

19 April 2022

Uranium Resource Upgrade Programme Underway

KEY POINTS:

- 10,000 metre infill drilling programme to commence in May 2022, with completion expected in Q3 CY 2022 and Resource upgrade results early in Q4 CY 2022.
- Focused on increasing Measured and Indicated (M&I) Resources, as Aura transitions from a uranium explorer to producer at Tiris.
- A potential increase in M&I Resources will aim to support the expansion of mining Reserves, leading to possible increased target production rates.
- Contracts entered with drilling and downhole radiometric logging contractors for mobilisation in May 2022.
- The program will include re-evaluation of targets in the Tiris West resources using drilling and downhole radiometric logging, with the aim of expanding the global Tiris uranium and vanadium resources. Results are expected in Q3 CY 2022.

Aura Energy Limited (ASX:AEE, AIM:AURA) (“Aura”, the “Company”) a company focused on the development of the 85% owned Tiris Uranium Project, Mauritania (“Tiris”, “Project”), is pleased to provide an update on the Resource Upgrade Programme (“Programme”) previously announced 9 February 2022. The Programme will focus on increasing the Measured and Indicated Resource base at Tiris and will now also include re-evaluation of exploration targets with the aim of increasing the total uranium and vanadium Resource Estimates.

The Tiris updated Mineral Resource Estimate is for a total of 56.9¹ million lbs U₃O₈ and 18.4 million lbs V₂O₅ (see Table 1), including Reserves of 8.1² million lbs U₃O₈ at 336 U₃O₈ (see Table 3).

On 18 August 2021, the Company announced an updated Definitive Feasibility Study with a capital estimate current to 2021, which confirmed Tiris as a low-CAPEX and low operating cost project that is economically viable at current uranium prices (see Table 4 and Table 5). The Production Target studied was supported by the Project’s Maiden Mineral Reserve Estimate, which reflected only ~19% of the Mineral Resource Estimate at a cut-off grade of 175 ppm U₃O₈.

¹ Refer Aura ASX announcement 16 Feb 2022: Aura Defines Vanadium Resource at the Tiris Uranium Project.

² Refer Aura ASX announcement 18 August 2021: Zero Emission Tiris Uranium Project Definitive Feasibility Study – Updated Capital Estimate

The focus of the upcoming drilling programme is to increase the M&I Resources at Tiris to support extension of the Project life and/or studies for Production Target expansion options, completed in parallel with the fast-tracked development to production of ~800,000lb U₃O₈ at Tiris as outlined in the DFS.

Aura Energy Acting CEO, Will Goodall, commented: *“This Resource Upgrade Programme will be the largest drilling programme completed on the Tiris deposits and represents a significant step forward for Tiris by aiming to release further value from the Mineral Resource. The upgrade will be undertaken concurrently with the fast-tracked development of the ~800,000lb U₃O₈ Tiris Project, with the aim of being one of the first greenfield uranium projects feeding into the current demand cycle.*

By upgrading the Mineral Resource Estimate, in parallel with planned development and construction, we will add the potential opportunity to expand the target production rate early in the mine life. Only a small proportion of the Tiris Mineral Resource Estimate was used to support the Tiris Production Target for the fast-track Project and we aim to create significant upside by utilising a greater proportion of the global Resource in future production.

We are also excited by the potential opportunity to expand the global Resource base at Tiris. Northern Mauritania is a highly prospective area with potential to support long life uranium production. The introduction of downhole radiometric logging as an effective technique for uranium resource estimation transformed the resource at Tiris East and we look forward to applying this know-how to re-assessment of the Tiris West deposits. If successful we see the chance for Northern Mauritania to become a world class uranium province.

Overall, this programme represents a key part of Aura’s strategy to advance from uranium explorer to producer at the Tiris Project in a manner that generates sustained value for the Mauritanian people and our shareholders.”

