THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, you should consult your broker, bank manager, solicitor, accountant or other independent financial adviser authorised for the purposes of the Financial Services and Markets Act 2000 ("FSMA") who specialises in advising on the acquisition of shares and other securities.

The Company's Existing Ordinary Shares are currently admitted to trading on the Australian Securities Exchange. Application will be made to London Stock Exchange plc ("the London Stock Exchange") for both the Existing Ordinary Shares and the Placing Shares to be admitted to trading on AIM. It is expected that admission of the Existing Ordinary Shares and the Placing Shares will become effective and dealings in the Existing Ordinary Shares and the Placing Shares will commence on AIM on or around 6 September 2016. The Placing Shares will, on Admission, rank pari passu in all respects with the Existing Ordinary Shares and will rank in full for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of the Company.

This document does not constitute an offer or constitute any part of an offer of transferable securities to the public in the United Kingdom, within the meaning of sections 85 and 102B of FSMA, as amended. Accordingly, this document does not constitute a prospectus under the Prospectus Rules published by the Financial Conduct Authority ("FCA") and has not been approved or examined by and will not be filed with the FCA.

The Company and the Directors, whose names appear on page 6 of this document, accept responsibility, individually and collectively, for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (having taken all reasonable care to ensure that such is the case) the information contained in this document, for which they are responsible, is in accordance with the facts and does not omit anything likely to affect the import of such information.

The whole of the text of this document should be read and in particular your attention is drawn to the section entitled "Risk Factors" set out in paragraph 30 of this document which describes certain risks associated with an investment in the Company.

Aura Energy Limited
(incorporated and registered in Australia with registered number ACN 115927681)

Appendix to the Schedule One Announcement

Further information relating to Aura Energy Limited in connection with its proposed Admission to trading on AIM

WH Ireland Limited
Nominated Adviser and Broker

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the United Kingdom Listing Authority (being the FCA acting as the competent authority for the purposes of Part VI of FSMA).

A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser.

Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers.

The London Stock Exchange has not itself examined or approved the contents of this document.

This document has been prepared in accordance with Schedule One (and its supplement for quoted applicants) of the AIM Rules for Companies published by the London Stock Exchange. It includes, inter alia, all information that is equivalent to that required for an admission document and which is not found in the current public disclosure record of the Company, meaning all information filed with the Australian Securities Exchange (available at www.asx.com.au) and all information available on the website of the Company at www.auraenergy.com (together comprising the "Public Record"). This document will be available on the Company's website from 8 August 2016. This document should be read in conjunction with the announcement made by the Company on 8 August 2016, being at least 20 Business Days prior to Admission, (the "20 Day Announcement") and the Public Record. This document and the 20 Day Announcement together constitute "the Announcement". Copies of the Announcement will also be available during this period to the public free of charge, during business hours on any day (except Saturdays, Sundays and public holidays) at the offices of WH Ireland at 24 Martin Lane, London EC4R 0DR from the date of this document until at least one month from the date of Admission.

WH Ireland Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting as nominated adviser and broker to the Company for the purposes of the AIM Rules for Companies and, as such, its responsibilities are owed solely to the London Stock Exchange and are not owed to the Company or any Director or any other entity or person in connection with this document. WH Ireland Limited will not regard any person other than the Company (whether or not a recipient of this document) as its client in relation to this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of WH Ireland Limited or for providing advice in relation to this document or any transaction matter or arrangement referred to in this document. WH Ireland Limited has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by WH Ireland Limited nor does it make any representation or warranty, express or implied, about the accuracy of any information or opinion contained in this document or about the omission of any information. WH Ireland Limited disclaims all and any responsibility or liability whether arising in tort, contract or otherwise which it might otherwise have in respect of this document. Nothing in this paragraph shall serve to exclude or limit any responsibilities which WH Ireland Limited may have under FSMA or the regulatory regime established thereunder.

This document does not constitute an offer to sell or an invitation to subscribe for, or solicitation of an offer to subscribe for or buy securities to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation. In particular, this document must not be taken, transmitted, distributed or sent, directly or indirectly, in, or into, the United States of America, Canada, Australia, Japan or the Republic of South Africa or transmitted, distributed or sent to, or by, any national, resident or citizen of such countries.

This document contains (or may contain) certain forward-looking statements with respect to the Company and certain of its goals and expectations relating to its future financial condition and performance which involve a number of risks and uncertainties. No forward-looking statement is a guarantee of future performance and actual results could differ materially from those contained in any forward-looking statements. All statements, other than statements of historical facts, contained in this document, including statements regarding the Group's future financial position, business strategy and plans, business model and approach and objectives of management for future operations, are forward-looking statements. Generally, the forward-looking statements in this document use words such as "aim", "anticipate", "target", "expect", "estimate", "plan", "goal", "believe", "will", "may", "could", "should", "future", "intend" "opportunity, "potential", "project", "seek" and other words having a similar meaning. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not

limited to, economic and business conditions, the effects of changes in interest rates and foreign exchange rates, changes in legislation, changes in consumer habits and other factors outside the control of the Company, that may cause actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. All forward-looking statements contained in this document are based upon information available to the Directors at the date of this document and the posting or receipt of the document shall not give rise to any implication that there has been no change in the facts set forth herein since such date. Investors are urged to read this entire document carefully before making an investment decision. The forward-looking statements in this document are based on the relevant Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

No legal, business, tax, investment or other advice is provided in this document. Prospective investors should consult their professional advisers as necessary on the potential consequences of subscribing for, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence.

