

OCTOBER 29, 2021

QUARTERLY CASH REPORT – APPENDIX 5B

QUARTERLY CASH REPORT FOR MINING EXPLORATION ENTITIES

AURA ENERGY LIMITED ASX:AEE
Suite 1, Level 3, 62 Lygon Street
CARLTON SOUTH, VIC 3053

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Summary of cash flow activities for the period

Cash and cash movements

Closing cash for the quarter is \$1.7M, compared to \$3.2M for the end of the previous quarter and the end of the previous financial year. This amounts to a change of \$1.5M for the quarter and for the Year To Date (YTD).

The areas of movement for the Quarter and YTD are as follows:

	Current Quarter \$'000	Financial Year to date \$'000
Net Operating cashflow	(579)	(579)
Net Investing cashflow	(631)	(631)
Net financing cashflow	(293)	(293)
FX movements	2	2
Total net cashflow excluding fx movements	(1,503)	(1,503)

The highest area of activity and payments included investment in the Tiris Uranium and Tasiast South Gold projects of \$624k and staff costs of \$347k, including fees paid to former directors for their service as directors.

Based on an extrapolation of the net operating cashflow and the investment in exploration & evaluation for the quarter of \$1.2M and the closing cash balance of \$1.7M the company has enough cash for 1.4 quarters. The company is conducting a Loyalty Options Entitlement Offer, expected to raise \$2.0M. Furthermore, future cash flows from the exercise of options are expected to provide the company with sufficient funds to maintain operations.

Directors

Mr Martin Rogers, Non-Executive Chairman
Mr Peter Reeve, Chief Executive Officer & Managing Director
Mr Peter Ward, Non-Executive Director

Share price (prior day closing) \$0.245

Shares on issue 406,079,707
Market capitalisation \$99.49M
Closing cash \$1.70M
Enterprise value \$97.79M

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Aura Energy Limited

ABN

62 115 927 681

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities			
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(347)	(347)
	(e) administration and corporate costs	(259)	(259)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (GST input credits)	27	27
1.9	Net cash from / (used in) operating activities	(579)	(579)

2. Cash flows from investing activities		Current quarter \$A'000	Year to date (3 months) \$A'000
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(4)	(4)
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	(624)	(624)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(631)	(631)

3. Cash flows from financing activities		Current quarter \$A'000	Year to date (3 months) \$A'000
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	266	266
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(246)	(246)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(313)	(313)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(293)	(293)

4. Net increase / (decrease) in cash and cash equivalents for the period		Current quarter \$A'000	Year to date (3 months) \$A'000
4.1	Cash and cash equivalents at beginning of period	3,207	3,207
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(579)	(579)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(631)	(631)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(293)	(293)
4.5	Effect of movement in exchange rates on cash held	2	2
4.6	Cash and cash equivalents at end of period	1,706	1,706

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5. Reconciliation of cash and cash equivalents		Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts			
5.1	Bank balances	1,706	3,207
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,706	3,207

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	187
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Item 6.1 – Payments for remuneration and director fees to executive and non-executive directors in the normal course of business at commercial rates, excluding reimbursements of out-of-pocket expenses, as well as back pay for previous quarters.

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term 'facility' includes all forms of financing arrangements available to the entity.</i>			
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>			
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	n/a		

8. Estimated cash available for future operating activities		\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(579)
8.2	Payments for exploration & evaluation classified as investing activities (item 2.1(d))	(624)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,203)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,706
8.5	Unused finance facilities available at quarter end (item 7.5)	0
8.6	Total available funding (item 8.4 + item 8.5)	1,706
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.4
<p><i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i></p>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	<div style="border: 1px solid black; padding: 5px;"> Answer: Yes </div>	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	<div style="border: 1px solid black; padding: 5px;"> Answer: Yes <ul style="list-style-type: none"> - The company is conducting a loyalty options rights issue on the ASX, from which it expects to raise \$2,000k. - The company has received \$430k for the exercise of options between quarter end and the date of this report. - All options on issue are currently in the money. The exercise of which will result in further cash inflows to the company. </div>	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	<div style="border: 1px solid black; padding: 5px;"> Answer: Yes <ul style="list-style-type: none"> - The company has initiated funding arrangements as in 8.8.2 above. - The company has a demonstrated history of successful capital raises. </div>	
<p><i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i></p>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.