000**	**-**	**(17,500,000)**	**-**	**17,500,000**	**-**
Madden	**-**	**5,000,000**	**-**	**-**	**5,000,000**	**1,666,666**
	35,000,000	**5,000,000**	**(17,500,000)**	**-**	**22,500,000**	**1,666,666**
2018						
Reeve	35,000,000	-	-	-	35,000,000	-
	35,000,000	-	-	-	35,000,000	-

At the annual general meeting of shareholders on 30 November 2017, shareholders approved a resolution to cancel 35,000,000 options over ordinary shares previously granted to Mr PD Reeve and grant 35,000,000 performance shares for zero consideration. The Group expended $362,832 (2018: $275,042) during the financial year for these performance shares.

The performance shares issued to Mr PD Reeve vested over two years with the first tranche of 17,500,000 vesting on 30 November 2018 and the second tranche of 17,500,000 vesting on 30 November 2019.

The amount expensed during the financial year represents the share price on the date of grant for the performance shares (2.2 cents per share) multiplied by the number of performance shares issued and subject to a probability of milestone achievement evaluated each balance date.

On 17 June 2018, the Group awarded Messrs NJ Clifford and JM Madden and Dr WR Goodall with each issued 5,000,000 performance shares. The board of directors ratified the issue of the performance shares on 4 September 2018. The performance shares vest over three years from 17 June 2019 through to 17 June 2021.

The amount expensed during the financial year represents the share price on the date of grant for the performance shares (2.1 cents per share) multiplied by the number of performance shares issued and subject to a probability of milestone achievement evaluated each balance date.

Mr NJ Clifford and Dr WR Goodall are not classified as Group KMP.

d. Options of Aura Energy Limited held by each KMP

Group KMP	Balance at start of year No	Granted as remuneration during the year No	Exercised during the year No	Other changes during the year No	Balance at end of year No	Vested and exercisable No
2019						
	-	-	-	-	-	-
2018						
Reeve	35,000,000	-	-	(35,000,000)	-	-
	35,000,000	-	-	(35,000,000)	-	-

Dr R Beeson, Mr JC Perkins and Mr JM Madden subscribed to the Share Placement and Share Purchase Plan during the course of the financial year. As at the date of this annual report, listed options and loyalty options over ordinary shares have not been issued. Dr R Beeson is entitled to 172,667 options over ordinary shares, Mr JC Perkins is entitled to 1,072,398 options over ordinary shares and Mr JM Madden is entitled to 594.371 options over ordinary shares.

e. Description of options issued as remuneration

On 10 June 2015, shareholders at an extraordinary general meeting approved the issue of 35,000,000 options over ordinary shares to Mr PD Reeve. Note the options over ordinary shares granted to Mr PD Reeve were cancelled at the annual general meeting on 30 November 2017.

The terms of the options over ordinary shares were as follows:

Grant date	Grant Value (See Note 1) $	Reason	Vesting date	Percentage vested during the year %	Percentage forfeited during the year %	Percentage remaining as unvested %	Expiry date	Range of possible values relating to future payments
2019								
	-	-	-	-	-	-	-	-
10/06/2015	66,436	Note 1	9/06/2016	100	-	-	9/06/2018	-
10/06/2015	57,884	Note 1	9/02/2016	100	-	-	9/02/2019	-
10/06/2015	19,445	Note 1	9/02/2016	100	-	-	9/02/2019	-
10/06/2015	87,364	Note 1	9/02/2017	100	-	-	9/02/2020	-
10/06/2015	103,555	Note 1	9/02/2018	-	-	100	9/02/2021	-

The options over ordinary shares were granted to Mr PD Reeve, the Executive Chairman and Managing Director as part of his remuneration and for future performance.

The valuation of the options were determined by applying the Black-Scholes method.

The vesting conditions for Mr PD Reeve were:

- Tranche 1 vest immediately at 10 cents per option over ordinary share with expiry date of 9 June 2018
- Tranche 2 vested at 8 months from the date of issue and was exercisable at 10 cents per option over ordinary share with expiry date of 9 February 2019
- Tranche 3 vested at 8 months from the date of issue and was exercisable at 15 cents per option over ordinary share with an expiry date of 9 February 2019
- Tranche 4 vested at 20 months from the date of issue and was exercisable at 15 cents per option over ordinary share with an expiry date of 9 February 2020
- Tranche 5 vested at 32 months from the date of issue and was exercisable at 15 cents per option over ordinary share with an expiry date of 9 February 2021

Details of all share-based payments in existence during the financial year can be found at Note 28 Share-based payments

Grant date	Issuer	Entitlement on Exercise	Exercisable dates	Exercise Price $	Value per option at grant date $	Amount paid/payable by recipient $
10/06/2015	Aura	1:1	9/06/2018	$0.10	$0.0076	-
10/06/2015	Aura	1:1	9/02/2019	$0.10	$0.0093	-
10/06/2015	Aura	1:1	9/02/2019	$0.10	$0.0078	-
10/06/2015	Aura	1:1	9/02/2020	$0.10	$0.0100	-
10/06/2015	Aura	1:1	9/02/2021	$0.10	$0.0118	-

Equity holdings of each KMP

Group KMP	Balance at start of year No	Received during the year as compensation No	Conversion of performance shares during the year No	Subscriptions to issues of shares No	Other changes during the year No	Balance at end of year No
2019						
PD Reeve	**12,812,365**	**-**	**17,500,000**	**-**	**-**	**30,312,365**
R Beeson	**5,636,937**	**-**	**-**	**312,500**	**-**	**5,949,437**
BF Fraser	**3,957,600**	**-**	**-**	**-**	**-**	**3,957,600**
JC Perkins	**2,861,990**	**-**	**-**	**937,500**	**-**	**3,799,490**
JM Madden	**215,833**	**2,293,806**	**-**	**625,000**	**-**	**3,134,639**
	25,484,725	**2,293,806**	**17,500,000**	**1,875,000**	**-**	**47,153,531**
2018						
PD Reeve	11,599,599	927,766	-	-	285,000	12,812,365
R Beeson	5,636,937	-	-	-	-	5,636,937
BF Fraser	3,957,600	-	-	-	-	3,957,600
JC Perkins	2,861,990	-	-	-	-	2,861,990
JM Madden	-	215,833	-	-	-	215,833
	24,056,126	1,143,599	-	-	285,000	25,484,725

During the financial Mr JM Madden was issued fully paid ordinary shares in lieu of amounts due as a contract employee. In the previous year, Mr PD Reeve was issued fully paid ordinary shares pursuant to his contract of employment and Mr JM Madden was issued fully paid ordinary shares in lieu of amounts due as a contract employee.

Options over ordinary shares held by KMP

Group KMP	Balance at start of year No	Received during the year as compensation No	Exercised during the year No	Issued under SP/SPP Raisings No	Other changes during the year No	Balance at end of year No
2019						
PD Reeve	**-**	**- -**		**-**	**-**	**-**
R Beeson	**-**	**-**	**-**	**172,667**	**-**	**172,667**
BF Fraser	**-**	**-**	**-**	**-**	**-**	**-**
JC Perkins	**-**	**-**	**-**	**1,072,398**	**-**	**1,072,398**
JM Madden	**- -**		**-**	**594,371**	**-**	**594,371**
	-	**-**	**-**	**1,839,436**	**-**	**1,839,436**
2018						
	-	-	-	-	-	-
	-	-	-	-	-	-

Dr R Beeson and Messrs JM Madden and JC Perkins subscribed to the Share Placement and Share Purchase Plans during the course of the financial year and were issued unlisted options and loyalty options on 30 September 2019 pursuant to the terms and conditions of the above-mentioned equity raising initiatives.

Loans to KMP

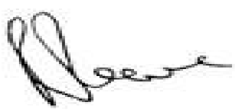
There were no loans made to directors of Aura Energy Limited as at 30 June 2019 (2018: Nil).

Other transactions with KMP

At balance date 30 June 2019, Mr JM Madden was owed $25,100 (2018: $16,870) by Aura energy Limited. At balance date 30 June 2018, Mr BF Fraser was owed $3,166.

There have been no other transactions involving equity instruments other than those described in the annual report.

This report of the directors is signed in accordance with a resolution of the Board of Directors.



PD Reeve
Executive Chairman

Dated this 30 September 2019

Bentleys
THINKING AHEAD

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To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit Partner for the audit of the financial statements of Aura Energy Limited for the financial year ended 30 June 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

BENTLEYS	**MARK DELAURENTIS CA**
Chartered Accountants	**Partner**

Dated at Perth this 30th day of September 2019

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

	Note	30 June 2019	2018
		$	$
Total revenue and other income	**5**	**32,293**	6,838
Expenditure			
Accounting and audit fees		**80,600**	147,225
Computers and communications		**27,457**	33,945
Depreciation		**7,660**	12,377
Employee benefits		**895,326**	651,703
Exploration expenditure related to project generation		**35,635**	-
Exchange fluctuations		**(30,327)**	90,145
Financing costs		**149,067**	-
Impairment of exploration and evaluation expenditure		**179,152**	-
Insurances		**59,848**	42,378
Consulting fees and corporate advisory		**458,904**	335,026
Government and public relations		**202,769**	23,158
Rent and utilities		**75,022**	71,632
Share-based payments	**28**	**530,832**	297,916
Share registry and listing fees		**189,874**	160,433
Travel and accommodation		**70,707**	72,622
Other		**38,711**	55,335
Total expenditure		**2,971,237**	1,993,895
Loss before tax for year		**(2,938,944)**	(1,987,057)
Income tax (expense)/benefit	**6**	**42,682**	-
Net loss attributable to shareholders		**(2,896,262)**	(1,987,057)
Total comprehensive income for the year attributable to:			
Foreign currency movement		**60,410**	(99,732)
Other comprehensive income for the year, net of tax		**60,410**	(99,732)
Total comprehensive income for the year		**(2,835,852)**	(2,086,789)
Earnings per share			
Basic loss per share (cents per share)	**7**	**(0.26)**	(0.23)

The accompanying notes form part of these financial statements

	Note	30 June 2019	2018
		$	$
Assets			
Current assets			
Cash and cash equivalents	**9**	**812,296**	2,844,169
Trade and other receivables	**10**	**37,294**	23,881
Financial assets	**11**	**57,710**	60,926
Total current assets		**907,300**	2,928,976
Non-current assets			
Plant and equipment	**12**	**4,064**	8,124
Exploration and evaluation	**13**	**21,008,293**	17,687,868
		21,012,357	17,695,992
Total assets		**21,919,657**	20,624,968
Liabilities			
Current liabilities			
Trade and other payables	**14**	**464,959**	303,133
Provisions	**15**	**63,499**	28,405
Financial liabilities	**16**	**266,667**	-
Vendor consideration	**17**	**71,295**	-
Borrowings	**18**	**694,215**	-
Total current liabilities		**1,560,635**	331,538
Non-current liabilities			
Borrowings	**18**	**694,216**	-
Provisions	**19**	**15,341**	-
		709,557	-
Total liabilities		**2,270,192**	**331,538**
Net assets		**19,649,465**	20,293,430
Equity			
Contributed equity	**20**	**46,315,150**	44,698,295
Reserves	**21**	**1,273,829**	638,387
Accumulated losses	**22**	**(27,939,514)**	(25,043,252)
Total equity		**19,649,465**	20,293,430