To the extent that information has been sourced from a third party, this information has been accurately reproduced and, as far as the Directors are aware and are able to ascertain from information published by such third party, no facts have been omitted which may render the reproduced information inaccurate or misleading.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Certain terms used in this document are defined in the "Definitions" section of this document.

CONTENTS

PLACING STATISTICS

Placing price in GBP	1.14 pence
Placing price in A$	A$0.02
Number of Existing Ordinary Shares in issue at the date of this document	457,048,412
Number of Placing Shares being issued	196,883,849
Number of commission Shares issued to WH Ireland	3,937,677
Percentage of Enlarged Issued Share Capital being placed	29.93 %
Number of Ordinary Shares in issue immediately following Admission	657,869,938
Estimated gross proceeds of the Placing receivable by the Company	£2.24m
Estimated net proceeds of the Placing receivable by the Company	£1.76
Market capitalisation of the Company following Admission at the Placing Price	£7.49m
Estimated proceeds pursuant to the Subscription*	£0.47m
Estimated number of Ordinary Shares issued pursuant to the Subscription*	41,000,000
Estimated number of Ordinary Shares in issue following Admission and the admission of Ordinary Shares pursuant to the Subscription*	698,869,938
ISIN	AU000000AEE7
Sedol	BD1RHP4
ASX Code	AEE
AIM Symbol	AURA

*** There can be no guarantee that the Subscription will complete, in part or in full, or by what time the Subscription will complete.**

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document and Schedule 1 announcement	8 August 2016
Updated version of this document published	9 September 2016
Expected date of Admission and commencement of dealings in the Enlarged Issued Share Capital on AIM	8.00 a.m. on 12 September 2016
CREST accounts to be credited with Placing Shares	12 September 2016
Despatch of definitive share certificates (where applicable)	19 September 2016

Save for the date of publication of this document, each of the dates above is subject to change. Any such change, including any consequential change in the Placing statistics above, will be notified by an announcement on a Regulatory Information Service. References in this document to a time are to London time unless otherwise stated.

For reference purposes only, the following exchange rate was prevailing on 5 September 2016 (being the latest practicable day prior to the publication of this document:

£1 = AU$0.57

All amounts expressed in this document, unless otherwise stated, have been calculated using the above exchange rate.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Peter Desmond Reeve (*Executive Chairman and managing director*) Dr Robert Beeson (*Non-Executive Director*) Brett Francis Fraser (*Non-Executive Director*) Julian Christopher Perkins (*Non-Executive Director*)
Registered Office	Level 1, 34 – 36, Punt Road Windsor VIC 3181 Australia
Company Secretary	John Michael Madden
Nominated Adviser and Broker	WH Ireland Limited 24 Martin Lane London EC4R 0DR UK
Auditor to the Company	Bentleys Audit & Corporate (WA) Pty Ltd Level 3, London House 216 St Georges Terrace Perth WA 6000 Australia
Solicitors to the Company	*As to English law* Greenberg Traurig Maher LLP The Shard, Level 8 32 London Bridge Street London SE1 9SG UK *As to Australian law* Steinepreis Paganin Level 4, The Read Buildings 16 Milligan Street Perth WA 6000 Australia *As to Mauritanian law* John W Ffooks & Co Immeuble Assist, 1st Floor Ivandry Antananarivo 101 Madagascar Mohamed Moctar Elhaj (Advocat) Lot 0014 ZRB, Teyragh Zeina L'Est du Stade Olymique Mauritania

	As to Swedish law Mannheimer Swartling Advokatbyra AB Carlsgatan 3 Box 4291 203 14 Malmö Sweden *As to Verification* Bowman Gilfillan Africa Group 22 Bree Street Cape Town City Centre Cape Town 8000 South Africa
Solicitors to WH Ireland	Mills & Reeve LLP 1 City Square Leeds LS1 2ES UK
Competent Person	Wardell Armstrong International Sir Henry Doulton House Forge Lane Etruria Stoke-on-Trent ST1 5BD UK
Depositary	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ UK
Registrars and Receiving Agents	Computershare Perth Level 11, 172 St George's Terrace Perth WA 6000 Australia

