

18 March 2024

Interim Financial Report

Aura Energy Limited (ASX: AEE, AIM: AURA("Aura" or the "Company")) is pleased to announce that it has released its Interim Financial Report for the Half-Year ended 31 December 2023.

A full version of the Interim Financial report can also be viewed here:

http://www.rns-pdf.londonstockexchange.com/rns/1466H_1-2024-3-17.pdf

The Interim Financial Report is also available on the Company's website at: www.auraenergy.com.au

Directors' Report

Your directors present their report on the consolidated entity consisting of Aura Energy Limited ('Aura' or the 'Company') and the entities it controlled (the 'Group') at the end of, or during, the half-year ended 31 December 2023 (the 'Period').

Directors

The following persons were Directors of the Company during the whole of the financial period and up to the date of this report, except as otherwise indicated:

Mr Philip Mitchell, Non-Executive Chair

Mr Bryan Dixon, Non-Executive Director

Mr Warren Mundine, Non-Executive Director

Mr Patrick Mutz, Non-Executive Director

Mr Andrew Grove, Managing Director & CEO (appointed 30 January 2024)

Mr David Woodall, Managing Director & CEO (resigned 30 January 2024)

Principal activities

The principal activities of the consolidated entity during the course of the Period were the development, exploration and evaluation of uranium in Mauritania and vanadium and other battery metals in Sweden.

There was no significant change in the nature of these activities during the Period.

Operations Review

Aura is an ASX and AIM-listed minerals exploration and development company, focused on the development of the Tiris Uranium Project in Mauritania and the Häggån Vanadium Polymetallic Project in Sweden. During the period, Aura has achieved several milestones and made significant progress with both projects.

Tiris Uranium Project

The Front-End Engineering Design ('FEED') Study for the Tiris Project ('Tiris') progressed significantly during the Period, with the results published on 28 February 2024. The FEED Study confirms Tiris as high-value low-risk commercial scaled low-cost near-term uranium mine. Tiris has the key advantage that the beneficiation of the shallow free digging ore delivers very high grade (~1,900ppm U₃O₈), material to the leaching circuit without the need for crushing or grinding.

Operationally, an extensional drilling program on the Tiris East tenements was mobilised during the Period and commenced in early January 2024. This program is targeting an Exploration Target in the range of 8-32 Mlbs U₃O₈ aiming to increase the total Tiris resources towards 100Mlbs U₃O₈. While uncertainty over the conversion of the exploration program remains, if it provides a low-cost uplift to the resource inventory, it will introduce an opportunity to increase production rates and/or extend the mine life at Tiris.

During the Period, the Company completed a detailed regional evaluation program based on historical drilling and radiometric data that underpins the Tiris Uranium Project. After this analysis, Aura applied for an additional ~13,000 km² of exploration tenements in the broader Tiris Uranium Province in November 2023, securing a significant strategic position in a prospective but underexplored uranium province. Subject to successful granting of these applications, Aura will work progressively to confirm and test exploration targets within these tenements throughout the course of 2024 and 2025.

Moving into 2024, Aura will continue the transition towards becoming a uranium producer. Aura continues

to believe that demand for uranium will grow significantly over the next two decades. The increasing global demand for electricity and the global shift towards low carbon energy sources will require a significant increase in nuclear power generation and uranium demand. We have already seen the spot U_3O_8 price increase from US\$65/lb in 2023 to the current US\$95/lb. Offtake discussions have continued to advance in the backdrop of the strongly appreciating uranium spot market. Funding discussions will commence shortly and the Company will progress towards a Final Investment Decision ('FID') in 2024.

Häggån Vanadium Project

In September 2023, the Company announced the completion of the Scoping Study for the Häggån Vanadium Project in Sweden. Häggån hosts a world-class polymetallic ore body with a global scale vanadium resource. The Base Case Scenario outlined in the Scoping Study demonstrated outstanding economics with an NPV range from US\$380-US\$1,231 million, depending on final plant construction and forward price assumptions. This Base Case included only <3% of Häggån's known 2.0Bn tonne Mineral Resource Estimate and assumed that uranium would not be extracted from the project.