The accompanying notes form part of these financial statements

	Share Capital Note 20 $	Share-based Payments Reserve Note 21 $	Translation Reserve Note 21	Accumulated Losses Note 22 $	Equity $
As at 1 July 2017	39,558,943	384,190	457,481	(23,503,501)	16,897,113
Transactions with owners in their capacity as owners of the Company					
Share issues	4,945,381	-	-	-	4,945,381
Equity raising costs	(303,613)	-	-	-	(303,613)
Share-based payments	-	-	-	-	-
	4,641,768	-	-	-	4,641,768
Net loss for the period	-	-	-	(1,987,057)	(1,987,057)
Other comprehensive income	-	-	(99,732)	-	(99,732)
Total comprehensive income	-	-	(99,732)	(1,987,057)	(2,086,789)
Movements in reserves					
Options issued during the year	-	68,712	-	-	68,712
Options cancelled during the year	-	(334,684)	-	334,684	-
Options expired during the year	-	(112,622)	-	112,622	-
Options exercised during the year	497,584	-	-	-	497,584
Performance shares issued during the year	-	275,042	-	-	275,042
As at 30 June 2018	**44,698,295**	**280,638**	**357,749**	**(25,043,252)**	**20,293,430**
Transactions with owners in their capacity as owners of the Company					
Share issues	**666,000**	**-**	**-**	**-**	**666,000**
Equity raising costs	**-**	**-**	**-**	**-**	**-**
Share-based payments	**565,855**	**-**		**-**	**565,855**
	1,231,855	**-**		**-**	**1,231,855**
Net loss for the period	**-**	**-**	**-**	**(2,896,262)**	**(2,896,262)**
Other comprehensive income	**-**	**-**	**60,410**	**-**	**60,410**
Total comprehensive income	**-**	**-**	**60,410**	**(2,896,262)**	**(2,835,852)**
Movements in reserves					
Options issued during the year	**-**	**429,200**	**-**	**-**	**429,200**
Options cancelled during the year	**-**	**-**	**-**	**-**	**-**
Options expired during the year	**-**	**-**	**-**	**-**	**-**
Options exercised during the year	**-**	**-**	**-**	**-**	**-**
Performance shares issued during the year	**-**	**530,832**	**-**	**-**	**530,832**
Performance shares converted during the year	**385,000**	**(385,000)**	**-**	**-**	**-**
As at 30 June 2019	**46,315,150**	**855,670**	**418,159**	**(27,939,514)**	**19,649,465**

The accompanying notes form part of these financial statements

	Note	30 June 2019 $	2018 $
Cash flows from/(used) in operating activities			
Payments to employees and suppliers		**(1,822,113)**	(1,741,985)
Payments for exploration and evaluation		**(2,912,693)**	(3,140,343)
Other income		**66,039**	-
Interest paid		**(14,769)**	-
Interest received		**8,936**	6,838
Net cash flows from/(used) in operating activities	**27**	**(4,674,600)**	(4,875,490)
Cash flows from/(used) in investing activities			
Purchase of plant and equipment		**(3,600)**	(1,596)
Net cash flows from/(used) in investing activities		**(3,600)**	(1,596)
Cash flows from financing activities			
Proceeds from share issues		**666,000**	4,771,051
Exercise of options		**-**	497,584
Equity raising costs		**-**	(110,195)
Proceeds from borrowings		**2,000,000**	-
Commitment fee paid		**(50,000)**	-
		2,616,000	5,158,440
Net cash flows		**(2,062,200)**	281,354
Cash and cash equivalents as at the start of the financial period		**2,844,169**	2,652,960
Changes in foreign currency held		**30,327**	(90,145)
Cash and cash equivalents as at the end of the financial period	**9**	**812,296**	2,844,169

The accompanying notes form part of these financial statements

Note 1 Corporate information

These are the consolidated financial statements and notes of Aura Energy Limited and controlled entities ("Consolidated Group" or "Group"). Aura Energy Limited is a company limited by shares, domiciled and incorporated in Australia.

The separate financial statements of the parent entity, Aura Energy Limited, have not been presented with this financial report as permitted by the *Corporations Act 2001* (Cth).

a. *Basis of preparation*

i. Statement of compliance

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 (Cth).

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 30 September 2019 by the directors of the Company.

ii. Financial position

The financial statements have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

iii. Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The Group incurred a loss for the year of $2,896,262 (2018: $1,987,057) and a net cash out-flow from operating activities of $4,674,600 (2018: $4,875,490).

As at 30 June 2019, the Group had working capital of $378,842 (2018: $2,597,438) (excluding financial liabilities, the current portion of convertible notes and amounts due to shareholders of Nomads Mining Company sarl on execution of the Farm-in and Joint Venture Agreement, in part, settled by way of the issue of shares.)

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group to secure funds by raising capital from equity markets or by other means, and by managing cash flows in line with available funds, and/or the successful development of the Group's exploration assets. These conditions indicate a material uncertainty that may cast doubt about the ability of the Group to continue as a going concern.

Based upon cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate, including the meeting of exploration commitments. In addition, given the Group's history of raising funds to date, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

iv. Use of estimates and judgements
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements made by management in the application of Australian Accounting Standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 2q Critical accounting estimates and judgments.

v. Comparative figures
Where required by Accounting Standards comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Note 2 Basis of preparation and accounting policies

A controlled entity is any entity over which Aura Energy Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered. A list of controlled entities is contained in Note 23 Controlled entities in the financial statements.

All inter-group balances and transactions between entities in the Consolidated Group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

a. Business combinations
Business combinations occur when an acquirer obtains control over one or more businesses.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exemptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(i) The Group raising sufficient additional funding from shareholders or other parties;

(ii) The group converting existing loans to equity and if necessary, deferring deferred payment arrangements; and

(iii) The Group reducing expenditure in line with available funding.

b. Exploration and development expenditure

i. Recognition and measurement
Exploration, evaluation, and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

ii. Subsequent measurement
Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest will be amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise costs in relation to that area of interest.

iii. Site restoration and rehabilitation
Costs of site restoration will be provided over the life of the project, when such costs are incurred or the Group becomes liable pursuant to a development agreement with government agencies. In the exploration and evaluation phase, all drill holes are collared and any site disturbance is restored with the costs incorporated in the costs of exploration and evaluation. Site restoration costs will include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

c. Income tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date.

Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.
Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Where the Group receives the Australian Government’s Research and Development Tax Incentive, The Group accounts for the refundable tax offset under AASB 112. Funds are received as a rebate through the parent company’s income tax return and disclosed as such in Note 6 Income tax.

d. Plant and equipment

i. Recognition and measurement
Each class of plant and equipment is measured at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Items of property, plant and equipment are measured at cost less accumulated depreciation (see below) and impairment losses (see Note 2l Impairment of non- financial assets and Note 2b Exploration and development expenditure).

ii. Depreciation
The depreciable amount of all fixed assets including building and capitalised lease assets, but excluding freehold land, is depreciated on a straight-line basis over their useful lives to the Consolidated Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Plant and equipment	20.00%
Computers	33.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings

e. Employee benefits

For the period ending 30 June 2019 the Company has three employees.

i. Defined contribution superannuation funds

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

ii. Short-term benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Company as the benefits are taken by the employees.

iii. Other long-term benefits

Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

f. Equity-settled compensation

The Group operates an employee share ownership scheme. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received.The corresponding amount is recorded to the option reserve.The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

g. Revenue and other income

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Management fees are recognised on portion of completion basis.

Gain on disposal of tenements, and revenue from equipment chargebacks, are recognised on receipt of compensation.

All revenue is stated net of the amount of value added taxes (see Note 2h Value-added taxes).

h. Value-added taxes

Value-added taxes (VAT) is the generic term for the broad-based consumption taxes that the Group is exposed to such as: Australia (GST); Sweden (MOMS); and in Mauritanian (VAT).

Revenues, expenses, and assets are recognised net of the amount of VAT, except where the amount of VAT incurred is not recoverable from the relevant country's taxation authority. In these circumstances the VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT.

Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT component of investing and financing activities, which are disclosed as operating cash flows.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the taxation authority.

i. Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to entities in the Group are classified as finance leases.

Leased assets are depreciated on a straight-line basis over their estimated useful lives where it is likely that the Group will obtain ownership of the asset or over the term of the lease.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term

j. Financial instruments

i. Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss.

Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

ii. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity securities, trade and other receivables, cash and cash equivalents and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

iii. Classification and subsequent measurement

(1) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short borrowings in current liabilities on the Statement of financial position.

(2) *Loans*
Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

Loans are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period.

(3) *Trade and other receivables*
Trade and other receivables are stated at amortised cost. Receivables are usually settled within 30 to 90 days.

Collectability of trade and other debtors is reviewed on an ongoing basis. An impairment loss is recognised for debts which are known to be uncollectible. An impairment provision is raised for any doubtful amounts.

(4) *Trade and other payables*
Trade payables and other payable are recognised when the Group becomes obligated to make future payments resulting from the purchase of goods and services which are unpaid and stated at their amortised cost.

The amounts are unsecured and are generally settled on 30-day terms.

(5) *Financial liabilities*
Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

(6) *Share capital*
Ordinary issued capital is recorded at the consideration received. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any related income tax benefit. Ordinary issued capital bears no special terms or conditions affecting income or capital entitlements of the shareholders.

iv. Amortised cost
Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

v. Fair value
Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

vi. Effective interest method
The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) over the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

vii. Impairment
A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar credit risk characteristics.

All impairment losses are recognised in the income statement.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in the income statement.

viii. Derecognition
Financial assets are derecognised where the contractual rights to cash flow expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

ix. Financial income and expenses
Finance income comprises interest income on funds invested (including available-for-sale financial assets), gains on the disposal of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Financial expenses comprise interest expense on borrowings calculated using the effective interest method, unwinding of discounts on provisions, changes in the fair value of financial assets at fair value through profit or loss and impairment losses recognised on financial assets. All borrowing costs are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in income in the period in which they are incurred.

Foreign currency gains and losses are reported on a net basis.

k. Earnings per share

i. Basic earnings per share
Basic earnings (or loss) per share is determined by dividing the profit or loss attributable to equity holders of the parent company, excluding any costs of service equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

ii. Diluted earnings per share
Diluted earnings (or loss) per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the

effects of all dilutive potential ordinary shares which comprise share options granted as share-based payments.

The Group does not report diluted earnings per share, as dilution is not applied to annual losses generated by the Group.

l. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets (Note 2c Income tax) and exploration and evaluation assets (Note 2b Exploration and development expenditure) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Group that generates cash flows that largely are independent from other assets and Groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash- generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

m. Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

n. Foreign currency transactions and balances

i. Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

ii. Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year- end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

iii. Group entities
The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.