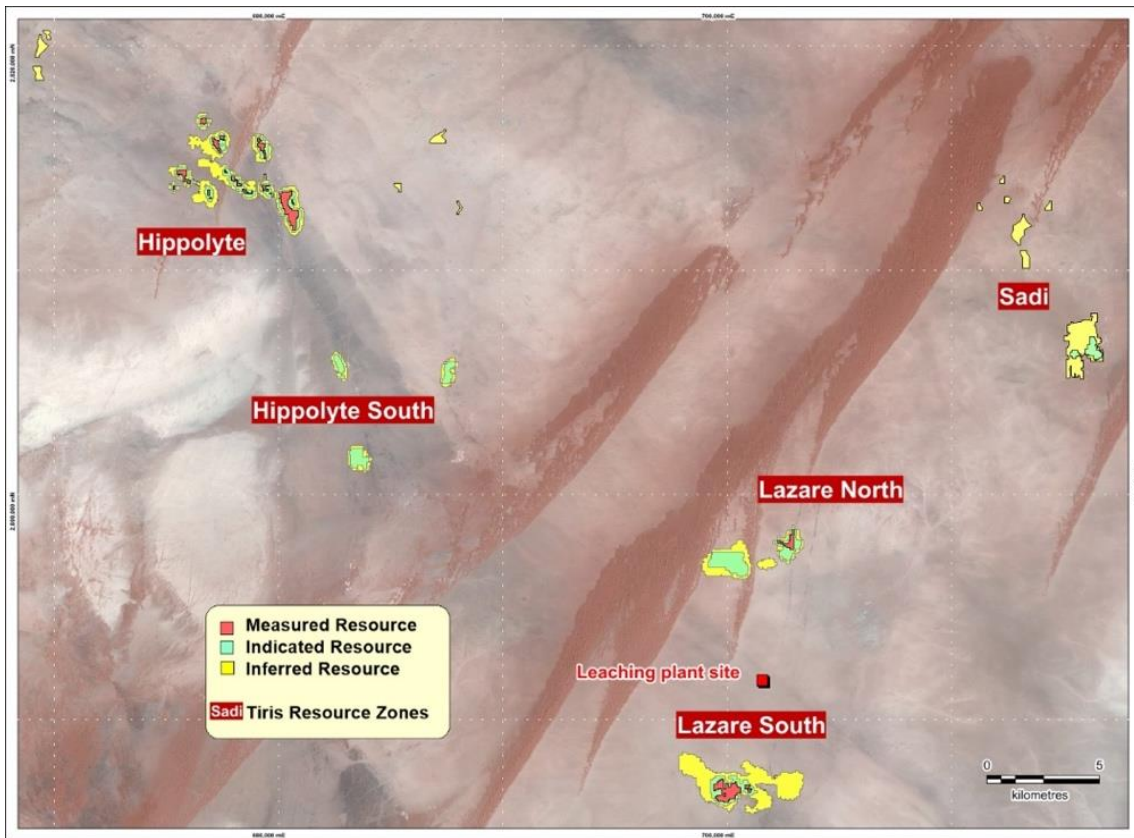


Figure 1 – Tiris Resource Zones showing measured, indicated, and inferred resources.

INFILL DRILL PROGRAM

To undertake the Resource Upgrade Programme, the Company has entered into contracts for a 10,000 metre drilling program, which is on schedule to commence in May 2022. The programme aims to increase the proportion of Measured and Indicated Resources from 34% of total Resource Estimate to more than 50%. This Programme will represent the largest single drilling programme completed on the Tiris deposits by Aura.

The infill drilling program will focus on areas surrounding existing M&I Resources in the Lazare South, Sadi and Hippolyte Deposits of Tiris East, as shown in Figures 1 & 2.

The infill drilling program is expected to be completed in Q3 CY 2022 and Resource upgrade early in Q4 CY 2022.