DEFINITIONS

"**Admission**"	admission of the Enlarged Issued Share Capital to trading on AIM and such admission becoming effective in accordance with Rule 6 of the AIM Rules for Companies
"**AIM**"	the market of that name operated by the London Stock Exchange
"**AIM Rules for Companies**"	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time
"**AIM Rules for Nominated Advisers**"	the AIM Rules for Nominated Advisers published by the London Stock Exchange, as amended from time to time
"**ASX**"	the Australian Securities Exchange
"**Aura**" or the "**Company**"	Aura Energy Limited., a company incorporated under the laws of Australia and registered in Australia with registered number ACN 115 927 681
"Aura Quoted Options"	means the options over Ordinary Shares issued on the terms set out in paragraph 5.3.1
"Aura Unquoted Options"	means the options over Ordinary Shares issued on the terms set out in paragraph 5.3.2
"Australian Corporations Act"	Corporations Act 2001 of the Commonwealth of Australia
"Commission Shares"	3,937,677 Ordinary Shares to be issued to WH Ireland pursuant to the terms of the placing agreement
"Constitution"	the constitution of the Company
"**CREST**"	the electronic system for the holding and transfer of shares in dematerialised form operated by Euroclear
"**CREST Regulations**"	the Uncertificated Shares Regulations 2001 (SI 2001 No. 3755), as amended from time to time
"Deed Poll"	the deed poll dated 11 August 2016 executed by the Depositary in relation to the issue of DIs by the Depositary
"Depositary"	Computershare Investor Services plc, whose registered address is The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, UK
"Depositary Interests" or "DIs"	dematerialised depositary interests representing underlying Ordinary Shares that can be settled electronically through and held in CREST, to be issued by the Depositary or its nominees who hold the underlying securities on trust pursuant to the Deed Poll

"DI Holder"	holder of a DI issued pursuant to the Deed Poll
"**Directors**" or "**Board**"	the directors of the Company whose names appear on page 6 of this document and "Director" shall mean any one of them
"**Enlarged Issued Share Capital**"	the issued share capital of the Company following Admission, including the Existing Ordinary Shares and the Placing Shares
"**Euroclear**"	Euroclear UK & Ireland Limited
"**Existing Ordinary Shares**"	the 457,048,412 Ordinary Shares in issue at the date of this document
"FCA"	the Financial Conduct Authority of the United Kingdom
"FSMA"	the Financial Services and Markets Act 2000, as amended
"**Group**"	the Company and its subsidiaries from time to time
"**London Stock Exchange**"	London Stock Exchange plc
"**Ordinary Shares**"	ordinary shares of no par value in the capital of the Company
"**Placing**"	the conditional placing of the Placing Shares at the Placing Price pursuant to the Placing Agreement
"**Placing Agreement**"	the conditional agreement dated 9 September 2016 described in paragraph 19 of this document
"**Placing Price**"	1.14 pence per Placing Share
"**Placing Shares**"	the 196,883,849 new Ordinary Shares, the subject of the Placing
"**Register**"	the register of members of the Company
"**Regulatory Information Service**"	one of the regulatory information services authorised by the London Stock Exchange to receive, process and disseminate regulatory information in respect of AIM quoted companies
"**Shareholder**"	a holder of Ordinary Shares from time to time (and "Shareholders" shall be construed accordingly)
"**Share Option Scheme**"	the share option scheme adopted by the Company as more particularly described in paragraph 5

"Subscription"	the conditional placing of Shares pursuant to the direct subscription agreements entered into between the Company and certain subscribers, described in Paragraph 19
"**WH Ireland**"	WH Ireland Limited, nominated adviser and broker to the Company
"WHI Warrants"	the warrants to be granted to WH Ireland, the details of which are set out in paragraph 19.7 of this document
"**$**" or "**A$**" or "**c**"	the currency of Australia (dollars and cents, respectively)

INFORMATION RELATING TO AURA ENERGY LIMITED

THE FOLLOWING INFORMATION, TOGETHER WITH THE INFORMATION RELATING TO THE COMPANY THAT IS CURRENTLY IN THE PUBLIC DOMAIN, IS EQUIVALENT TO THAT REQUIRED FOR AN ADMISSION DOCUMENT:

1. Responsibility

The Directors whose names appear on page 6 of this document, and the Company accept responsibility, both individually and collectively, for the information contained in this document and for compliance with the AIM Rules for Companies. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. **The Company**

2.1. The Company was incorporated in Australia on 24 August 2005 as a limited liability company under the laws of Australia, under the name CAI Resources Limited, with Australian company number 115 927 681.

2.2. The Company changed its name to Aura Energy Limited on 30 March 2006 and was admitted to the Official List of the Australian Securities Exchange on 30 May 2006.

2.3. The principal legislation under which the Company operates is Australian law.

2.4. The liability of the Shareholders is limited.

2.5. The registered office and the principal place of business of the Company is Level 1, 34 – 36 Punt Road, Windsor, Victoria 3181, Australia and its telephone number is +61 (3) 9516 6500. The Company's main activity is exploration and development activity in the natural resources sector, principally exploring for uranium in Mauritania and, through its subsidiary, Aura Energy Sweden AB, for uranium in Sweden.