Income and expenses are translated at average exchange rates for the period.

Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

o. Fair value estimation
A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Information about the assumptions made in determining fair values of assets and liabilities is disclosed in the notes specific to that asset or liability.

p. Fair value of assets and liabilities
The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (i.e. the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (i.e. the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

i. Valuation techniques
In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, the Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data

is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

(1) Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

(2) Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

(3) Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable

ii. Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

(1) Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

(2) Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

(3) Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.
The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

- if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa or

- if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

q. Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

i. Key Judgements – Exploration and evaluation expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at reporting date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in Note 2b Exploration and development expenditure.

The carrying value of capitalised expenditure at reporting date is $21,008,293 (2018: $17,687,868).

During the financial year, the Group undertook assessment of its tenement assets, as a result of this assessment, the Group decided to impair some of its exploration assets. Refer to Note 13 Exploration and evaluation assets.

ii. Key Judgements – Environmental issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

iii. Key Estimate – Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof.

No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. Refer to Note 6 Income tax.

iv. Key Estimate — Impairment

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

v. Key Estimate – Share-based payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an internal valuation using a Black-Scholes option pricing model, using the assumptions detailed in Note 28 Share-based payments

r. New standards, interpretations and amendments adopted by the Group

A number of new standards, amendments to standards and interpretations issued by the AASB which are not yet mandatorily applicable to the Group have not been applied in preparing these financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early

i. AASB 16: Leases (applicable to annual reporting periods commencing on or after 1 January 2019).

AASB 16 removes the classification of leases as either operating leases or finance leases for the lessee effectively treating all leases as finance leases. Short term leases (less than 12 months) and leases of a low value are exempt from the lease accounting requirements. Lessor accounting remains similar to current practice.

The Directors has have still assessing the likely impact.

ii. AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of deductible temporary difference related to unrealised losses.

Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group applied amendments retrospectively.

However, their application has no effect on the Group's financial position and performance as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

iii. AASB 2016-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

However, their application has no effect on the Group's financial position and performance as the Group has no deductible temporary differences or assets that are in the scope of the amendments.

iv. AASB 2017-2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014-2016 Cycle

The amendments clarify that the disclosure requirements in AASB 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

However, their application has no effect on the Group's financial position and performance as the Group has no deductible temporary differences or assets that are in the scope of the amendments

Note 3 Financial risk management

i. Financial risk management objectives and policies

The Group's principal financial instruments comprise of cash and short-term deposits and other financial assets.

The main purpose of these financial instruments is to invest funds raised by the Group until utilised in exploration activities.

The Group has other financial instruments such as current receivables and payables arising from corporate activities.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Chief Financial Officer is responsible for the management of the Group's financial risk. The Chief Financial Officer updates the board of directors regularly on financial risk management measures that he implements.

	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	Total
For the Financial Year Ended 30 June 2019				
Financial assets				
Cash and cash equivalents	**812,296**	**-**	**-**	**812,296**
Receivables	**-**	**-**	**37,294**	**37,294**
Other current assets	**-**	**-**	**57,710**	**57,710**
	812,296	**-**	**95,004**	**907,300**
Financial liabilities				
Payables	**-**	**-**	**(464,959)**	**(464,959)**
Other payables	**-**	**-**	**-**	**-**
Net maturity	**812,296**	**-**	**(369,955)**	**442,341**

For the Financial Year Ended 30 June 2018

	Floating Interest Rate	Fixed Interest Rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	2,844,169	-	-	2,844,169
Receivables	-	-	23,881	23,881
Other current assets	-	-	60,926	60,926
	2,844,169	-	84,807	2,928,976
Financial liabilities				
Payables	-	-	(303,133)	(303,133)
Other payables	-	-	-	-
Net maturity	2,844,169	-	(218,326)	2,625,843

ii. Specific financial risk exposures and management

The main risk the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk and equity price risk.

The board of directors has overall responsibility for the establishment and oversight of the risk management framework. The board of directors has adopted practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the risk profile. This includes assessing, monitoring and managing risks for the Group and setting appropriate risk limits and controls. The Group is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group

The Group does not have any material credit risk exposure to any single receivable or Group of receivables under financial instruments entered into by the Group.

Credit risk exposures

The maximum exposure to credit risk is that to its alliance partners and that is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Group in accordance with approved Board policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, where ever possible.

Impairment losses
Group's financial assets that are past due total $nil (2018: $nil).

There has been no allowance for impairment in respect of the financial assets of the Group during this year.

Liquidity risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The board of directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings as required. Any surplus funds are invested with major financial institutions.

The financial liabilities of the Group are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board meets on a regular basis and considers the Group's exposure currency and interest rate risk.

(1) *Interest rate risk*
Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Group is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is not material to the Group as no debt arrangements have been entered into, and movement in interest rates on the Group's financial assets is not material.

(2) *Foreign exchange risk*
Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the Australian dollars functional currency of the Group.

With instruments being held by overseas operations, fluctuations in foreign currencies may impact on the Group's financial results. The Group's exposure to foreign exchange risk is minimal; however, the Board continues to review this exposure regularly.

(3) *Price risk*
Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group is exposed to securities price risk on investments held for trading or for medium to longer terms.

The investment in listed equities has been valued at the market price prevailing at balance date. Management of this investment's price risk is by ongoing monitoring of the value with respect to any impairment.

iii. Sensitivity analysis

Interest rate risk

The Group is exposed to market interest rates on moneys it has deposited with Australian banking institutions in form of short-term deposits.

At the end of the financial period, the Group had the following financial assets exposed to Australian variable interest rate risk:

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Chief Financial Officer is responsible for the management of the Group's financial risk. The Chief Financial Officer updates the board of directors regularly on financial risk management measures that he implements.

	30 June	
	2019	2018
	$	$
Cash and cash equivalents	**812,296**	2,844,169

At the end of the financial period, the Group had no financial liabilities exposed to variable interest rate risks.

The Group's cash management policy is to invest surplus funds at the best available rate received from the Commonwealth Bank of Australia.

Set out below is a sensitivity analysis of the financial implications of interest rate risk exposure as at the end of the financial year. If interest rates had moved, with all other variables constant, profit after tax and equity would have been:

	30 June	
	2019	2018
	$	$
Profit after tax		
Higher/(lower)		
+1% (100 basis points)	**2,031**	10,938
-1% (100 basis points)	**(2,031)**	(10,938)
Equity		
Higher/(lower)		
+1% (100 basis points)	**2,031**	10,938
-1% (100 basis points)	**(2,031)**	(10,938)

The movement in equity is directly linked to the movement in the Statement of Comprehensive Income as the Group does not undertake any interest rate hedging.

Foreign currency risk

The Group has exposure to foreign currency risk in relation to US dollars for assets the Group holds in Mauritania. The following table illustrates sensitivities to the Group's exposures to changes in the AUD/USD exchange rate. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. These sensitivities assume that the movement in a particular variable is independent of other variables.

The table below sets out the financial impact of the strengthening or weakening of the Australian dollar against the US dollar on a profit after tax and equity basis as at the end of the financial year, with all other variables constant:

	30 June	
	2019	2018
	$	$
Profit after tax		
Higher/(lower)		
+10% AUD/SEK exchange rate	**-**	-
-10% AUD/SEK exchange rate	**-**	-
Equity		
Higher/(lower)		
+10% AUD/SEK exchange rate	**100,068**	92,822
-10% AUD/SEK exchange rate	**(122,305)**	(45,855)
Profit after tax		
Higher/(lower)		
+10% AUD/USD exchange rate	**-**	-
-10% AUD/USD exchange rate	**-**	-
Equity		
Higher/(lower)		
+10% AUD/USD exchange rate	**197,110**	151,041
-10% AUD/USD exchange rate	**(240,912)**	(540,863)

At balance date, the Group does not hold financial instruments that would give rise to price risk

iv. Fair values

The fair values of financial assets and financial liabilities are presented in the table below and can be compared to their carrying values as presented in the statement of financial position. Fair values are those amounts at which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Cash and cash equivalents, trade and other receivables, and trade and other payables are short-term investments in nature whose carrying value is equivalent to fair value.

The methods and assumptions used in determining the fair values of financial instruments are disclosed in the accounting policy notes specific to the asset or liability.

v. Financial asset and liability maturity

Year ended 30 June 2019

	0-30 Days	31-60 Days	61-90 Days	91-180 Days	Total
Financial assets					
Cash and cash equivalents	**812,296**	**-**	**-**	**-**	**812,296**
Receivables	**37,294**	**-**	**-**	**-**	**37,294**
Other current assets	**57,710**	**-**	**-**	**-**	**57,710**
	907,300	**-**	**-**	**-**	**907,300**
Financial liabilities					
Payables	**(464,959)**	**-**	**-**	**-**	**(464,959)**
Net maturity	**442,341**	**-**	**-**	**-**	**442,341**

Year ended 30 June 2018

	0-30 Days	31-60 Days	61-90 Days	91-180 Days	Total
Financial assets					
Cash and cash equivalents	2,844,169	-	-	-	2,844,169
Receivables	23,881	-	-	-	23,881
Other current assets	60,926	-	-	-	60,926
	2,928,976	-	-	-	2,928,976
Financial liabilities					
Payables	(303,133)	-	-	-	(303,133)
Net maturity	2,625,843	-	-	-	2,625,843

Note 4 Segment reporting

i. Identification of reportable segments

The Group operates predominantly in the mining industry. This comprises exploration and evaluation of uranium projects. Inter- segment transactions are priced at cost to the Consolidated Group.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors on a monthly basis. Management has identified the operating segments based on the three principal projects – uranium, vanadium and gold and base metals. The Group also maintains a corporate function primarily responsible for overall management of the operating segments, raising capital and distributing funds to operating segments.

Corporate expenses include administration and regulatory expenses arising from operating an ASX listed entity.