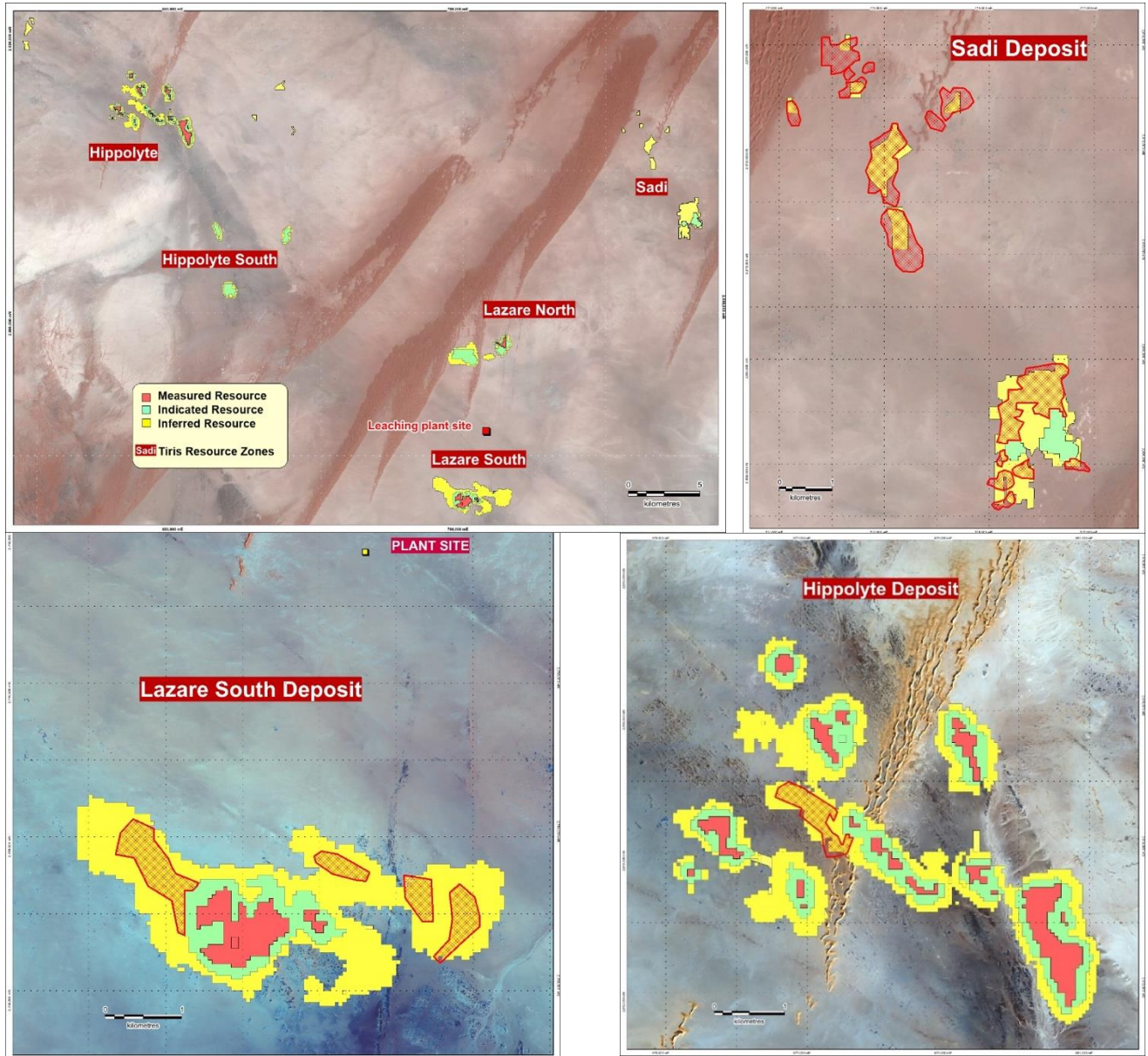


Figure 2: Location of Resource Upgrade drilling zones (red cross-hatch) – Tiris East

RESOURCE EXPANSION PROGRAMME

In conjunction with the Infill drilling programme, Aura has commenced a programme to identify additional mineralised zones in the Tiris West deposits. This will include re-evaluation of a number of targets previously drill tested, where analysed uranium grades appeared marginal. Aura’s experience in the region has shown that chemical analysis of calcrete uranium can significantly under-estimate the grade due to loss of ultra-fine carnotite in

drilling. Therefore, selected targets only previously assessed using chemical analyses will be re-tested by drilling and downhole radiometric logging to re-assess the potential for economic mineralisation, in line with results observed through the Tiris East Deposits.