2.6. The Company is domiciled in Australia.

2.7. The Company has no administrative, management or supervisory bodies other than the Board, the remuneration committee, the nomination committee, the audit committee and the Board of statutory auditors.

3. Subsidiaries

3.1. The Company is the holding company of the Group; it currently has two subsidiaries the details of which are set out below:

Company name	Country of incorporation	Principal activity	Percentage owned by the Company
Aura Energy Sweden AB	Sweden	Exploration	100
GCM Africa Uranium Ltd	United Kingdom	Dormant	100

4. Share Capital

4.1. The share capital history of the Company in the three years prior to the date of publication of this document is as follows:

- 6 March 2014 - the Company issued 2,946,378 Ordinary Shares at a price of $0.04242 each, and a further 2,200,000 Ordinary Shares free of consideration.

- 8 April 2014 - the Company issued 2,272,727 Ordinary Shares at a price of $0.033 each.
- 13 May 2014 - the Company issued 2,777,778 Ordinary Shares at a price of $0.027 each, and a further 1,433,067 Ordinary Shares at a price of $0.0391 each.
- 6 June 2014 - the Company issued 555,816 Ordinary Shares at a price of $0.03032 each.
- 10 June 2014 - the Company issued 353,792 Ordinary Shares at a price of $0.03408 each.
- 9 July 2014 - the Company issued 4,166,667 Ordinary Shares at a price of $0.018 each.
- 24 July 2014 - the Company issued 9,722,222 Ordinary Shares at a price of $0.018 each.
- 9 September 2014 - the Company issued 52,428,510 Ordinary Shares at a price of $0.03 each.
- 10 October 2014 - the Company issued 1,527,303 Ordinary Shares at a price of $0.03945 each.
- 13 October 2014 - the Company issued 292 Ordinary Shares at a price of $0.06164 each.
- 20 October 2014 - the Company issued 3,571,429 Ordinary Shares at a price of $0.021 each.
- 5 December 2014 - the Company issued 355,104 Ordinary Shares at a price of $0.03198 each.
- 19 December 2014 - the Company issued 6,874,752 Ordinary Shares at a price of $0.02971 each.
- 22 April 2015 - the Company issued 40,762,340 Ordinary Shares at a price of $0.025 each.
- 12 June 2015 - the Company issued 9,440,000 Ordinary Shares at a price of $0.025 each, a further 1,055,174 Ordinary Shares at a price of $0.02843 each, and a further 1,388,889 Ordinary Shares at a price of $0.018 each.
- 29 June 2015 - the Company issued 3,697,952 Ordinary Shares at a price of $0.02737 each, and a further 4,250,000 Ordinary Shares at a price of $0.025 each.
- 29 September 2015 - the Company issued 48,660,000 Ordinary Shares at a price of $0.01225 each.
- 15 October 2015 - the Company issued 851,442 Ordinary Shares at a price of $0.02144 each.
- 25 November 2015 - the Company issued 13,451,801 Ordinary Shares at a price of $0.01225 each.
- 9 December 2015 - the Company issued 1,008,004 Ordinary Shares at a price of $0.01811 each.
- 14 December 2015 - the Company issued 3,267,311 Ordinary Shares at a price of $0.01836 each.
- 15 December 2015 - the Company issued 8,163,265 Ordinary Shares at a price of $0.01225 each.
- 12 February 2016 - the Company issued 18,755,093 Ordinary Shares at a price of $0.01225 each, and a further 1,224,500 Ordinary Shares at a price of $0.01225 each.
- 18 February 2016 - the Company issued 716,667 Ordinary Shares at a price of $0.012 each.
- 10 May 2016 - the Company issued 22,943,877 Ordinary Shares at a price of $0.01225 each, a further 1,074,615 Ordinary Shares at a price of $0.02792 each, a further 1,099,578 Ordinary Shares at a price of $0.0166 each, and a further 766,476 Ordinary Shares at a price of $0.01745 each.

4.2. The Company received approval from Shareholders on 20 June 2016 to issue up to that number of Ordinary Shares, which when multiplied by the issue price, will raise up to a maximum of A$5,000,000 in connection with Admission. This provided the Company with the capacity to issue such Ordinary Shares during the period of three months after 20 June 2016 (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Shareholders approved an issue price of not less than 80% of the volume weighted average price for shares calculated over the five business days prior to the date of Admission and the condition that the shares will be issued to the UK equivalent of sophisticated and professional investors. None of these persons will be related parties of the Company.

The Placing Shares will rank equally in all respects with the existing Ordinary Shares in issue.

4.3. Save as referred to in this paragraph 4 and paragraph 5 below:

- no share or loan capital of the Company has, since the date of incorporation of the Company, been issued or agreed to be issued fully or partly paid, either for cash or for a consideration other than cash and no such issue is now proposed;
- save for the Aura Quoted Options,the Aura Unquoted Options and the WHI Warrants no share or loan capital of the Company is under option or is agreed conditionally or unconditionally to be put under option;
- there are no shares not representing share capital; and
- there are no shares in the Company held by or on behalf of itself or by any of the other members of the Group.

