

ASX RELEASE

19 October 2022

## Aura Continues to Advance Tiris Uranium Project

### KEY POINTS:

- Tiris Resource Upgrade drilling and logging program is now complete, with final results expected in December.
- This represents a key milestone in pursuit of Aura's objective to upgrade the Inferred resource to Measured and Indicated ("M&I") categories.
- Engineering and test work continues to confirm the Tiris flow sheet for an initial 800,000 lb/pa, including capital and operating cost estimates.
- Formalisation of Tiris shareholder and government arrangements with our hosts in Mauritania is imminent.
- The Company is also progressing discussions regarding offtake and financing opportunities for Tiris.

Aura Energy Limited (ASX: AEE, AIM: AURA) ("Aura", "the Company") is pleased to announce the completion of air core drilling at the Tiris Uranium Project ("Tiris" or the "Project") in Mauritania, and the progress of the key 2022 milestones for the Company towards the delivery of near-term Phase 1 uranium oxide production.

Aura's primary objective in CY2022 was the 10,000-metre infill drilling program to upgrade our Inferred resources of 26.3m lbs at 100ppm U<sub>3</sub>O<sub>8</sub> cut-off within Tiris East into Measured or Indicated status, and to identify further exploration targets within the tenure (please see ASX and AIM Announcement 19 April 2022). The drilling milestone is now complete, with the program designed to provide the basis for growing the Project, which already demonstrates low capital and low operating cost metrics, and to underpin the potential for expansion to 2-4 Mlbs U<sub>3</sub>O<sub>8</sub> pa.

The drilling and logging programme in Mauritania is now successfully complete and validation samples have been delivered to ALS Ireland and ANSTO Minerals, Australia. Final Resource modelling results will be available once these validation results have been received by the Company. An updated resource estimate is expected before the end of 2022.

Aura's Chief Operating Officer, Dr Will Goodall, commented:

*"Completion of drilling as part of the Resource Upgrade Program is a key milestone in developing Tiris, and it is aligned with our objective to achieve uranium production by 2025.*

*Importantly, it also demonstrates clear progress on the path set in Q1 of this year to rapidly develop Tiris and grow its value for all our stakeholders, including the government and community, with*

*whom we continue to work very closely. Through Q4 CY 2022 we expect to finalise key negotiations with the Mauritanian government, which remains very supportive of Tiris.*

*The Company continues to work towards near-term uranium production, and we look forward to providing our shareholders with further updates as programs are finalised."*

Aura's strategy to deliver near-term production from Tiris is being driven by the global shift towards safe, low carbon energy sources. This has led to an increased focus on nuclear power for low emissions energy, which in turn has prompted a surge in uranium prices. During 2022 uranium prices have risen dramatically, from around US\$30/lb to today's level near US\$50/lb, representing an increase of approximately 60%.

### Uranium Resource Upgrade Program

Historically, conversion of Inferred resources to Measured and/or Indicated category has occurred at a ratio of approximately 65% with infill drilling. Using new sampling techniques, the Company has consistently discovered additional mineralisation when drilling areas with high surface radiometric signature. Together, and assuming this trend continues, our objective of having identified sufficient U<sub>3</sub>O<sub>8</sub> resources to support a 2-4Mlbs pa operation within 5 years should be achieved.

The 2021 Tiris Feasibility Study update demonstrated that Tiris is a low capital and low operating cost project, with a simple, proven flowsheet. The Project has first mover opportunity with a capital estimate of US\$74.8m and C1 operating cost of US\$25.43/lb U<sub>3</sub>O<sub>8</sub>.<sup>1</sup> During 2022, considerable progress has been achieved in our engineering program with:

- Pilot plant of ore upgrading confirming grade increases of 500-600% while retaining 90% of the uranium<sup>2</sup>;
- A new circuit is being developed, which will recover a by-product vanadium pentoxide from our proposed 800klbs project, with the expectation of operating cost savings<sup>3</sup>, and
- In June, DRA Global and its subsidiary, SENET were appointed to undertake the Front-End Engineering Design Study for our 800,000lb U<sub>3</sub>O<sub>8</sub> pa initial project with Wallbridge Gilbert Aztec and Adelaide Control Engineering designing the processing circuit. <sup>4</sup>

Figure 1 shows the delivery pathway for key programs in development of the Tiris project to its full potential.

