

ASX RELEASE

27 January 2022

Aura Advances towards Net Zero Emission Uranium Production at Tiris

KEY POINTS:

- Aura continues to advance towards net zero emission uranium production at Tiris, with an initial study of Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions undertaken by Wood Group Ltd (“Wood”) now complete, clearly defining a Net Zero Emission Pathway for the Project.
- Total baseline Greenhouse Gas (GHG) emissions from the Tiris DFS were calculated at 16,600 tCO₂e per annum, representing approximately 0.15% of the total GHG emissions of Mauritania¹. Demonstrating that uranium produced from Tiris will be low emission, further enhancing the sustainability and emission reduction potential of nuclear energy.
- **Aura is strongly committed to Environmental, Social and Governance (ESG) practices and aims to create real and lasting benefits and societal impact through low emission uranium production at Tiris.**

Aura Energy Limited (ASX:AEE, AIM:AURA) (“Aura”, the “Company”) is pleased to announce that the first phase of the Net Zero Emission Study (the “Emission Study” and the “Study”) undertaken by Wood is now complete, with Total Greenhouse Gas (GHG) emissions calculated at 16,600 tCO₂e per annum, representing approximately 0.15% of the total GHG emissions of Mauritania per annum,. This reinforces Tiris as a source of uranium products with low GHG emissions, enhancing the positive emission reduction potential and sustainability of nuclear energy.

The Study by Wood clearly defines a Net Zero Emission Pathway for the Tiris Uranium Project (“Tiris”, the “Project”), which is outlined in the summary below:

- Extended provision of renewable generation to meet the majority of power needs and reduce emissions associated with stationary combustion (Diesel generators).
- Further reductions via lower global warming potential (GWP) alternative refrigerants in buildings and vehicles.
- Residual emissions following these interventions are assessed as around potentially 30% of the initial baseline
- Discussions with the Government of Mauritania, SOMELEC and UN partners to focus on potential direct investment in national projects to offset residual emissions (in preference to accessing the voluntary carbon market).

¹ Based on 2021 population in Mauritania of 4.7m people with the Net Zero Emission Reporting stating CO₂e emissions per capita of 2.1t



Figure 1 – Emissions by source as a percentage of annual emissions

An indicative net zero GHG reduction pathway assuming initial extension of solar PV and further solar PV or wind generation deployed in early operational years, as well as ongoing air conditioning refrigerant replacement was presented by Wood and summarised in figure 2. The Company will continue to explore these optimisations through development of the Tiris Project.

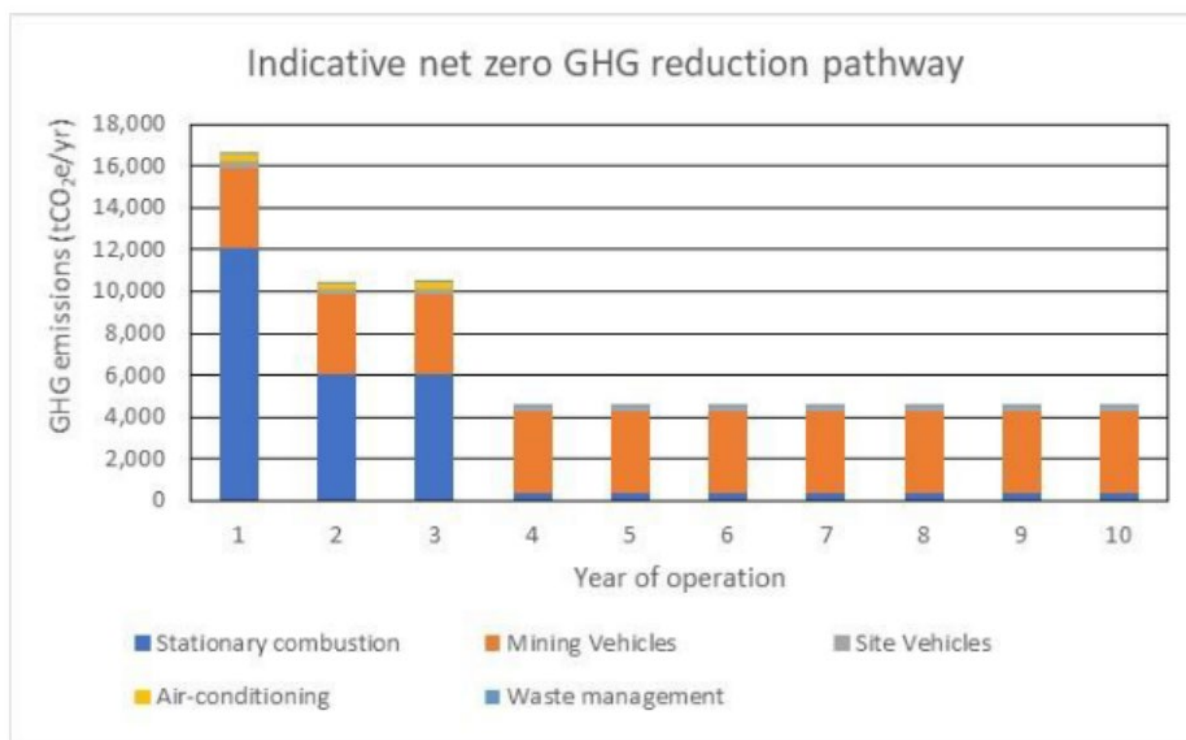
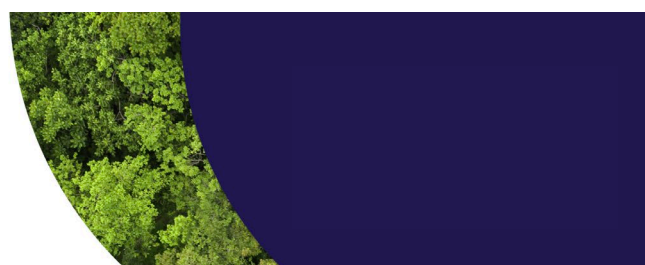


Figure 2 – Indicative net zero pathway to minimal scope 1 and scope 2 emissions. Residual emissions potential to be offset through direct investment in Mauritanian projects.