4.4. The Company's paid-up issued share capital at the date of this document is and is expected immediately following Admission to be as follows:

	As at the date of this document		*As at Admission*	
	Amount (A$)	Number of Ordinary Shares	Amount (A$)	Number of Ordinary Shares
Issued	32,833,416	457,048,412	36,537,577	657,869,938

4.5. The new Ordinary Shares issued pursuant to the Placing will, following Admission, rank *pari passu* in all respects with the Ordinary Shares in issue at the date of this document, including the rights to receive all dividends and other distributions declared, made or paid after Admission in respect of the Ordinary Shares.

4.6. No Ordinary Shares are issued other than as fully paid.

4.7. There is no class of shares in issue other than Ordinary Shares.

4.8. No Shareholder has any different voting rights to any other Shareholder.

4.9. The Company is not directly or indirectly controlled by any party.

4.10. The Company's ISIN is AU000000AEE7.

4.11. The share capital reconciliation as required to be disclosed in accordance with the AIM Rules for Companies is as follows:

	As at 1 January 2015	As at 31 December 2015
Issued Ordinary Share	274,471,428	410,467,606

5. Existing Share Option Schemes

5.1. The Company has adopted an employee share plan (**ESP**), the principal provisions of which are summarised below:

The Company has issued 7,423,452 Ordinary Shares to the Directors, including Peter Reeve, the Executive Chairman and Managing Director, under the ESP.

5.2. The key terms and conditions of the ESP are as follows:

Eligibility
Directors and full-time and part-time employees of the Company or any of its subsidiaries are eligible to participate in the ESP (**Eligible Participants**).

Administration
The Board is responsible for the operation of the ESP and has a broad discretion to determine which Eligible Participants will be offered shares under the ESP.

Offer
The Board may issue an offer to Eligible Participants to participate in the ESP. The offer will specify:

(i) the maximum number of shares being offered to the Eligible Participant or the manner in which the maximum number is to be calculated;
(ii) the issue price of the shares or the manner in which the issue price is to be calculated;
(iii) the restriction conditions (if any); and
(iv) the acceptance date.

Restriction Conditions
Shares may be subject to restriction conditions (such as a period of employment or service) which must be satisfied before the shares can be sold, transferred, or encumbered.

Method of Sale
Where shares must be sold by the Company, the Company shall:

(i) arrange to sell the shares as soon as reasonably practicable either on the ASX or to an investor who falls within an exemption under Section 708 of the Australian Corporations Act provided that the sale must be at a price that is no less than 80% of the volume weighted average price at which the shares were traded on the ASX on the 10 trading days before the sale date; and

(ii) apply the sale proceeds in the following priority:

(a) first, to the extent the sale proceeds are sufficient, to repay the Eligible Participant any cash consideration paid by or on behalf of the Eligible Participant; and
(b) secondly, any remainder to the Company to cover its costs of managing the plan.

Plan limit
The Company must take reasonable steps to ensure that the number of shares offered by the Company under the ESP when aggregated with:

(i) the number of shares issued during the previous three years under the ESP (or any other employee share plan extended only to Eligible Participants); and

(ii) the number of shares that would be issued if each outstanding offer for shares (including options to acquire unissued shares) under any employee incentive scheme of the Company were to be exercised or accepted,

does not exceed 5% of the total number of shares in issue at the time of an offer (but disregarding any offer of shares or option to acquire shares that can be disregarded in accordance with relevant ASIC Class Orders).

Restriction on transfer
Eligible Participants may not sell or otherwise deal with a share issued under a ESP until any restriction conditions in relation to the shares have been satisfied or waived. The Company is authorised to impose a holding lock on the shares to implement this restriction.

Quotation
The Company will apply for each share to be admitted to trading on ASX upon the share becoming unrestricted. Quotation will be subject to the ASX Listing Rules and any holding lock applying to the shares.

Rights attaching to shares
Each share shall be issued on the same terms and conditions as the Company's issued shares (other than in respect of transfer restrictions imposed by the ESP) and it will rank equally with all other issued shares from the issue date except for entitlements which have a record date before the issue date.

5.3. The Company has the following options over Ordinary Shares in issue:

5.3.1. Quoted Options

5.3.1.1. On 15 June 2015 the Board approved the issue of 27,226,166 quoted options over Ordinary Shares, which were admitted to trading on the Official List of the Australian Stock Exchange on 17 June 2015. Each option converts into one Ordinary Share.

5.3.1.2. Each Option entitles the holder to subscribe for one Ordinary Share upon exercise of the Option.

5.3.1.3. The amount payable upon exercise of each Option will be $0.05 (Exercise Price).

5.3.1.4. Each Option will expire at 5:00 pm (AEST) on the date that is 24 months from the date of issue, being 15 June 2017. An Option not exercised before the expiry date will automatically lapse on the expiry date.