The primary targets will include areas of the Tiris West deposits where strong radiometric anomalies have been observed, however uranium grades by traditional air-core drilling and chemical assay were marginal. Some of these areas, such as that in Figure 3, will be tested by downhole radiometric logging to identify whether chemical analysis had under-reported total uranium grades.

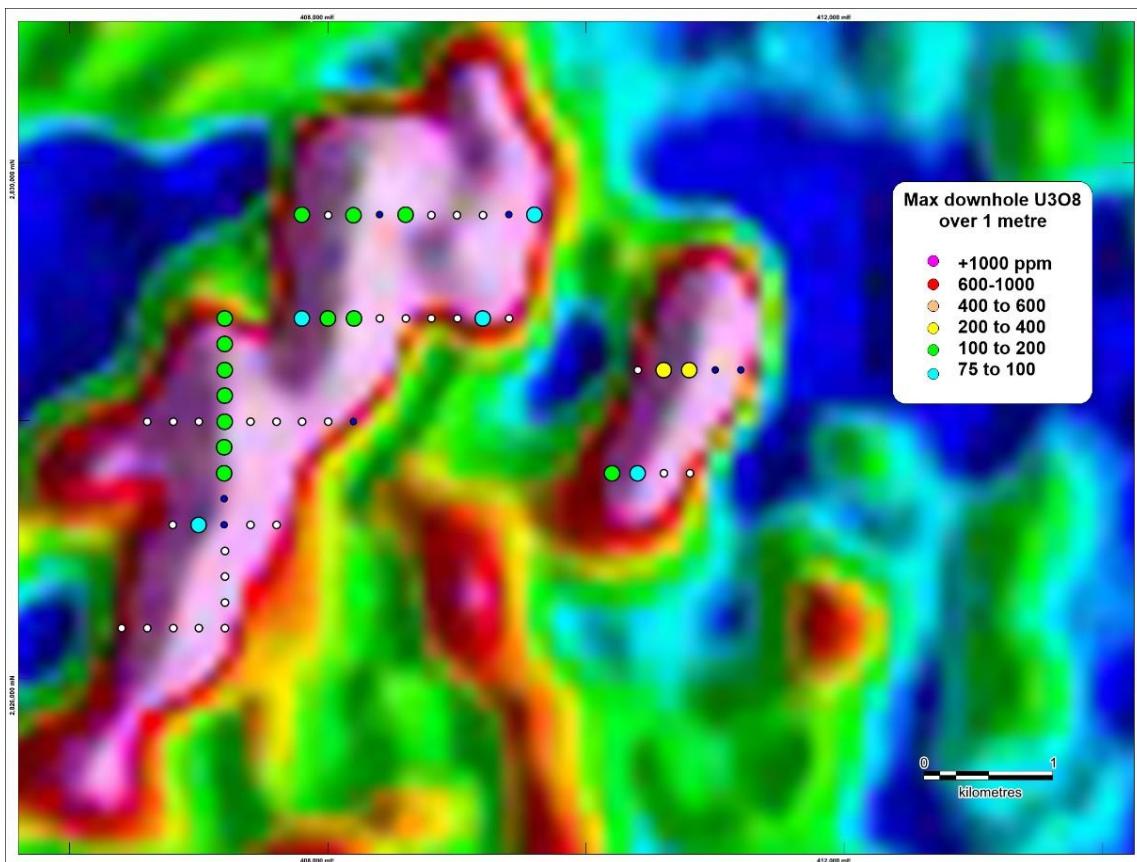


Figure 3: An example at Tiris West of a very strong radiometric anomaly on which drilling & assaying returned mediocre U₃O₈ grades. Background image is uranium channel airborne radiometrics.