Segment assets include the costs to acquire tenements and the capitalised exploration costs of those tenements Financial assets including cash and cash equivalents, and investments in financial assets, are reported in the Treasury segment.

ii. Basis of accounting for purposes of reporting by operating segments

(1) Accounting policies adopted

Unless stated otherwise, all amounts reported to the board of directors, being the chief decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

(*2*) Inter-segment transactions

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The board of directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

(3) Segment assets
Where an asset is used across multiple segments, the asset is allocated to that segment that receives majority economic value from that asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(*4)* Segment liabilities
Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

(*5)* Unallocated items
The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Non-exploration impairment of assets and other non-recurring items of revenue or expense
- Income tax expense
- Deferred tax assets and liabilities
- Current tax liabilities
- Other financial liabilities

For the year ended 30 June 2019	Uranium $	Vanadium $	Gold and Base Metals $	Corporate $	Total $
Segment revenue	-	-	-	32,293	32,293
Segment result	-	(383,650)	-	32,293	(351,357)
Amounts not included in segment results but reviewed by the board:					
Expenses not directly allocable to identifiable segments					
Accounting and audit fees					(80,600)
Depreciation					(7,660)
Employee expense benefits expense					(895,326)
Exchange fluctuation					30,327
Exploration expenditure related to project generation					(35,635)
Finance costs					(149,067)
Insurances					(58,590)
Consulting and advisory fees					(487,551)
Rent and utilities					(68,229)
Share-based payments					(530,832)
Secretarial costs					(189,874)
Travel and accommodation					(70,707)
Other expenses					(43,843)
R&D Tax rebate					42,682
Loss after income tax					(2,896,262)
As at 30 June 2019					
Segment assets	13,786,983	6,860,687	494,587	702,746	21,845,003
Unallocated assets					
Trade and other receivables					70,590
Plant and equipment					4,064
Total Assets					21,919,657
Segment asset increases for the period:					
Capital expenditure	2,168,212	1,100,746	258,787	-	3,527,745
Impairment of exploration assets	-	(179,152)	-	-	(179,152)
	2,168,212	921,594	258,787	-	3,348,593
Segment liabilities	152,701	53,450	71,295	-	277,446
Unallocated liabilities					
Trade and other payables					258,808
Provisions					78,840
Convertible notes					1,388,431
Financial liabilities					266,667

For the year ended 30 June 2018	Uranium $	Vanadium $	Corporate $	Total $
Segment revenue	-	-	6,838	6,838
Segment result	-	(14,328)	6,838	(7,490)
Amounts not included in segment results but reviewed by the boards:				
Expenses not directly allocable to identifiable segments				
Accounting and audit fees				(144,541)
Depreciation				(12,377)
Employee expense benefits expense				(651,703)
Exchange fluctuation				(90,145)
Insurances				(42,378)
Consulting and advisory fees				(375,358)
Rent and utilities				(64,299)
Share-based payments				(297,916)
Secretarial costs				(160,433)
Travel and accommodation				(72,622)
Other expenses				(67,795)
Loss after income tax				(1,987,057)
As at 30 June 2018				
Segment assets	11,940,312	5,747,556	2,844,169	20,532,037
Unallocated				
Trade and other receivables				84,807
Plant and equipment				8,124
Total Assets				20,624,968
Segment asset increases for the period:				
Capital expenditure	2,625,573	286,805	-	2,912,378
Impairment of exploration assets	-	-	-	-
	2,625,573	286,805	-	2,912,378
Segment liabilities	98,783	31,360	-	130,143
Unallocated liabilities				
Trade and other payables				172,990
Provisions				28,405
Total liabilities				331,538

Note 5 Total revenue and other income

	30 June 2019 $	2018 $
Other income		
Other income	**23,357**	-
Interest on short-term deposits	**8,936**	6,838
	32,293	6,838

Note 6 Income tax

	30 June 2019 $	2018 $
Income tax expense (benefit)		
Current tax	**-**	-
Deferred tax	**-**	-
Tax rebate for research and development	**42,682**	-
	42,682	-
Deferred income tax expense included in income tax expense comprises		
Increase/(decrease) in deferred tax assets	**-**	-
(increase)/decrease in deferred tax liabilities	**-**	-
	-	-

	30 June 2019 $	2018 $
Reconciliation of income tax expense to prima facie tax payable		
Accounting profit/(loss)	**(2,938,944)**	(1,987,057)
At the statutory income tax rate applicable to the Company 27.5%	**808,210**	546,441
Tax losses for the current year for which no deferred tax asset is recognised	**602,072**	464,418
Equity raising costs	**(27,500)**	(37,500)
Finance costs	**36,932**	-
Impairment of exploration expenditure previously capitalised	**49,267**	-
Share-based payments	**145,979**	92,479
Other	**1,460**	27,044
Income tax (expense)/benefit	**-**	-
less rebates:		
Tax rebate for research and development	**(42,682)**	-
Income tax expense/(benefit)	**(42,682)**	-

The applicable weighted average effective tax rates attributable to operating profit for the financial year was Nil (2018: Nil).

The balance of the franking account at the end of the financial year was Nil (2018: Nil)

	30 June	
	2019	2018
	$	$
Deferred tax assets		
Tax losses	**5,270,331**	4,697,290
Provisions and accruals	**(12,467)**	(7,066)
Other	**(12,404)**	(57,797)
	5,245,460	4,632,427
Set-off deferred tax liabilities	**-**	-
Net deferred tax assets	**5,245,460**	4,632,427
less Deferred tax assets not recognised	**(5,245,460)**	(4,632,427)
Net tax assets	**-**	-
Deferred tax liabilities		
Exploration expenditure	**-**	-
Set-off deferred tax assets	**-**	-
net deferred tax liabilities	**-**	-
Tax losses		
Unused tax losses for which no deferred tax asset has been recognised that may be utilised to offseet tax liabilities:		
Revenue losses	**17,450,851**	15,935,730
capital losses	**2,083,905**	2,083,905
	19,534,756	18,019,635

Potential deferred tax assets attributable to tax losses and exploration expenditure carried forward have not been brought to account at 30 June 2019 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

i. The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and exploration expenditure to be realised.

ii. The group continues to comply with conditions for deductibility imposed by law,

iii. No changes in tax legislation adversely affect the Group in realising the benefits from the deductions for the loss and exploration expenditure.

Note 7 Earnings per share

	30 June 2019	30 June 2018
	$	$
Loss from continuing operations for the year	**(2,896,262)**	(1,987,057)
	No	No
Weighted average number of ordinary shares outstanding during the year used in calculation of basic EPS	**1,109,267,274**	865,506,202
Basic and diluted earnings per share (cents per share)	(0.26)	(0.23)

Note 8 Dividends paid and proposed

No dividends were paid during the financial year and no dividend is proposed to be paid as at the end of the financial year, 30 June 2019.

Note 9 Cash and cash equivalents

	30 June 2019	30 June 2018
	$	$
Cash at bank	**812,296**	2,529,005
Short-term deposits	**-**	315,164
	812,296	2,844,169

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 3 Financial Risk Management.

Note 10 Receivables-current

	31 December 2019	31 December 2018
	$	**$**
Value-added tax receivables	**37,294**	**23,221**
Other	**-**	**660**
	37,294	**23,881**

Value-added tax is the generic ter, for broad-based consumption taxes that the Group is exposed to in Australia (GST); Mauritania (VAT) and Sweden (MoMS).

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 3 Financial Risk Management.

Receivables are non-interest bearing and are generally on 30 to 90-day terms.

Note 11 Financial assets

	30 June 2019	2018
	$	$
Bonds	**57,710**	60,926

On the grant by the Government of Mauritania of an exploration licence the Group is required to provide a bank guarantee to the Government for the fulfilment of its proposed exploration programme with the bond returned to the Group on relinquishment of the tenement or transformation of the tenement into an exploitation licence.

Other bonds relate to leases of premises.

Note 12 Plant and equipment

	30 June 2019	2018
	$	$
Non-current		
Plant and equipment	**30,420**	26,820
Accumulated depreciation	**(26,356)**	(18,696)
	4,064	8,124
Movements in carrying amounts		
Balance at the beginning of the year	**8,124**	18,905
Additions	**3,600**	1,596
Depreciation	**(7,660)**	(12,377)
	4,064	8,124

Note 13 Exploration and evaluation

	30 June 2019	2018
	$	$
At start of financial year	**17,687,868**	14,851,820
Expenditure capitalised during the financial year	**3,359,505**	2,931,176
Effect of exchange rate changes on exploration and evaluation assets	**140,072**	(95,128)
Impairment	**(179,152)**	-
At end of financial year	**21,008,293**	17,687,868
The carrying value of exploration and evaluation expenditure at balance date is represented by the following projects:		
Tiris uranium	**13,779,959**	11,611,747
Haggan vanadium	**6,733,747**	5,840,322
Tasiast South gold	**494,587**	235,799
	21,008,293	17,687,868

a. The value of the Group interest in exploration expenditure is dependent upon:

- The continuance of the Group's rights to tenure of the areas of interest;
- The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Group's exploration properties may be subjected to claim(s) under Native Title (or jurisdictional equivalent), or contain sacred sites, or sites of significance to the indigenous people of Sweden and Mauritania.

As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

The Group lodged exploitation applications for Ain Seder, Oued El Foule Est and Oum Ferkik. The Company received exploitation licences for the Ain Sder and Oued El Foule Est on 9 February 2019 by the government of its review of the applications. The Group is in discussions with the government to secure an exclusivity over the Oum Ferkik tenement. The carrying value of the Oum Ferkik tenement is $2.583 million.

Note 14 Payables-current

	30 June	
	2019	2018
	$	$
Trade payables	**145,883**	60,112
Accrued expenses	**303,040**	193,350
Other taxes payable	**16,036**	49,671
	464,959	303,133

Trade payables are non-interest bearing and arise from the usual operating activities of the Group. Trade and other payables are usually settled within the lower of terms or 30 days.

Due to the short-term nature of these payables, the carrying amounts recorded in the financial statements for trade payables and other payables are the fair values.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 3 Financial Risk Management.

Note 15 Provisions-current

	30 June	
	2019	2018
	$	$
Employee benefits	**63,499**	28,405

Note 16 Financial liabilities

	30 June	
	2019	2018
	$	$
Conversion rights	**266,667**	-

On 30 April 2019, the Group entered into a Convertible Security Financing Agreement with Lind Global Marco Fund LP. On applicable of AASB 9 Financial Instruments the Group accounted for Convertible Security Financing on a present value basis and recognised the implicit value of conversion rights granted to Lind Global Macro Fund LP.

The conversion rights will be recognised as equity on the extinguishment of the convertible note facility.

Note 17 Vendor obligations

	30 June **2019** $	2018 $
Vendors of Nomads Mining Company sarl	**71,295**	-

On 11 June 2018, the Group executed a Binding Term Sheet (*see* ASX Announcement, dated 11 June 2019) with the shareholders of Nomads Mining Company sarl, an entity incorporated in Mauritania, to acquire a 70% equity interest in Nomads Mining Company sarl and on 26 June 2019 the Group and the shareholders of Nomads Mining Company sarl executed a Farm-in and Joint Venture Agreement. Under the terms and conditions of the above agreement, the Group agreed to the shareholders an entry fee of US$25,000 in cash and the Australian dollar equivalent of US$25,000 in fully paid ordinary shares.

Nomads Mining Company sarl is the holder of Exploration Licence 2688 Nderik.

The Company extinguished its cash obligations of 4 July 2019 and share obligation on 12 July 2019.

Note 18 Borrowings

	2019 $	2018 $
Convertible note		
Current portion	**694,215**	-
Non-current portion	**694,216**	-
	1,388,431	
Opening balance	**-**	-
Notes issued	**2,000,000**	-
Conversion rights	**(266,667)**	-
Options over ordinary shares	**(429,200)**	-
Finance cost	**84,298**	-
Closing balance	**1,388,431**	-
Present value	**1,388,431**	-
Finance costs	**1,011,569**	-
	2,400,000	**-**

On 30 April 2019, the Group entered into a convertible note agreement with Lind Global Macro Fund, LLP (see ASX Announcement, dated 30 April 2019). Pursuant to the terms and conditions the Group issued a convertible note with a face value of $2,400,000 to the Investor.