A summary of the Scoping Study demonstrated:

- Post-tax NPV ranging from US\$380 - US\$1,231 Million.
- A post-tax IRR of 26% - 47% and a payback period of 1.5 to 2 years.
- Initial capital cost of US\$593 Million to generate an operating cash flow of between US\$140-\$270 Million per annum.
- Häggån currently has defined a global Mineral Resource Estimate of ~2 Billion tonnes at an average grade of 0.3% V_2O_5 , containing 13.3 Billion lbs V_2O_5 at a 0.2% V_2O_5 cutoff.
- The Häggån Mineral Resource also contains significant uranium totalling 800 Million pounds of U_3O_8 .
- The Base Case scenario proposes mining the high-grade zone at ~5.9Mtpa producing approximately:
 - 10,400 tpa high-quality vanadium flake.
 - ~217,000 tpa V_2O_5 sulphate of potash (SOP) by-product for sale as fertiliser.
 - 3,000 tpa mixed sulphide product.

The outcomes of the Scoping Study were immediately used as input for the application process for a 25-year Exploitation permit application. This process has included multiple consultation meetings that have been conducted with local communities in Sweden during the Period.

Aura also continues to support the Swedish Government's strategy to create energy independence and the methodical approach it is taking to potentially rescinding the legislated ban on uranium mining. The change in language used in the energy target policy from "100% renewable" to "100% fossil-free" electricity by the Swedish parliament, is tangible evidence of the shift in sentiment towards the use of nuclear power due to its stability, reliability and lack of greenhouse emissions. The Swedish Government has recently initiated an inquiry to consider lifting the current ban on uranium mining. If the sale of uranium was allowed, it would add additional upside to the economic outcomes for Häggån.

Corporate

During the Period, the Company announced the appointment of Ross Kennedy as Company Secretary replacing Mr Phillip Hains. Mr Kennedy is an experienced Company Secretary with more than 30 years of experience.

The Company's registered office changed to Level 30, 35 Collins Street, Melbourne, Victoria, Australia.

A total of 6,660,150 AEEO Options were exercised during the Period.

Financial Review

The Group's consolidated net loss for the half year ended 31 December 2023 after providing for income tax amounted to \$2,987,251 (2022: \$3,316,842).

The Group held net assets of \$37,826,938 as at 31 December 2023 (30 June 2023: \$39,802,295), including cash and cash equivalents of \$5,866,138 (30 June 2023: \$11,238,716).

Refer to the preceding "Operations Review" section for further details on the operations of the company.

Events occurring after the balance sheet date

On 25 January 2024, the Company announced that it had entered into Option Funding Agreements with certain investors who have agreed to prepay the Company approximately \$4.3 million, equal to the exercise monies for all remaining unexercised listed options expiring 30 June 2024. The funds will be repaid to the investors upon receipt of option exercise monies as and when the current Option Holders exercise their options.

As part of the Options Funding Agreements, the Company entered into an agreement with PAC Partners Securities Pty Limited (the 'Underwriter') to underwrite 20 million unexercised listed options ("Underwritten Options") whereby the Underwriter will receive shares equal to the number of shares to be issued on exercise of 100% of the Underwritten Options that are not exercised by the Option Holders by the Option Expiry Date, in lieu of cash. The Options are listed and have an expiry date of 30 June 2024, an exercise price of \$0.052 each, and on exercise convert into ordinary fully paid shares in the Company.

On 30 January 2024, the Company announced the resignation of David Woodall and the appointment of Andrew Grove as Managing Director and CEO.

On 28 February 2024, the Company announced the FEED Study results for the Tiris Uranium Project, noting the following key points:

- FEED study confirms excellent economics and capital efficiency to develop Tiris into a globally significant near-term uranium operation:
 - NPV₈ of US\$366 million
 - IRR of 34% post tax and 2.5 year payback
 - Uranium price of US\$80/lb U₃O₈
- Average base case production of 1.9Mlbspa U₃O₈ over a 17-year mine life
- Shallow free dig open pit mining and beneficiation delivers a low cost, high-grade leach feed averaging 1,997ppm U₃O₈ for first five years and 1,743ppm U₃O₈ life of mine
- Low AISC of US\$34.5/lb U₃O₈ demonstrates strong margins
- Efficient capital cost of US\$230 million supporting a long mine life
- Final Investment Decision expected late in 2024 for an 18-month construction timeline to first production
- Processing facility designed for future expansion beyond 2Mlbspa
- Extensional drill program underway targeting further resource growth

On 15 March 2024, the Company's securities on ASX went into a trading halt, pending an announcement about the outcome of a Private Placement ("Placement"). Joint Lead Managers for the Placement have been formally engaged. As at the date of this report, the outcome of the Placement is not certain.