Table 1 – Tiris Uranium Project Global Resource Estimate

Cut-off U ₃ O ₈ g/t	Class	Tonnes (Mt)	U ₃ O ₈ (g/t)	U ₃ O ₈ (Mlb)	V ₂ O ₅ (g/t)	V ₂ O ₅ (Mlb)
100	All	102.1	253	56.9	82	18.4
200	All	55.0	336	40.8	109	13.2
300	All	24.8	452	24.7	146	8.0

Table 2 - Tiris Resource Classification - Total, Feb 2022

Cut-off U ₃ O ₈ g/t	Class	Tonnes (Mt)	U ₃ O ₈ (g/t)	U ₃ O ₈ (Mlb)	V ₂ O ₅ (g/t)	V ₂ O ₅ (Mlb)
100	Measured	10.2	235.7	5.3	76.4	1.7
	Indicated	29.0	222.1	14.2	72.0	4.6
	Total M&I	39.2	226	19.5	73	6.3
200	Inferred	62.9	270	37.4	87	12.1
	Measured	4.6	355.0	3.6	115.0	1.2
	Indicated	12.8	315.4	8.9	102.2	2.9
	Total M&I	17.4	326	12.5	106	4.1
300	Inferred	37.6	678.4	28.3	219.8	9.2
	Measured	2.1	496.8	2.3	161.0	0.7
	Indicated	4.7	453.6	4.7	147.0	1.5
	Total M&I	6.8	467	7.0	151	2.3
	Inferred	18.0	881.2	17.7	285.5	5.7

Table 3: Ore Reserve (at 175 ppm U₃O₈ lower cut-off grade)

Description	Mt	U ₃ O ₈ (ppm)	U ₃ O 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			
Proved	4.1	339	3.1
Probable	6.8	333	5
Total	10.9	336	8.1

Table 4. DFS outcomes summary

	Key Metric	DFS
Resource	Life of Mine (LOM)	15 Years
	Beneficiation Plant ore throughput (Design)	1.25 Mtpa
	Process Plant ore throughput	0.16 Mtpa
	ROM uranium grade (LOM)	364 ppm U ₃ O ₈
Production	Uranium Metallurgical Recovery	86.1%
	Average Annual uranium production	823,000 lb U ₃ O ₈
	LOM uranium production	12.35 Mlb U ₃ O ₈

Table 5. DFS financial outcomes summary

	Key Metric	US\$	A\$
Capital	Process plant, infrastructure, indirects	70.1 M	100.1 M
	Contingency	4.7 M	6.8 M
	Total Capital	74.8 M	106.9 M
Operations	Exchange rate (USD:AUD)	0.70	
	C1 Cash operating cost (\$/lb U ₃ O ₈)	25.43	36.33
	AISC operating cost (\$/lb U ₃ O ₈)	29.81	42.56
Project Financials	Assumed price (baseline) (\$/lb U ₃ O ₈)	60	86
	Project NPV₈ (incl Royalties and tax)	79.9 M	114 M
	Project IRR (incl Royalties and tax)	22%	
	Cashflow - Total (after-tax)	214 M	305 M
	Cashflow - Annual (after-tax)	17.1 M pa	24.4 M pa
	Project NPV ₈ (incl Royalties, pre-tax)	106 M	151 M
	Project Cashflow - Total (pre-tax)	275 M	393 M
	Project Cashflow - Annual (pre-tax)	24.5 M pa	33 M pa
	Project payback from start-up	4 years	

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

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

For Further Information, please contact:

Will Goodall

Acting CEO

Aura Energy Limited

info@auraenergy.com.au

Jane Morgan

JMM

Investor & Media Relations

info@janemorganmanagement.com.au

+61 405 555 618

SP Angel Corporate Finance LLP

(Nominated Advisor and Joint Broker)

David Hignell

Kasia Brzozowska

+44 (0) 203 470 0470

WH Ireland Limited

(Joint Broker)

Jessica Cave

Andrew de Andrade

+44 (0) 207 220 1666

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

Aura Energy is an Australian based minerals company that has major uranium and polymetallic projects with large resources in Africa and Europe.