On 19 June 2019, the Company held a general meeting to seek approval for, amongst other resolutions, the issuance of the Replacement Convertible Note to the Investor. All resolutions were passed at the general meeting (see ASX Announcement, dated 20 June 2019).

Under the terms and conditions, Lind Global Macro Fund LP is entitled to convert a maximum of $100,000 of convertible notes each month at 1.6 cents per share or 90% of the average 5 daily VWAPs chosen by Lind from the daily VWAPs for the 20 trading Days immediately prior to the conversion notice date.

The Group also issued Lind 50,000,000 Collateral Shares and 62,500,000 options over ordinary shares. On the Group fulfilling its obligations under the convertible note and repaying the convertible note in full by way of the issue of shares or payment of cash, Lind Global macro Fund LP will transfer that number of Collateral Shares to the Group for no consideration to or at the direction of the Company; or, subject to the shares trading on ASX on the relevant day and trading for at least 5 trading days prior to payment, pay the Company in immediately available funds an amount equal to the outstanding Collateral Shareholding number multiplied by the Collateralisation Price.

The options over ordinary shares expire 3 years from the date of issue and have an exercise price of 1.6 cents per option over ordinary share.

Since balance date, Lind Global Macro Fund LP has converted three tranches of convertible notes into fully paid ordinary shares in Aura Energy Limited. Accordingly, the convertible note has been reduced from $2,400,000 to $2,100,000 and Aura has issued 42,063,494 fully paid ordinary shares (see ASX Announcements, dated 12 July 2019, 4 September 2019 and 25 September 2019).

Grant date	Details	Exercise Price (cents)	Share Price @ date of grant (cents)	Expected Volatility	Expiry Date	Risk-free Interest rate	Value/ option	Number/ options
30/4/2019	Convertible Security Funding Agreement	1.6000	1.0000	100%	30/04/2022	1.75%	429,200	62,500,000

Note 19 Provisions-non-current

	30 June 2019 $	2018 $
Employee benefits	**15,341**	-

Note 20 Contributed equity

a. Equity raised during the financial year

		30 June 2019 $	2018 $
The Company has issued share capital amount to 1,223,891,343 (2018: 1,069,390.795) fully paid ordinary shares at no par value		**46,315,108**	44,698,295
Equity raised during the financial year			
At the beginning of the reporting period		**44,698,295**	39,558,943
Shares issued during the year:			
377,732 shares issued on 10 August 2017	**a**	**-**	13,375
550,034 shares issued on 10 August 2017	**b**	**-**	13,375
55,425,000 shares issued on 15 November 2017	**c**	**-**	1,108,500
400,000 shares issued on 15 November 2017	**d**	**-**	8,000
333,333 shares issued on 21 December 2017	**e**	**-**	6,666
2,653,934 shares issued on 21 December 2017	**f**	**-**	54,140
1,770,489 shares issued on 18 january 2018	**g**	**-**	42,492
6,000,000 shares issued on 30 January 2018	**h**	**-**	150,000
712,500 shares issued on 24 January 2018	**i**	**-**	14,250
1,333,333 shares issued on30 january 2018	**j**	**-**	26,667
84,052,630 shares issued on 5 April 2018	**k**	**-**	1,597,000
28,947,370 shares issued on 16 April 2018	**l**	**-**	550,000
7,000,000 shares issued on 1 May 2018	**m**	**-**	175,000
5,0000,000 shares issued on 15 May 2018	**n**	**-**	125,000
80,613,579 shares issued on 14 June 2018	**o**	**-**	1,532,000
1,394,737 shares issued on 14 June 2018	**p**	**-**	26,500
2,000,001 shares issued on 19 September 2018	**q**	**40,000**	-
1,441,425 shares issued on 19 September 2018	**r**	**33,081**	-
852,381 shares issued on 19 November 2018	**s**	**16,707**	-
17,500,000 shares issued on 4 January 2019	**t**	**385,000**	-
20,750,000 shares issued on 12 February 2019	**u**	**332,000**	-
4,687,500 shares issued on 25 February 2019	**v**	**75,000**	-
13,687,000 shares issued on 22 March 2019	**w**	**219,000**	-
26,890,922 shares issued on 22 April 2019	**x**	**322,691**	-
50,000,000 shares issued on 30 April 2019	**y**	**-**	-
4,600,229 shares issued on 22 May 2019	**z**	**63,483**	-
2,261,872 shares issued on 29 May 2019	**aa**	**21,777**	-
9,828,718 shares issued on 29 May 2019	**ab**	**108,116**	-
		1,616,855	5,442,965
Transaction costs relating to share issues		**-**	(303,613)
		1,616,855	5,139,352
At reporting date		**46,315,150**	44,698,295

		30 June	
		2019	2018
		No	No
Ordinary shares on issue at the start of the financial year		**1,069,390,795**	792,808,124
Shares issued during the year			
377,732 shares issued on 10 August 2017	**a**	**-**	377,732
550,034 shares issued on 10 August 2017	**b**	**-**	550,034
55,425,000 shares issued on 15 November 2017	**c**	**-**	55,425,000
400,000 shares issued on 15 November 2017	**d**	**-**	400,000
333,333 shares issued on 21 December 2017	**e**	**-**	333,333
2,653,934 shares issued on 21 December 2017	**f**	**-**	2,653,934
1,770,489 shares issued on 18 january 2018	**g**	**-**	1,770,489
6,000,000 shares issued on 30 January 2018	**h**	**-**	6,000,000
712,500 shares issued on 24 January 2018	**i**	**-**	712,500
1,333,333 shares issued on30 january 2018	**j**	**-**	1,333,333
84,052,630 shares issued on 5 April 2018	**k**	**-**	84,052,630
28,947,370 shares issued on 16 April 2018	**l**	**-**	28,947,370
7,000,000 shares issued on 1 May 2018	**m**	**-**	7,000,000
5,0000,000 shares issued on 15 May 2018	**n**	**-**	5,000,000
80,613,579 shares issued on 14 June 2018	**o**	**-**	80,631,579
1,394,737 shares issued on 14 June 2018	**p**	**-**	1,394,737
2,000,001 shares issued on 19 September 2018	**q**	**2,000,001**	-
1,441,425 shares issued on 19 September 2018	**r**	**1,441,425**	-
852,381 shares issued on 19 November 2018	**s**	**852,381**	-
17,500,000 shares issued on 4 January 2019	**t**	**17,500,000**	-
20,750,000 shares issued on 12 February 2019	**u**	**20,750,000**	-
4,687,500 shares issued on 25 February 2019	**v**	**4,687,500**	-
13,687,000 shares issued on 22 March 2019	**w**	**13,687,500**	-
26,890,922 shares issued on 22 April 2019	**x**	**26,890,922**	-
50,000,000 shares issued on 30 April 2019	**y**	**50,000,000**	-
4,600,229 shares issued on 22 May 2019	**z**	**4,600,229**	-
2,261,872 shares issued on 29 May 2019	**aa**	**2,261,872**	-
9,828,718 shares issued on 29 May 2019	**ab**	**9,828,718**	-
		154,500,548	276,582,671
Ordinary shares on issue at the end of the financial year		**1,223,891,343**	1,069,390,795

The details of each issue of shares are as follows:

a Issue of shares to Executive Chairman pursuant to contract of employment
b Issue of shares to Executive Chairman pursuant to contract of employment
c. Working capital raising
d Issue of shares to a consultant pursuant to Letter of Engagement
e Exercise of options over ordinary shares (expiry 15 November 2018)
f Issue of shares for settlement of supplier obligations
g Issue of shares for settlement of supplier obligations
h Exercise of options over ordinary shares (expiry 5 February 2018)
i Exercise of options over ordinary shares (expiry 15 November 2018)
j Exercise of options over ordinary shares (expiry 15 November 2018)
k Issue of shares pursuant to private placement

l Issue of shares pursuant to private placement
m Exercise of options over ordinary shares (expiry 9 May 2018)
n Exercise of options over ordinary shares (expiry 9 May 2018)
o issue of shares pursuant to private placement
p Issue of shares to advisors pursuant to Letter of Engagement
q Exercise of options over ordinary shares (expiry 15 November 2018)
r Issue of shares for settlement of supplier obligations
s Issue of shares for settlement of supplier obligations
t Conversion of performance shares into ordinary shares
u Issue of shares pursuant to private placement
v Issue of shares pursuant to private placement
w Issue of shares under terms and conditions of share purchase plan
x Issue of shares for settlement of supplier obligations
y Issue of collateral shares to Lind Global Macro Fund LP
z Issue of shares for services under Letter of Engagement
aa Issue of shares for services under Letter of Engagement
ab Issue of shares pursuant to securing option of gold exploration licence in Mauritania

Ordinary shares
Ordinary shares have the rights to receive dividends as declared and, in the event of winding up, participate in the proceeds from the sale of all surplus assets in proportion to the number of, and amounts paid up on, the shares held.

Each fully paid ordinary share carries one vote.
Ordinary shares issued to shareholders since incorporation have had no par value.

Options over ordinary shares
There are no options over ordinary shares on issue.

Performance shares
At the general meeting of shareholders on the 30 November 2017, the Executive Chairman of the Company was awarded 35,000,000 performance shares with 17,500,000 vesting on 30 November 2018 and the remainder on the 30 November 2019.

On 17 June 2018, Messrs NJ Clifford, WR Goodall and JM Madden were awarded 5,000,000 performance shares with 33.3% vesting on 17 June 2019, 33.3% vesting on 17 June 2020 and 33.4% vesting on 17 June 2021.

The group has accounted for the above-mentioned performance shares in accordance with AASB 2 Share-based payments.

b. Options over ordinary shares and performance shares on issue

For information relating to the Aura Energy Limited employee options scheme, including details of options issued, issued and lapsed during the financial year, and the options outstanding at balance date, refer to Note 28 Share-based payments. The total number of options and performance shares on issue is as follows:

	30 June	
	2019	2018
	$	$
Performance shares	**27,500,000**	35,000,000
Unlisted options over ordinary shares	**214,815,732**	124,697,108
Unlisted warrants over ordinary shares	**6,578,699**	6,578,699
	248,894,431	166,275,807

c. Capital management

i. Capital management policy

The directors' objectives when managing capital are to ensure that the Group can fund its operations and continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads.