5.3.1.5. The Options are exercisable at any time on or prior to 15 June 2017.

5.3.1.6. The Options may be exercised during the exercise period by notice in writing to the Company in the manner specified on the Option certificate and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

5.3.1.7. A notice of exercise is only effective on and from the later of the date of receipt of the notice of exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (Exercise Date).

5.3.1.8. Within 15 Business Days after the Exercise Date, the Company will:

- issue the number of Ordinary Shares required under the terms and conditions of the Options in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- if required, give ASX a notice that complies with section 708A(5)(e) of the Australian Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Australian Corporations Act and do all such things necessary to satisfy section 708A(11) of the Australian Corporations Act to ensure that an offer for sale of the Ordinary Shares does not require disclosure to investors; and
- if admitted to the official list of ASX at the time, apply for official quotation on ASX of the Ordinary Shares issued pursuant to the exercise of the Options.

5.3.1.9. Ordinary Shares issued on exercise of the Options rank equally with the then issued Ordinary Shares.

5.3.1.10. If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Australian Corporations Act and the ASX Listing Rules at the time of the reconstruction.

5.3.1.11. There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

5.3.1.12. An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

5.3.1.13. The Company will apply for quotation of the Options on ASX.

5.3.1.14. The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.3.2. Aura Unquoted Options

The Company issued all its unlisted options over Ordinary Shares to shareholders during the course of 2015 and up until May 2016

The Company currently has 163,498,536 unlisted options in issue with various exercise prices and expiry dates. (See each individual grant of options over Ordinary Shares to Shareholders and the expiry dates set out below.)

(i) 200,000 unquoted Options exercisable at 20 cents and expiring on 4 December 2016 granted to a former employee;

(ii) 2,600,000 unquoted Options exercisable at 4.82 cents and expiring on 6 March 2017 granted pursuant to the Share Purchase and Convertible Security Agreement between the Company and the Australian Special Opportunity Fund on 28 February 2014;

The remaining unlisted options are held by Shareholders, as set out below:

(i) 62,111,801 unquoted Options exercisable at 2.5 cents and expiring on 25 November 2017;

(ii) 8,163,265 unquoted Options exercisable at 2.5 cents and expiring on 23 December 2017;

(iii) 19,979,593 unquoted Options exercisable at 2.5 cents and expiring on 5 February 2018;

(iv) 22,943,877 unquoted Options exercisable at 2.5 cents and expiring on 9 February 2018;

(v) 8,750,000 unquoted Options exercisable at 10 cents and expiring on 10 June 2018;

(vi) 12,500,000 unquoted Options exercisable at 7 cents and expiring on 17 June 2018;

(vii) 6,250,000 unquoted Options exercisable at 10 cents and expiring on 9 February 2019;

(viii) 2,500,000 unquoted Options exercisable at 15 cents and expiring on 9 February 2019;

(ix) 8,750,000 unquoted Options exercisable at 15 cents and expiring on 9 February 2020; and

(x) 8,750,000 unquoted Options exercisable at 15 cents and expiring on 9 February 2021.

6. Directors

6.1. Other than their directorships of the Company the Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this document:

Name	Current directorships and partnerships	Directorships and Partnerships held in the last 5 years
Peter Reeve	Copperchem Limited	Emmerson Resources Limited Exco Resources Limited Ivanhoe Australia Limited Havilah Resources Limited Chinova Resources Osborne Pty Limited* Chinova Resources Operations Pty Limited* Chinova Resources Tennant Creek Pty Limited* Chinova Resources Cloncurry Mines Pty Limited Chinova Resources Pty Limited* Scandium Holding Company Pty Limited Scandium21 Pty Limited Syerston Scandium Pty Limited *indicates companies which were formerly Ivanhoe Group companies.
Bob Beeson	Drake Resources Limited Beeson Geoscience Pty Limited Direct Discovery Pty Limited	N/A
Brett Fraser	Drake Resources Limited Blina Minerals NL Wolfstar Group Pty Limited Wolfstar Corporate Management Pty Limited WSG Capital Pty Limited Mineral Enterprises Australia Pty Limited Rose Investments (WA) Pty Limited Pinewood Asset Pty Limited Tyler Street Holdings Pty Limited Horizon Capital Pty Limited WEB Conferencing Australia Pty Limited Sirius Corporate Finance Pty Limited	Doray Minerals Limited Oncore Resources Limited Redgate Minerals Limited Drake Resources Limited Cyber Gym Limited
Julian Perkins	N/A	Parker Centre Limited

6.2. As at the date of this document, none of the Directors has:

6.2.1. any unspent convictions in relation to indictable offences;

6.2.2. had any bankruptcy order made against him or entered into any voluntary arrangements;

6.2.3. been a director of a company which has been placed in receivership, compulsory liquidation, administration, been subject to a voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors whilst he was a director of that company or within the 12 months after he ceased to be a director of that company;

6.2.4. been a partner in any partnership which has been placed in compulsory liquidation, administration or been the subject of a partnership voluntary arrangement whilst he was partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

6.2.5. been the owner of any assets of a partner in any partnership which has been placed in receivership whilst he was a partner in that partnership or within the 12 months after he ceased to be a partner in that partnership;

6.2.6. been publicly criticised by any statutory or regulatory authority (including recognised professional bodies); or

6.2.7. been disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of a company.