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Dividends

No dividends have been paid or declared by the Company for the current financial period. No dividends were paid for the previous financial period.

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 9 of the Interim Financial Report.

This report is made in accordance with a resolution of directors.

Andrew Grove

Managing Director and CEO

15 March 2024

Condensed Consolidated Statement of Profit or Loss & Other Comprehensive Income For the half year ended 31 December 2023

	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Continuing operations			
Other losses		(11,229)	(129,426)
Employee benefits		(670,885)	(398,296)
General & Administrative expenses	6	(1,395,567)	(1,151,054)
Share based payment expenses		(523,173)	(1,221,745)
Operating loss		(2,600,854)	(2,900,521)
Finance income		154,512	24,112
Finance expense	8(b)	(8,066)	-
Finance income - net		146,446	24,112

Loss before income tax	(2,454,408)	(2,876,409)
Income tax expense	-	-
Loss from continuing operations	(2,454,408)	(2,876,409)
Loss from disposal group	(532,843)	(440,436)
Loss for the Period	(2,987,251)	(3,316,845)
Loss is attributable to:		
Owners of Aura Energy Limited	(2,979,549)	(3,304,204)
Non-controlling interests	(7,702)	(12,638)
	(2,987,251)	(3,316,842)
Other comprehensive income		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translation of foreign operations	142,393	9,696
Total comprehensive loss for the Period	142,393	9,696
Total Comprehensive Loss after income tax for the year attributable to equity holders of the Company	(2,844,858)	(3,307,146)

Total comprehensive income for the Period is attributable to:

Owners of Aura Energy Limited	(2,860,466)	(3,294,789)
Non-controlling interests	15,608	(12,357)
	(2,844,858)	(3,307,146)

Basic and diluted loss per share attributable to equity holders of the Company:

	Cents	Cents
From continuing operations attributable to the ordinary equity holders of the company	(0.43)	(0.56)
From continuing operations and disposal group attributable to the ordinary equity holders of the company	(0.52)	(0.64)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 Dec 2023	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	7	5,862,213	11,238,716
Other receivables		178,215	57,531
Other current assets		94,880	35,404
Assets classified as disposal group		2,612,405	2,735,650
Total current assets		8,747,713	14,067,301
Non-current assets			
Security deposits		53,295	50,380
Plant and equipment		9,524	5,158
Right of use assets	8(a)	267,140	-
Exploration and evaluation	9	32,827,319	27,248,300
Total non-current assets		33,157,278	27,303,838
Total assets		41,904,991	41,371,139
Liabilities			
Current liabilities			
Trade and other payables	10	3,564,118	1,310,087
Employee benefits		107,215	87,110
Other current liabilities		3,067	667
Lease liabilities	8(b)	82,674	-
Liabilities directly associated with assets classified as disposal group		112,041	170,980
Total current liabilities		3,869,115	1,568,844
Non-current liabilities			
Employee benefits		1,847	-
Lease liabilities	8(b)	207,091	-
Total non-current liabilities		208,938	-
Total liabilities		4,078,053	1,568,844
Net assets		37,826,938	39,802,295

Equity			
Share capital	11	82,278,531	81,832,301
Other equity		314,346	314,346
Other reserves	12	5,006,460	4,464,106
Accumulated losses		(49,712,736)	(46,733,187)
Capital and reserves attributable to owners of parent		37,886,601	39,877,566
Non-controlling interests		(59,663)	(75,271)
Total equity		37,826,938	39,802,295

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity For the half year ended 31 December 2022