The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

ii. Current ratio

The current ratio the Group at 30 June 2019 and 30 June 2018 was as follows:

	30 June	
	2019	2018
	$	$
Current ratio	**1.51**	12.72

iii. Working capital position

	30 June	
	2019	2018
	$	$
Financial assets		
Cash and cash equivalents	**812,296**	2,844,169
Receivables	**37,294**	23,881
Financial assets	**57,710**	60,926
Trade and other payables	**(464,959)**	(303,133)
Provisions	**(63,499)**	(28,405)
Vendor obligation	**(71,295)**	-
Working capital surplus/(deficit)	**307,547**	2,597,438

Note 21 Reserves

a. Share-based payments reserve

	30 June	
	2019	2018
	$	$
Opening balance	**280,638**	384,190
Issue of options	**429,200**	68,712
Issue of performance shares	**530,832**	275,042
Cancellation of options	**-**	(334,684)
Expiry of options	**-**	(112,622)
Conversion of performance shares	**(385,000)**	-
Closing balance	**855,670**	280,638

b. Translation

	30 June 2019 $	2018 $
Opening balance	**357,749**	457,481
Translation of foreign currency financial statements into the functional currency	**60,410**	(99,732)
Closing balance	**418,159**	357,749

Note 22 Accumulated losses

	30 June 2019 $	2018 $
Balance at start of the financial period	**(25,043,252)**	(23,503,501)
Net loss for the year	**(2,896,262)**	(1,987,057)
Options cancelled during the year	**-**	334,684
Options expired during rhe year	**-**	112,622
	(27,939,514)	(25,043,252)

Note 23 List of controlled entities

The financial statements include the financial statements of the parent entity and the controlled entities listed in the following table:

Name	Country of Incorporation	2019	2018
Vanadis Battery Metals AB	Sweden	100%	100%
Aura Energy Mauritania Pty Ltd	Australia	100%	100%
Tiris Ressources SA	Mauritania	85%	90%
Tiris International Mining Company sarl	Mauritania	100%	100%

Note 24 Commitments

a. Exploration expenditure commitments

Exploration tenement minimum expenditure	**677,084**	915,322
Payable		
not later than 12 months	109,139	263,835
between 12 months and 5 years	311,804	420,943
greayter than 5 years	256,141	230,544
	677,084	915,322

The group does not have any expenditure commitments under the terms and conditions of the tenements it holds. The exploration expenditure commitments relate to annual renewal fees.

b. Operating lease commitments

Operating leases contracted for or committed to but not capitalised in the financial statements	**88,991**	84,007
Payable		
not later than 12 months	52,975	50,058
between 12 months and 5 years	36,016	33,949
greayter than 5 years	-	-
	88,991	84,007

Note 25 Events after balance date

On 16 July 2019 (see ASX Announcement ,dated 16 July 2019), the Group issued to:

- 11,111,111 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its first conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 5,000,000 fully paid ordinary shares on the conversion of performance shares to Messrs NJ Clifford and JM Madden and DR WR Goodall under the terms and conditions of the Long-Term Incentive Plan. The value of the shares issued to management on conversion of performance shares was $105,000.

- 3,251,773 fully paid ordinary to the shareholders of Nomads Mining Company Limited pursuant to the first payment of the entry fee pursuant to the Farm-in and Joint Venture Agreement, dated 26 June 2019. The value of the shares issued to the shareholders of Nomads Mining Company sarl $36,127 (the equivalent of US$26,000).

- 1,893,233 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $21,564.

On 21 July 2019 (see ASX Announcement, dated 21 July 2019), the Group issued 15,430,919 loyalty options to shareholders that subscribed to the rights issue (see ASX Announcement 21 June 2019). The loyalty options expire on 21 July 2020 and are exercisable at 2.2 cents per option over ordinary share. The loyalty options were issued at 0.5 cents per option over ordinary share and raised $77,154.

On 25 July 2019 (see ASX Announcement, dated 25 July 2019), the Group released a cleansing prospectus to enable the Group to issue a replacement convertible note to Lind Global Macro Fund LP as required by the Convertible Security Funding Agreement (see ASX Announcement, dated 30 April 2019).

On 29 July 2019 (see ASX Announcement, dated 29 July 2019), the Group released to the market the Tiris Uranium Project definitive feasibility study.

On 12 August 2019 (see ASX Announcement, dated 12 August 2019), the Group issued to 1,931,218 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $21,475.

On 14 August 2019 (see ASX Announcement, dated 14 August 2019), the Group release a revised Mineral Resource estimate for its Haggan vanadium project.

On 6 September 2019 (see ASX Announcement, dated 6 September 2019), the Group issued to:

- 14,285,715 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its first conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 2,041,281 fully paid ordinary shares to SD Capital Advisory Limited and GKB Ventures Limited pursuant to the Letter of Engagement, dated 25 January 2019, for advisory services associated with securing ECA financing. The value of the shares issued to SD Capital Advisory Limited and GKB Ventures Limited was $22,209.

On 19 September 2019, the Company and Lind Global Macro Fund LP executed an R&D Funding Agreement whereby the Company received $250,000 to fund its research and development activities and repay the R&D Funding by way of assigning its Tax Rebate.

On 25 September 2019 (see ASX Announcement, dated 25 September 2019), the Group issued to:

- 16,666,667 fully paid ordinary shares to Lind Global Macro Fund LP on receipt of its first conversion notice pursuant to the terms and conditions of the Convertible Security Funding Agreement. dated 30 April 2019. The value of the shares issued to Lind Global Macro Fund LP was $100,000.

- 18,811,250 fully paid ordinary shares to Met Forages sarl under the terms and conditions of a Drilling Settlement Agreement, dated 25 July 2019. The value of the shares issued to Met Forages sarl was $150,490.

- 2,021,250 fully paid ordinary shares to WH Ireland Limited for advisory services. The value of the shares issued to WH Ireland Limited was $16,170.

On 30 September 2019, the Company issued a supplementary prospectus to amend the terms and conditions of the options over ordinary shares set out in its prospectus, dated 19 June 2019, in relation to proposed listed options granted to subscribers to the Share Placement and Share Purchase Plan. The Company simultaneously issued 11,604,181 unlisted options and 19,544,508 loyalty options over ordinary shares pursuant to the Share Placement and Share Purchase Plan.

Note 26 Related party disclosures

Directors
The directors of the parent entity during the financial period were:

PD Reeve
R Beeson
BF Fraser
JC Perkins

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

Other transactions with key management personnel are set out in the Remuneration Report. There are no other related party transactions.

Note 27 Cash flow statement reconciliation

	30 June 2019	30 June 2018
	$	$
Net loss after tax	**(2,896,262)**	(1,987,057)
Adjusted for:		
Depreciation	**7,660**	12,377
Exchange fluctuation	**(30,327)**	90,145
Exploration and evaluation expenditure capitalised and included in operating cash flows	**(2,912,693)**	(3,140,343)
Finance costs	**134,298**	-
Impairment	**179,152**	.-
Payments to employees and consultants by way of the issue of shares	**135,048**	26,750
Provisions	**50,435**	(90,543)
Share-based payments	**530,832**	297,916
Changes in other current assets and current liabilities		
Current assets		
Receivables	**18,657**	31,065
Current liabilities		
Payables	**108,600**	(115,800)
	(4,674,600)	(4,875,490)

Note 28 Share-based payments

	30 June 2019	30 June 2018
	$	$
Options over ordinary shares	**-**	22,874
Performance shares	**530,832**	275,042
Closing balance	**530,832**	297,916

a. On 9 June 2015, shareholders approved the grant of 35,000,000 options over ordinary shares to Mr PD Reeve pursuant to the Contract of Employment agreed between the Company and Mr PD Reeve on 9 February 2015. The unamortised cost of the options over ordinary shares was fully expensed during the financial year as the arrangement between the Company and Mr PD Reeve was cancelled:

The following tranches set out the options over ordinary shares originally granted to the Executive Chairman and Managing Director of the Company:

- 8,750,000 at an exercise price of $0.10 each. The options are exercisable on or before 9 June 2018.

- 6,250,000 at an exercise price of $0.15 each. The options are exercisable on or before 9 February 2019.

- 2,500,000 at an exercise price of $0.15 each. The options are exercisable on or before 9 June 2019.

- 8,750,000 at an exercise price of $0.15 each. The options are exercisable on or before 9 June 2020.

- 8,750,000 at an exercise price of $0.15 each. The options are exercisable on or before 9 June 2021.

$22,878 was the deemed cost of the options over ordinary shares for the financial year. The options over ordinary shares hold no voting or dividend rights and are not transferable.

b. On 30 November 2017, shareholders approved the award of 35,000,000 performance shares to Mr PD Reeve pursuant to an amendment to the Contract of Employment agreed between the Company and Mr PD Reeve on 9 February 2015:

The following tranches set out the vesting periods for the award of performance shares to Executive Chairman and Managing Director of the Company:

- 17,500,000 will vest on 30 November 2018.
- 17,500,000 will vest on 30 November 2019.

$362,832 (2018: $275,042) was the deemed cost of the performance shares for the financial year. The performance shares hold no voting or dividend rights and are not transferable.

c. On 17 June 2018, the Company approved the award of 17,500,000 performance shares to Messrs NJ Clifford and JM Madden and Dr WR Goodall with the board of directors ratifying the award on 4 September 2018. The performance shares were awarded under the Employee Share Plan.:

The following tranches set out the vesting periods for the award of performance shares to the above-mentioned management of the Company:

- 5,000,000 will vest on 17 June 2019.
- 5,000,000 will vest on 17 June 2020.
- 5,000,000 will vest on 17 June 2021

$168,000 (2018: Nil) was the deemed cost of the performance shares for the financial year. The performance shares hold no voting or dividend rights and are not transferable.

d. Summary of options over ordinary shares issued as share-based payments

	2019		2018	
	Number of options	**Weighted average exercise price**	Number of options	Weighted average exercise price
Outstanding at start of the financial year	**15,499,053**	**0.0275**	54,078,699	0.1018
Issued	**62,500,000**	**0.0160**	8,920,354	0.0330
Expired	**-**	**-**	(12,500,000)	(0.0700)
Cancelled	**-**	**-**	(35,000,000)	(0.1286)
Outstanding at the end of the financial year	**77,999,053**	**0.0183**	15,499,053	0.0275
Exercisable at year end	**77,999,053**	**0.0183**	15,499,053	0.0275

The weighted average remaining contractual life of options outstanding at year end is 2.23 years (2018: 1.23 years).

The weighted average exercise price of outstanding shares at the end of the reporting period is $0.0183 (2018: $0.0275).

e. Summary of performance shares issued as share-based payments

	2019		2018	
	Number of performance shares	**Weighted average price**	Number of performance shares	Weighted average price
Outstanding at start of the financial year	**32,500,000**	**0.0217**	35,000,000	0.0220
Issued	**-**	**-**	15,000,000	0.0210
Converted	**-**	**-**	(17,500,000)	(0.0220)
-	**-**	**-**	-	-
Outstanding at the end of the financial year	**32,500,000**	**0.0217**	32,500,000	0.0217
Convertible at year end	**5,000,000**	**0.0210**	-	-

f. Fair value of warrants granted

Aura Energy Limited granted WH Ireland on 12 September 2016 6,578,699 3-year warrants at an exercise price of 2 cents per warrant over ordinary share. The share price on the date of grant of the warrants was 2.5 cents per share with a volatility of 84% and a risk-free rate of 2%.