The Company is now focused on uranium production the Tiris Project, a major greenfields uranium discovery in Mauritania, with Aura announcing a Resource Upgrade in August 2021 of 10% or 5.0 million lb U3O8 bringing the total JORC Resource to 56 Mlbs (at a 100 ppm U3O8 lower cut-off grade).

Aura also completed a capital estimate update for the Tiris Definitive Feasibility Study, to reflect current global pricing, with these 2021 figures reconfirming Tiris as one of the lowest capex, lowest operating cost uranium projects.

In October 2021, the Company entered a US\$10m Offtake Financing Agreement with Curzon, which includes an additional up to US\$10m facility, bringing the maximum available under the agreement to US\$20m.

In 2022, Aura will continue to transition from a uranium explorer to uranium producer, to capitalise on the rapidly growing demand for nuclear power as the world continues to shift towards a decarbonised energy system.

Disclaimer Regarding Forward Looking Statements

This ASX announcement (Announcement) contains various forward-looking statements. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements are inherently subject to uncertainties in that they may be affected by a variety of known and unknown

risks, variables and factors which could cause actual values or results, performance or achievements to differ materially from the expectations described in such forward-looking statements. The Company does not give any assurance that the anticipated results, performance or achievements expressed or implied in those forward-looking statements will be achieved.

Mineral Resource and Ore Reserve Estimates

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

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

In respect to Resource statements there is a low level of geological confidence associated with inferred mineral resource and there is no certainty that further exploration work will result in the determination of indicated measured resource or that the production target will be realised.

Competent Persons

The Competent Person for the portion of the 2022 Tiris Vanadium Mineral Resource Estimate and classification relating to the Hippolyte, Hippolyte South, Lazare North, and Lazare South deposits is Mr Arnold van der Heyden of H&S Consulting Pty Ltd. The information in the report to which this statement is attached that relates to the 2018 Mineral Resource Estimate is based on information compiled by Mr van der Heyden. Mr van der Heyden has sufficient experience that is relevant to the resource estimation to qualify Mr van der Heyden as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr van der Heyden is an employee of H&S Consultants Pty Ltd, a Sydney based geological consulting firm. Mr van der Heyden is a Member and Chartered Professional of The Australasian Institute of Mining and Metallurgy (AusIMM) and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Competent Person for the portion of the 2022 Tiris Vanadium Resource Estimate and classification relating to all other deposits within the resource (Sadi South, Sadi North, Marie, Hippolyte West, Oum Ferkik East, Oum Ferkik West deposits) is Mr Oliver Mapeto, an independent resources consultant.

The information in the report to which this statement is attached that relates to the 2018 Resource Estimate is based on information compiled by Mr Mapeto. Mr Mapeto has sufficient experience that is relevant to the resource estimation to qualify Mr Mapeto as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mapeto is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Competent Person for drill hole data and for integrating the different resource estimates is Mr Neil Clifford. The information in the report to which this statement is attached that relates to compiling resource estimates and to drill hole data is based on information compiled by Mr Neil Clifford. Mr Clifford has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify Mr Clifford as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Clifford is a consultant to Aura Energy. Mr Clifford is a Member of the Australasian Institute of Geoscientists. Mr Clifford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Notes to Project Description

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

The Tiris Uranium Project Resource was released on 27 August 2021 "Resource Upgrade of 10% - Tiris Uranium Project". The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

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