	Attributable to owners of Aura Energy Limited					Total
Note	Share capital \$	Other equity \$	Other reserves \$	Accumulated losses \$		T
Balance at 1 July 2022	69,357,543	314,346	3,946,825	(40,240,837)		33,377,877
Loss after income tax expense for the half year	-	-	-	(3,304,204)		(3,304,204)
Other comprehensive income for the half year	-	-	9,415	-		9,415
Total comprehensive loss for the half year	-	-	9,415	(3,304,204)		(3,294,789)
<i>Transactions with owners in their capacity as owners</i>						
Contributions of equity, net of transaction costs and tax	(11,498)	-	-	-		(11,498)
Share based payments	243,000	-	-	-		243,000
Options exercised	1,944,283	-	(558,699)	-		1,385,584
Loan funded securities	-	-	1,221,745	-		1,221,745
Balance at 31 December 2022	71,533,328	314,346	4,619,286	(43,545,041)		32,921,919

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity For the half year ended 31 December 2023

	Attributable to owners of Aura Energy Limited					Total
Note	Share capital \$	Other equity \$	Other reserves \$	Accumulated losses \$		T
Balance at 1 July 2023	81,832,301	314,346	4,464,106	(46,733,187)		39,877,566
Loss after income tax expense for the half year	-	-	-	(2,979,549)		(2,979,549)
Other comprehensive income for the half year	-	-	119,083	-		119,083
Total comprehensive loss for the half year	-	-	119,083	(2,979,549)		(2,860,466)
<i>Transactions with owners in their capacity as owners</i>						
Options exercised	11	346,328	-	-		346,328
Transfer from reserves on exercise of options		99,902	(99,902)	-		-
Loan funded securities		-	523,173	-		523,173
Balance at 31 December 2023	82,278,531	314,346	5,006,460	(49,712,736)		37,886,601

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows

For the half year ended 31 December 2023

	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Operating activities			
Loss after income tax expense for the year		(2,987,251)	(3,316,845)
<i>Adjustments for:</i>			
Depreciation expense		36,726	766
Exchange fluctuations		(13,771)	118,148
Share based payments		523,173	1,221,745
Finance costs		8,066	-
<i>Change in operating assets and liabilities:</i>			
Decrease/(increase) in other receivables		(120,684)	(12,979)
Decrease/(increase) in other operating assets		(59,476)	(31,732)
Increase/(decrease) in trade and other payables		(85,685)	512,730
Increase/(decrease) in employee benefits		(11,959)	(20,460)
Increase/(decrease) in other operating liabilities		2,400	102,802
Net cash flows used in operating activities		(2,708,461)	(1,425,825)
Investing activities			
Payments for plant and equipment		(5,740)	-
Payments for exploration and evaluation		(3,034,497)	(4,295,300)
Net cash used in investing activities		(3,040,237)	(4,295,300)
Financing activities			
Share issue transaction costs		-	(11,498)
Exercise of options		346,328	1,385,184
Net cash from financing activities		346,328	1,373,686
Net decrease in cash and cash equivalents		(5,402,370)	(4,347,439)
Cash and cash equivalents, beginning of year		11,276,307	10,706,700
Effects of exchange rate changes on cash and cash equivalents		(7,799)	(33,870)
Cash and cash equivalents, end of the half year	7	5,866,138	6,325,391

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

For full Notes to the condensed consolidated financial statements please review the Interim Financial Report via the link above.

ENDS

The Managing Director & CEO of Aura Energy Ltd has approved this announcement.

This Announcement may contain inside information for the purposes of the UK version of the market abuse regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

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

Aura Energy is an Australian-based mineral company with major uranium and polymetallic projects in Africa and Europe.

The Company is focused on developing a uranium mine at the Tiris Uranium Project, a major greenfield uranium discovery in Mauritania. The February 2024 FEED study demonstrated Tiris to be a near-term low-cost 2Mlbs U3O8 pa near term uranium mine with a 17-year mine life with excellent economics and optionality to expand to accommodate resource growth.

Aura plans to transition from a uranium explorer to a uranium producer to capitalise on the rapidly growing

demand for nuclear power as the world shifts towards a decarbonised energy sector.

Beyond the Tiris Project, Aura owns 100% of the Häggån Project in Sweden. Häggån contains a global-scale 2.5Bt vanadium, sulphate of potash ("SOP") and uranium resource. Utilising only 3% of the resource, a 2023 Scoping Study outlined a 27-year mine life based on mining 3.5Mtpa.



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