Note 29 Key management personnel

Details of key management personnel

Executive Chairman
PD Reeve
Non-executive directors
R Beeson

BF Fraser
JC Perkins
Company Secretary
JM Madden

Compensation of key management personnel

Compensation paid to key management personnel is as follows:

	30 June	
	2019	2018
	$	$
Short-term employee benefits	**696,300**	523,800
Post-employment benefits	**36,400**	32,600
Share-based payments in equity	**-**	25,000
Share-based payments in options	**-**	22,874
Share-based payments in performance shares	**418,832**	275,042
Payment to contractor for accounting and secretarial services	**-**	99,936
	1,151,532	979,252

Note 30 Parent entity

a. Financial position of Aura Energy Limited

	Note	30 June 2019 $	2018 $
Assets			
Current assets			
Cash and cash equivalents		**812,296**	2,662,849
trade and other receivables		**37,294**	6,378
Financial assets		**57,710**	60,926
Total current assets		**907,300**	2,730,153
Non-current assets			
Plant and equipment		**4,064**	8,124
Financial assets	**30b**	**7,927,227**	6,146,034
Other assets		**13,113,116**	11,740,657
		21,044,407	17,894,815
Total assets		**21,951,707**	20,624,968
Liabilities			
Current liabilities			
Trade and other payables		**497,009**	303,133
Provisions		**63,499**	28,405
Financial liabilities		**266,667**	-
Vendor consideration		**71,295**	-
Borrowings		**694,215**	
Total current liabilities		**1,592,685**	331,538
Non-current liabilities			
Borrowings		**694,216**	-
Provisions		**15,341**	-
		709,557	-
Total liabilities		**2,302,242**	331,538
Net assets		**19,649,465**	20,293,430
Equity			
Contributed equity		**46,315,150**	44,698,295
Reserves		**1,378,701**	353,929
Accumulated losses		**(28,044,386)**	(24,758,794)
Total equity		**19,649,465**	20,293,430

b. Financial assets

	Note	30 June 2019	2018
		$	$
Loans to controlled entities	**30a**	**7,659,965**	5,878,772
Shares in controlled entities at cost	**30a**	**267,262**	267,262
	30a	**7,927,227**	6,146,034

c. Financial performance

	Note	30 June 2019	2018
		$	$
Loss for year		**(3,285,592)**	(2,022,049)
Other comprehensive income		**-**	-
Total comprehensive income		**(3,285,592)**	(2,022,049)

d. Guarantees entered into by Aura Energy Limited for the debts of its controlled entities

There are no guarantees entered into by Aura Energy Limited for the debts of its controlled entities as ay 30 June 2019 (2018: Nil).

e. Contingent liabilities of Aura Energy Limited

The are no other contingent liabilities as at 30 June 2019 other than the contingent liabilities set out in Note 32 Contingent liabilities (2018: Nil).

f. Commitments by Aura Energy Limited

	Note	30 June 2019	2018
		$	$
a. Exploration expenditure commitments			
Exploration tenement minimum expenditure		**677,084**	915,322
Payable			
not later than 12 months		109,139	263,835
between 12 months and 5 years		311,804	420,943
greayter than 5 years		256,141	230,544
		677,084	915,322

The group does not have any expenditure commitments under the terms and conditions of the tenements it holds. The exploration expenditure commitments relate to annual renewal fees.

		2019	2018
b. Operating lease commitments			
Operating leases contracted for or committed to but not capitalised in the financial statements		**88,991**	33,949
Payable			
not later than 12 months		52,975	33,949
between 12 months and 5 years		36,016	-
greayter than 5 years		-	-
		88,991	33,949

Note 31 Auditor's remuneration

	30 June 2019 $	2018 $
Amounts paid or due for payable to Bentleys		
Audit or review of the financial report	**46,053**	44,605
- amounts relating to previous year	**-**	-
Other services	**3,200**	894
	49,253	45,499

Note 32 Contingent liabilities

Global Coal Management plc
On 15 October 2010, the Company and Global Coal Management plc entered into a Share Sale and Purchase Agreement which resulted in the Company acquiring all the shares on issue in GCM Africa Uranium, the entity which held the beneficial interest of GCM in the above- mentioned research permits in Mauritania.

The Company paid GCM US$100,000 on execution of the Share Sale and Purchase Agreement; US$472,183 in cash plus 2,000,000 fully paid ordinary shares in the Company on completion (due diligence); and, US$500,000 on the first anniversary of completion.

The Company also agreed to pay a contingent consideration:

- US$2,000,000 (in cash and shares as determine by the Company) on the delineation of 75 million pounds or more Initial Resource (not defined in the Letter Agreement) under the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves; and

- US$400,000 in cash and 400,000 fully paid ordinary shares in the Company for each Subsequent Resource of 6,500,000 pounds up to a maximum of US$4,000,000 in cash and 4,000,000 in fully paid ordinary shares.

The obligations to make the contingent consideration payments are held by the Company and the contingent consideration is only payable if the Initial Resource and Subsequent Resource are achieved within 10 years of the date of the Share Sale and Purchase Agreement. Accordingly, the obligation to pay the contingent consideration expires on 15 October 2020.

Servico sarl
The Group executed a Letter Option Agreement with Servico sarl on 29 May 2019 over a tenement prospective for gold within the vicinity of tenements held by the Group through its controlled entity Tiris International Mining Company Sarl. Under the terms and conditions of the Letter Option Agreement, the Company agreed to pay service:

- US$25,000 in cash; and

- US$75,000 in fully paid ordinary shares;

on execution of the Letter Option Agreement.

On or prior to each anniversary of the commencement date and for a period of five years Aura must inform Servico whether it wishes to continue to hold its Option or terminate the Option. If the Group elects to continue to hold its Option by way of written notice to Servico on each anniversary date after the commencement it will pay Servico US$25,000, at Aura's election, in either cash or fully paid ordinary shares. (If Aura holds the Option for the duration of the Option Period set out in this Agreement it will make total payments to Servico of US$125,000.) If the Group elects to terminate its Option it must inform Servico within seven days of its decision and arrange for its legal representative in Mauritania to return to Servico the share transfer book and the Tenement title documents.

On termination of the Option Servico is free to explore and exploit the tenement at its own cost and the rights and obligations of the Group under this Agreement will cease

If the Group elects to exercise its Option and notifies Servico in writing of this decision to exercise the Option:

- Servico must transfer the tenement to a nominated Mauritanian-incorporated entity of the Group within 30-days of the written notice; and

- Aura must pay Servico US$500,000, at Group's election, by way of cash or in fully paid ordinary shares within 30-days of the notice and issue Servico with shares in the nominated Mauritanian incorporated entity equal to 30 per cent of the paid-up capital of the Mauritanian entity.

If mining and treatment are undertaken on the tenement by the joint venture and Aura is a 70% party to the Joint Venture, Servico will be entitled to a royalty equal to US$1,000,000 for every 200,000 ounces of gold produced from mining and treatment of minerals extracted from the tenement (or US$5 per ounce of gold produced from mining and treatment of minerals extracted from the tenement). If mining and treatment are undertaken on the tenement by the joint venture and the Group is a 70% party to the Joint Venture, Servico will be entitled to a one-off payment of US$1,000,000 from the first US$1,000,000 of gold proceeds.

If a party to the joint venture is unable to fund its share of developing of mining and treatment, the non-defaulting parties will have rights to dilute the defaulting venturer.

Geogruppen I Goteburg AB and Met Forages sarl
The Company executed a Drilling Services Agreement with Geogruppen on 14 February 2019 and a Drilling Services Agreement with Met Forages on 8 August 2019. Geogruppen and Met Forages agreed to have drilling invoices settled by way of the issue of fully paid ordinary shares in the Company. The Company agreed to pay the face value of all Swedish Kroner and US dollar invoices submitted by Geogruppen and Met Forages, respectively, and therefore, any difference between the proceeds on sale of its shares and the face value of the invoices will be reimbursed by the Company.

At the date of this annual report, both Geogruppen and Met Forages have not sold any shares issued to each party under their respective Drilling Settlement Agreements.

Nomads Mining Company sarl
On 11 June 2018, the Group executed a Binding Term Sheet (*see* ASX Announcement, dated 11 June 2019) with the shareholders of Nomads Mining Company sarl, an entity incorporated in Mauritania, to acquire a 70% equity interest in Nomads Mining Company sarl and on 26 June 2019 the Group and the shareholders of Nomads Mining Company sarl executed a Farm-in and Joint Venture Agreement.

Under the terms and conditions of the above agreement, the Group agreed to pay the shareholders of Nomads an entry fee of US$150,000. The first entry fee of US$25,000 in cash and the Australian dollar equivalent of US$25,000 in fully paid ordinary shares was paid on execution of the agreement. The second instalment of the entry fee (US$50,000) is payable, no later than six months after the date of execution and third instalment of the entry fee (US$50,000) by way of either cash or fully paid ordinary is payable no later than twelve months from the date of execution. The second and third instalment fees are conditional on the Group continuing to exploration the ground held by Nomads.

On completion of US$1,000,000 exploration programme (the Farm-in Commitment) on the tenement held by Nomads, the shareholders of Nomads will assign 70% of their uncertificated equity interest in Nomads to the Group. On the Group is assigned the uncertificated equity interest is assigned the shareholders of Nomads, comprising the group and the existing shareholders of Nomads, will form a joint venture with the Group to be appointed manager.

The Group will provide the shareholders of Nomads with a free-carry through to development and a deferred carry following the decision to mine. The deferred carry is repayable with interest out of dividends declared by nomads once in operations.

Tiris International Mining Company sarl

On 25 June 2016, the Group Tiris International Mining Company sari ("TIMCO") and Sid Ahmed Mohamed Lemine Sidi Reyoug executed the Tasiast South sale and purchase agreement. On 2 April 2019, TIMCO was granted tenements 2457 (Hadeibet Bellaa) and 2458 (Touerig Taet) by the Ministry of Petroleum Energy and Mines.

Under the terms and conditions of the agreement if the Group proves up an 'Indicated Resource' greater than one million ounces of gold it will be required to pay Sid Ahmed Mohamed US$250,000 and, on commencement of production, Aura is required to pay Sid Ahmed Mohamed US$5/ounce of gold and a 0.4% net sales revenue royalty on other commodities with total royalty payments capped to a maximum of US$5 million.