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<sup>1</sup> ASX and AIM Release: "Tiris Uranium DFS Complete" 29 July 2019

<sup>2</sup> ASX and AIM Release: "Tests confirm average 550% upgrading of uranium at Tiris", 23 June 2022

<sup>3</sup> ASX and AIM Release: "Aura Defines Vanadium JORC Resource at Tiris Uranium Project" 16 Feb 2022

<sup>4</sup> ASX and AIM Release "PRE-INVESTMENT DECISION CAPEX AND OPEX ENGINEERING OPTIMISATION COMMENCED FOR TIRIS, 30<sup>th</sup> June 2022

Figure 1 Tiris Project Development Timeline

Program	Completed	Underway	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Phase 1 Tiris Project – 800klb U3O8 pa							
Confirmation test work <sup>1</sup>		Y					
FEED Study – Phase 1 <sup>2</sup>	Y						
FEED Study – Phase 2		Y					
<b>Decision to Mine</b>							
Resource and Reserve development							
Tiris East Infill drilling	Y						
Revised Resource Estimate		Y					
Revised Reserve Estimate							
Government relations							
Government agreements		Y					
UOC export authorisation		Y					
Phase 2 Tiris Project - Expansion							
Phase 2 Feasibility Study							

Based on the work outlined in Figure 1, a key pillar for a Final Investment Decision (FID) is expected in **Q1 CY 2023** and will also provide cost estimates and indicative economic analysis for an expansion to a target of between 2 and 4 million lbs U<sub>3</sub>O<sub>8</sub> production per year.



Figure 2 - Drilling team on-site at the Tiris Project

### Mauritanian government relations

A concession agreement is being negotiated with the Government of Mauritania, to be signed by both the President and the Minister of Mines outlining our commitment to the key steps involved in project development, including the approval process steps, and gives certainty in relation to tenure and Aura's expansion into a regional uranium producer. It will also confirm all aspects of the host government's fiscal regime for at least 30 years. Constructive discussions have continued throughout 2022 and a formal agreement is imminent.

In addition, the Mauritanian Government's ANARPAM Agency<sup>5</sup> will hold a 15% Free Participation interest in earnings from Tiris<sup>6</sup>. The other characteristics of the Shareholders Agreement are now being finalised.

Mauritania is a member state of the International Atomic Energy Agency ("IAEA") and has a well-established Law on Nuclear Energy. During September, Key Management Plans for authorisation of uranium production and export from Tiris were submitted to Mauritania's National Authority for Radioprotection, Safety and Nuclear Security ("ARSN") with approval for exports anticipated in mid-2023.

**Table 1 – Tiris Uranium Project Global Resource Estimate**

Cut-off U <sub>3</sub> O <sub>8</sub> g/t	Class	Tonnes (Mt)	U <sub>3</sub> O <sub>8</sub> (g/t)	U <sub>3</sub> O <sub>8</sub> (Mlb)	V <sub>2</sub> O <sub>5</sub> (g/t)	V <sub>2</sub> O <sub>5</sub> (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 <sub>3</sub> O <sub>8</sub> g/t	Class	Tonnes (Mt)	U <sub>3</sub> O <sub>8</sub> (g/t)	U <sub>3</sub> O <sub>8</sub> (Mlb)	V <sub>2</sub> O <sub>5</sub> (g/t)	V <sub>2</sub> O <sub>5</sub> (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
	Inferred	62.9	270	37.4	87	12.1
200	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
	Inferred	37.6	678.4	28.3	219.8	9.2
300	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

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

For Further Information, please contact:

David Woodall  
Managing Director and CEO  
Aura Energy Limited  
[info@auraenergy.com.au](mailto:info@auraenergy.com.au)

Jane Morgan  
JMM  
Investor & Media Relations  
[info@janemorganmanagement.com.au](mailto:info@janemorganmanagement.com.au)  
+61 405 555 618

<sup>5</sup> National Agency for Geological Research and Mining Properties: <https://anarpam.mr/en/agence-anarpam/>

<sup>6</sup> ASX and AIM Release: "Tiris Uranium DFS Complete" 29 July 2019



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

Aura Energy is an Australian-based minerals company with major uranium and polymetallic projects with large resources in Africa and Europe. The Company is principally focused on initial uranium production at its Tiris Uranium Project, an evolving major greenfields uranium discovery in Mauritania, with Aura announcing a Resource Upgrade in August 2021, bringing the total JORC Resource to 56 Mlbs (at a 100 ppm U<sub>3</sub>O<sub>8</sub> lower cut-off grade).

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

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 an advanced uranium explorer to uranium producer, to capitalise on the growing appetite for nuclear power as a critical, baseload, near-zero-carbon energy source to help drive the global shift towards decarbonising energy generation.

### 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.

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.