7. Directors Service Contracts and Letter of Appointment

7.1. Peter Reeve has agreed to act as Executive Chairman and Managing Director of the Company pursuant to a service contract dated 9 February 2015. Peter will receive a salary of A$450,000, including A$100,000 payable by way of share-based payments. The appointment may be terminated by the Company giving immediate notice to Peter if he commits a material unremedied breach, is negligent, guilty of wilful misconduct, convicted of an offence, becomes bankrupt, is the subject of a material penalty or causes the Company to be the subject of a material penalty imposed by a regulatory authority, or is absent from work for more than an aggregate of 10 days during any 12 month period. Either party may terminate without cause by giving three months' written notice in the case of Peter terminating, or six months' in the case of the Company terminating.

7.2. Robert Beeson has agreed to act as a non-executive director of the Company pursuant to a letter of appointment dated 13 July 2016. Robert will receive an annual fee of A$40,000 which can be satisfied either by payment in cash or the issue of shares. The appointment may be terminated by law or rules set out in the Constitution.

7.3. Brett Fraser has agreed to act as a non-executive director of the Company pursuant to a letter of appointment dated 30 June 2016. Brett will receive an annual fee of A$40,000 which can be satisfied either by payment in cash or the issue of shares. The appointment may be terminated by law or rules set out in the Constitution.

7.4. Julian Perkins has agreed to act as a non-executive director of the Company pursuant to a letter of appointment dated 30 June 2016. Julian will receive an annual fee of A$40,000 which can be satisfied either by payment in cash or the issue of shares. The appointment may be terminated by law or rules set out in the Constitution.

8. Director's interests in Ordinary Shares

8.1. The interests of each of the Directors (all of which are beneficial, unless otherwise stated), in the issued share capital of the Company as at the date of this document or which are interests of a person connected with a Director (within the meaning of section 252 of the UK Companies Act 2006) the existence of which is known or could with reasonable diligence, be ascertained by a Director and as they are expected to be immediately following Admission are as follows:

Director	*Interest in Ordinary Shares*	*Interest in Ordinary Shares*

	prior to Admission	*following Admission*
Peter Reeve	9,718,304 (2.1%)	9,718,304 (1.49%)
Robert Beeson	5,636,937 (1.2%)*	5,636,937 (0.86%)
Brett Fraser	3,957,600 (0.9%)**	3,957,600 (0.61%)
Julian Perkins	2,861,990 (0.6%)***	2,861,990 (0.44%)

* Dr Beeson holds 3,129,071 Ordinary Shares directly and 2,507,866 are held indirectly through Robert and Patricia Ann Beeson as trustee for the Beeson Superannuation Fund.

** Brett Fraser hold 546, 965 Ordinary Shares directly, 1,817,307 shares through Pinewood Asset Pty Limited and 1,593,328 Ordinary Shares through Tyler Street Holdings Pty Limited.

*** Julian Perkins' Ordinary Shares are held by Julian Perkins and Margaret Fong as trustee for the Fong Superannuation Fund Account.

8.2. The Directors are also interested in unissued Ordinary Shares under share options held by them pursuant to the Share Option Schemes, all of which were granted for nil consideration:

Director	*Shares Under Option*	*Exercise Price*	*Latest Exercise Date*
Peter Reeve*	8,750,000	10 cents	9 June 2018
Peter Reeve*	6,250,000	10 cents	9 February 2018
Peter Reeve*	2,500,000	15 cents	9 February 2019
Peter Reeve*	8,750,000	15 Cents	9 February 2020
Peter Reeve*	8,750,000	15 cents	9 February 2021

*Held indirectly by Peter Reeve as trustee of the Reeve Family Trust

9. Significant Shareholders

9.1. Other than as set out below, the Company is not aware of any person, other than the Directors and their immediate families, who as at 8 September 2016 (being the latest practicable date prior to the final publication of this document) and immediately following Admission will, directly or indirectly, be interested in 3 per cent. or more of the voting rights of the Company or who, directly or indirectly, jointly or severally exercise or could exercise control over the Company, or whose interest is notifiable under the Disclosure and Transparency Rules or otherwise in Australia:

Shareholder	*Interest in Ordinary Shares prior to Admission*	*Percentage Interest prior to Admission*	*Interest in Ordinary Shares following Admission*	*Percentage Interest following Admission*
Australian Special Opportunity Fund	52,518,650	11.49%	52,518,650	8.03%
Pre-emptive Trading Pty Limited	31,250,000	6.84%	31,250,000	4.78%
Technical Investing Pty Ltd	26,559,793	5.81%	26,559,793	4.06%
Barbara Morgan	17,746,229	3.88%	105,465,527	16.13%
Brendan Kerr	17,746,229	3.88%	61,605,878	9.42%

Stephen Pycroft	17,746,229	3.88%	35,290,088	5.40%
Sambold Pty Ltd	13,764,895	3.01%	13,764,895	2.10%

9.2. Neither the Directors nor the Company are aware of any arrangements in place which may result in a change in control of the Company.