Note 33 Company details

The registered office and principal place of the Company is:

Level 1, 34-36 Punt Road, Windsor Victoria 3181

Telephone: +61 (0)3 9516 6500
Facsimile: +61 (0)3 9516 6565

Website: www.auraenergy.com.au

E-mail: info@auraenergy.com.au

In accordance with a resolution of the board of directors of Aura Energy Limited, I state that:

In the opinion of the board of directors:

(a) financial statements, the accompanying notes to the financial statements and the additional disclosures set out in the Directors' Report are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Company's financial position as at 30 June 2019 and of their performance for the period ended on that date; and

(ii) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and *Corporations Regulations 2001*;

(b) the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standard Board, as disclosed in Note 1a; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Board of Directors

PD Reeve
Executive Chairman
30 September 2019

Independent Auditor's Report

To the Members of Aura Energy Limited

Bentleys Audit & Corporate (WA) Pty Ltd
London House
Level 3,
216 St Georges Terrace
Perth WA 6000

PO Box 7775
Cloisters Square WA 6850

ABN 33 121 222 802

T +61 8 9226 4500
F +61 8 9226 4300

bentleys.com.au

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Aura Energy Limited ("the Consolidated Entity") and its subsidiaries ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the Corporations Act 2001, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2019 and of its financial performance for the year then ended; and

   (ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(a)(i).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Consolidated Entity in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(a)(iii) in the financial report which indicates that the Consolidated Entity incurred a net loss of $2,896,262 during the year ended 30 June 2019. As stated in Note1(a)(iii) , these events or conditions, along with other matters as set forth in Note 1(a)(iii) , indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Exploration and Evaluation Expenditure – $21,008,293 (Refer to Note 13) Exploration and evaluation is a key audit matter due to: › The significance of the balance to the Consolidated Entity's consolidated financial position. › The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. › The assessment of impairment of exploration and evaluation expenditure being inherently difficult.	Our procedures included, amongst others: › Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the consolidated entity holds an interest and the exploration programmes planned for those tenements. › For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable; › We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; › We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest. › We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: › the licenses for the right to explore expiring in

Key audit matter	How our audit addressed this matter
	the near future or are not expected to be renewed; › substantive expenditure for further exploration in the specific area is neither budgeted or planned › decision or intent by the Consolidated Entity to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and › data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. We assessed the appropriateness of the related disclosures in Note 13 to the financial statements.
Share based payments (Refer to Note 28) As disclosed in note 28 in the financial statements, during the year ended 30 June 2019, the Consolidated Entity incurred share based payments totalling $530,832. Share based payments are considered to be a key audit matter due to › the value of the transactions; › the complexities involved in recognition and measurement of these instruments; and › the judgement involved in determining the inputs used in the valuation.	Our procedures included, amongst others: › Analysing contractual agreements to identify the key terms and conditions of share based payments issued and relevant vesting conditions in accordance with AASB 2 Share Based Payments; › Assessing the amount recognised during the period against the vesting conditions of the options; › Assessing the probabilities assigned to vesting of the performance shares against available information; and › Assessing the adequacy of the disclosures included in the financial report.
Convertible Notes As disclosed in Note 18 to the financial report, the Consolidated Entity issued a convertible note during the year with a face value of $2,400,000. As at 30 June 2019 the balance of the Convertible Notes liability was $1,388,431 which reflects the tranches received to date less relevant transaction costs which are required to be amortised over the term of the convertible notes.	Our procedures amongst others included: › analysing the agreement to identify the key terms and conditions for each convertible note; › verification of the funds received from the issue of convertible notes during the year; › assessing the accounting treatment of the financial instruments in accordance with the

Convertible Notes are considered to be a key audit matter due to: - the value of the balance; and - the complexities involved in the recognition and measurement of convertible financial instruments and associated transaction costs.	recognition and measurement as well as the disclosure requirements of the relevant Australian Accounting Standards; - evaluating management's option valuations and assessing the assumptions and inputs used; - assessing the calculation including relevant amortisation of finance costs for the year; and - assessing the adequacy of the disclosures in Note 18 to the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Consolidated Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1(a)(i), the directors also state in accordance with Australian Accounting Standard *AASB 101 Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

In preparing the financial report, the directors are responsible for assessing the Consolidated Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian

Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2019. The directors of the Consolidated Entity are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of the Consolidated Entity, for the year ended 30 June 2019, complies with section 300A of the Corporations Act 2001.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Partner

Dated at Perth this 30th day of September 2019

Distribution of shareholders (as at 27 September 2019)

Range	Units	% Units
1 - 1,000	5,490	0.00%
1,001 - 5,000	84,725	0.01%
5,001 - 10,000	225,771	0.02%
10,001 - 100,000	41,938,784	3.22%
100,001 Over	1,258,660,071	96.75%
Rounding		**0.00%**
Total	**1,300,914,841**	**100.00%**

Unmarketable parcels

	Minimum Parcel	Holders	Units
Minimum $ 500.00 parcel at $ 0.0090 per unit	55,556	710	17,740,652

Voting rights

The voting rights attached to each class of equity security are as follows:

Ordinary shares Each ordinary share is entitled to one vote when a poll is called, otherwise each member presentmeeting or by proxy has oone vote on a show of hands.

Company Secretary

The name of the company Secretary is John Madden

Principal registered office

As disclosed in Note 33 Company Details of the Annual Report

Registers of securities ate held at the following addresses

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
Perth WA 6000

Telephone 1300 557 000
Facsimile 08 9323 2033

E-mail web.queries@computershare.com.au

Securities Exchange Listing

Quotation has been granted for all the ordinary shares of Aura Energy Limited on all Member Exchanges of the Australian Securities Exchange Limited.

Unquoted securities

Options and warrants over unissued ordinary shares are (2018; 127544,069 unlisted options and warrants are on issue and 27,500,000 (2018:35,000,000) performance shares are on issue as at 27 September 2019.

Use of funds

The Group has used its funds in accordance with its initial business objectives.

Top twenty shareholders of ordinary shares (as at 27 September 2019)

Rank	Name	Shares	%
1.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	241,365,126	18.55%
2.	COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	135,600,880	10.42%
3.	PRE-EMPTIVE TRADING PTY LTD	76,600,000	5.89%
4.	CITICORP NOMINEES PTY LIMITED	45,789,303	3.52%
5	LIND GLOBAL MACRO FUND LP	39,789,799	3.06%
6	MR LUKE PETER DALE + MRS MARIEANNE ERIKA DALE	31,509,234	2.42%
7	MR PETER DESMOND REEVE	27,218,304	2.09%
8	GEOGRUPPEN I GOTEBORG AB	26,890,922	2.07%
9	MET FORAGES SARL	18,811,250	1.45%
10	SAMBOLD PTY LTD <SUNSHINE SUPER FUND A/C>	15,364,895	1.18%
11	MR THOMAS IAN BARRETT	15,000,000	1.15%
12	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	11,999,891	0.92%
13	MR MALCOLM ALEXANDER BRIODY	10,128,904	0.78%
14	MRS LISA GORDON	10,000,000	0.77%
15	CS FOURTH NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 11 A/C>	9,952,386	0.77%
16	SERVICO SARL	9,828,718	0.76%
17	YARANDI INVESTMENTS PTY LTD <GRIFFITH FAMILY NO 2 A/C>	7,254,793	0.56%
18	MR STEVEN ALLAN WEBSTER	7,250,000	0.56%
19	MR BASIL CATSIPORDAS	7,000,000	0.54%
20	KAJUN DESIGNS PTY LTD	6,940,000	0.53%
Total Top 20 shareholders		**754,444,405**	57.99%
Total Remaining Holders		**546,460,436**	42.01%
Total		**1,300,904,841**	100.00%

Top twenty option holders of ordinary shares (as at 27 September 2019)

Rank	Name	Units	% of units
1	PRE-EMPTIVE TRADING PTY LTD	15,119,934	14.30%
2	MR BRENDAN KERR	9,684,211	9.15%
2	MR PERRY MORGAN	9,684,211	9.15%
2	MR STEPHEN PYCROFT	9,684,211	9.15%
5	MR BIN LIU	7,894,737	7.47%
6	PEAK ASSET MANAGEMENT PTY LTD	5,000,000	4.73%
7	PORTILLION CAPITAL LTD	2,747,788	2.60%
8	HAMILTON HAWKES PTY LTD <WHITCOMBE FAMILY A/C>	2,631,579	2.48%
8	THE AUSTRALIAN SPECIAL OPPORTUNITY FUND LP/C	2,631,579	2.48%
10	KLIP PTY LTD <BEIRNE SUPER FUND A/C>	2,500,000	2.36%
10	ROTHERWOOD ENTERPRISES PTY LTD	2,500,000	2.36%
12	MR KAMRAN SATTAR	2,421,053	2.29%
13	JOJO ENTERPRISES PTY LTD <SFI FAMILY A/C>	2,342,106	2.21%
14	MR GRAHAM JOHN WALKER	1,973,684	1.87%
15	MR JACOB KLAAS GOEREE	1,500,000	1.42%
15	VADLAMUDI (MEDICAL) PTY LTD <RAMINENI SUPER FUND A/C>	1,500,000	1.42%
17	VECTOR NOMINEES PTY LTD <VECTOR SUPER FUND A/C>	1,426,316	1.35%
18	ALLEKIAN EXCHANGE PTY LTD	1,315,790	1.24%
18	MR NOEL RUSSELL CAMERON	1,315,790	1.24%
20	MR KEN MANJITHA	1,210,526	1.14%
Top 20 holders of 3.3 cents options		**85,083,515**	**80.41%**
Total Remaining Holders Balance		**20,652,648**	**19.59%**
Total		**105,736,163**	**100.00%**

Tenement report

Country	Tenement Number	Name	Grant/ Application date	Expiry date	kms/sq	Holder	Equity
Mauritania	2491C4	Ain Sder	8/02/2019	Exploitation Licence	190	Tiris Ressources SA	85%
	2492C4	Oued El Foule Est	8/02/2019	Exploitation Licence	207	Tiris Resources SA	85%
	561	Oum Ferkik	16/04/2008	Subject to exclusivity negotiation	60	Aura Energy Limited	100%
	1482	Oum Ferkik Sud	17/01/2017	Exploration Licence	476	Aura Energy Limited	100%
	2002	Aguelet	17/01/2017	17/01/2020	100	Aura Energy Limited	100%
	2365	Oued el Foule Sud	19/02/2018	19/02/2021	224	Aura Energy Limited	100%
	2366	Agouyame	19/02/2018	19/02/2021	34	Aura Energy Limited	100%
	2457	Hadeibet Bellaa	2/04/2019	2/04/2022	41	Tiris International Mining	100%
	2458	Touerig Taet	2/04/2019	2/04/2022	134	Tiris International Mining	100%
Sweden	2007-243	Haggan nr 1	28/08/2007	28/08/2022	18.3	Vanadis Battery Metals AB	100%
	2017-04	Bolasen nr 1	2/02/2017	2/02/2020	2,21	Vanadis Battery Metals AB	100%
	2017-05	Kinderassen nr 1	2/02/2017	2/02/2020	11.6	Vanadis Battery Metals AB	100%
	2018-9	Mockelasen nr 1	21/01/2019	21/01/2022	17.6	Vanadis Battery Metals AB	100%
	2018-7	Skallbole nr 1	20/01/2019	20/01/2022	7.8	Vanadis Battery Metals AB	100%