Commenting on the Emission Study, Acting CEO, Dr Will Goodall, said: “We are very pleased to have completed the first phase of the Net Zero Emissions Study, with the Emission Study clearly defining a Net Zero Pathway, as Aura continues to transition from a uranium explorer to a uranium producer. As countries globally strive to meet net zero emission targets, we believe nuclear energy is the leading solution to decarbonisation. Aura is highly committed to meeting Environmental, Social and Governance (ESG) practices to reduce carbon emissions at Tiris, but also in delivering positive and lasting societal impacts in Mauritania. With strong support from the **Mauritanian government, Aura continues to advance towards net zero emission uranium production at Tiris.**”



Aura is strongly committed to ESG practices and aims to create real and lasting benefits through uranium production at Tiris. Aligning with global targets for carbon neutrality, the Company aims to achieve net zero carbon emissions at the Project and will continue to review and implement the Net Zero Emission Pathway over the coming period.

Aura will invest in the local communities in which it operates to create positive societal impacts in Mauritania, including job creation through the development of a responsible and sustainable industry. The Company will also pay competitive wages to attract skilled labour within the region, whilst balancing the interests of shareholders and expectations of profitability.

Further driven by the 2021 United Nations Climate Change Conference (COP 26), both governments and corporations are actively pursuing net-zero emission targets within the coming decades. Countries globally are continuing to turn towards nuclear power as a major source of carbon free energy.

The UK, France, Finland, United States, UAE, China, Russia, Japan and the Czech Republic are among the nations with plans to increase nuclear power in their energy mix, as they strive to meet net zero carbon emission targets.

Essential to the decarbonisation of the global energy system, unlike wind or solar, nuclear provides a consistent stream of energy and currently meets 10% of the world's power needs, protects air quality, has a low land footprint, produces minimal waste², and is the leading solution to decarbonisation.

Investment in the nuclear power sector is set to massively increase, and to achieve the European Union's goal of carbon neutrality by 2050, investment in nuclear power totalling around €500 billion (US\$565b) by 2050 will be required³.

China, which accounts for 36% of global greenhouse gas emissions, will invest US\$440b to transition to clean energy by 2060, with plans to build at least 150 new reactors over the next 15 years, a significant increase from the 440 reactors currently in operation globally⁴.

Aura is strongly positioned to capitalise on this increased investment and demand for nuclear power with its low capex, low operating cost Tiris Uranium Project, as the Company continues to capitalise on the shift towards a decarbonised energy system.

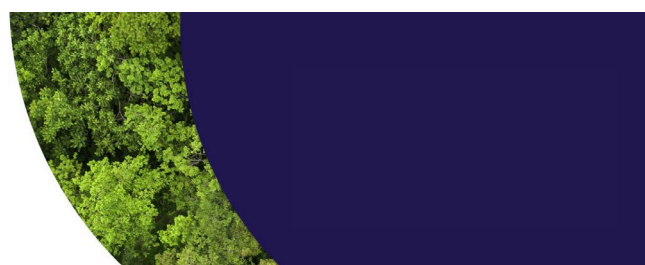
About Wood

Wood is a global leader in consulting and engineering across energy and the built environment, with 160 year history, 40,000 employees globally and operations across over 40 countries.

² <https://www.energy.gov/ne/articles/3-reasons-why-nuclear-clean-and-sustainable>

³ <https://www.world-nuclear-news.org/Articles/EU-needs-colossal-investment-in-nuclear-to-hit-net>

⁴ <https://www.bloomberg.com/news/features/2021-11-02/china-climate-goals-hinge-on-440-billion-nuclear-power-plan-to-rival-u-s>



Report Methodology

The approach adopted for the Net Zero Emission Report was based on international good practice in calculating and reporting on emissions, and follows the guidelines set out in the Greenhouse Gas (GHG) Protocol Corporate Standard and International Organisation for Standards (ISO) 14064. Relevant information was also sourced from the 2006 Intergovernmental Panel on Climate Change (IPCC). The methodology used for the report can therefore be used to report GHG emissions at a national level.

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

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

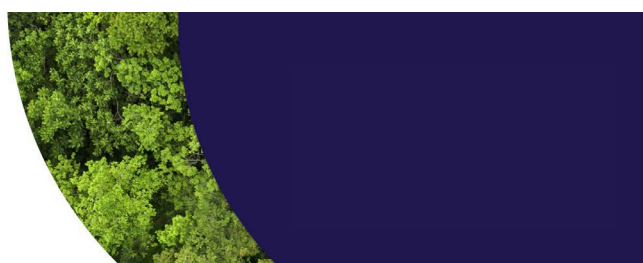
Aura Energy is an Australian based minerals company that has major uranium and polymetallic projects with large resources in Africa and Europe.

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, complementing the 2019 uranium offtake agreement, the Company entered a US\$10m Offtake Financing Agreement with Curzon, with an additional US\$10m in capital 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.



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.

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.

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