9.3. Save as disclosed in this document, none of the Directors has any interest, beneficial or non-beneficial, in the share or loan capital of the Company.

9.4. Save as disclosed in this document, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Group.

9.5. Save as disclosed in this document, no Director has or has had any interest in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company and which was effected by the Company since its incorporation or which is or was unusual in its nature or conditions or significant to the business of the Company.

9.6. There are no outstanding loans or guarantees granted by the Company for the benefit of any Director, nor are there any loans or guarantees provided by the Company for their benefit, nor are there any loans or guarantees provided by any of the Directors for the benefit of the Company.

9.7. Save as disclosed in this document, no Director or any member of a Director's family has a related financial product referenced to the Ordinary Shares.

10. Licences

A summary of the Company's key licences are:

Country	***Tenement Number***	***Name***	***Original Date of Grant / Application***	***Expiry Date***	***Sq kms***	***Holder***	***Equity Interest***
Mauritania	561	Oum Ferkik	16-Apr-08	20-Nov-17	60	Aura Energy Limited	100%
	563	Oued El Foule Est	16-Apr-08	24-Mar-18	313	Aura Energy Limited	100%
	564	Ain Sder	16-Apr-08	09-Jun-18	330	Aura Energy Limited	100%
	961	Oued El Merre	09-Mar-10	(to be relinquished)	140	Aura Energy Limited	100%
	1482	Oum Ferkik Sud	30-May-11	(application)	476	Aura Energy Limited	100%
	2002	Aguelet	08-May-13	(application)	100	Aura Energy Limited	100%
	2365	Oued El Foule Sud	18-May-15	(application)	224	Aura Energy Limited	100%
	2366	Agouyame	20-May15	(application)	34	Aura Energy Limited	100%
	2479	Amare	21-Jun-16	(application)	150	Aura Energy Limited	100%
Sweden	2007:243	Haggan nr 1	28-Aug-07	28-Aug-17	18.3	Aura Energy Sweden AB	100%
	2007:244	Marby nr 1	30-Aug-07	30-Aug-17	22.4	Aura Energy Sweden AB	100%
	2009:23	Koborgsmyren nr 1	23-Jan-09	23-Jan-19	5.4	Aura Energy Sweden AB	100%
	2016:7	Skallbole nr 1	20-Jan-16	20-Jan-19	7.8	Aura Energy Sweden AB	100%
	2016:9	Mockelasen nr 1	21-Jan-16	21-Jan-19	17.6	Aura Energy Sweden AB	100%

11. Competent Persons Report

For the purposes of the AIM Rules, a copy of the Competent Persons report dated 5 August 2016 prepared by Wardell Armstrong is available from the Company's website: www.auraenergy.com.au

12. Employees

For the period ended 31 December 2015 the Company had four employees being the four Directors.

13. Dividend Policy

The Directors currently propose to reinvest any earnings of the Group to enhance the growth of the Group's business and therefore do not propose to declare or pay, nor are they likely to declare or pay, any dividends in the near future.

14. Taxation

14.1. **General**

The paragraphs below comment on the general Australian and UK taxation position of individual and corporate resident and non-resident Shareholders in relation to the payment of dividends by the Company and the future disposal of their Ordinary Shares.

The following comments are intended as a general guide only to the Australian and the UK tax treatment of the acquisition, ownership and disposal of shares for persons who are the absolute beneficial owners of those shares. The comments do not apply to certain categories of shareholder, such as persons owning Ordinary Shares as securities to be realised in the course of a trade. This should not be a substitute for individual advice from an appropriate professional advisor and all persons are strongly advised to obtain their own professional advice on the tax implications of acquiring, owning and/or disposing of Ordinary Shares based on their own specific circumstances.

The comments are based on the law and understanding of the practice of tax authorities in Australia and the UK at the date of this document.

14.2. **Australian Taxation**

(a) Taxation of Future Share Disposals

Australian Resident Shareholders – General

Australian resident Shareholders who trade Ordinary Shares in the ordinary course of their business or who purchased their shares for speculative purposes with the intention of selling them at a profit rather than holding them longer term to earn future dividends will hold their shares on revenue account. These Shareholders must include any profits made on the disposal of their Ordinary Shares in their assessable income. Shareholders who include profit made on the disposal of their Ordinary Shares in their assessable income are not assessed for tax under the capital gains tax provisions but under the ordinary income tax provisions of the Income Tax Assessment Act 1997.

All other Australian resident Shareholders will hold their Ordinary Shares on capital account and must consider the impact of Australian capital gains tax rules on the disposal of their Ordinary Shares.

An Australian resident Shareholder derives a capital gain on the disposal of Ordinary Shares where the consideration received on disposal exceeds the capital gains tax cost base of the Ordinary Shares.

An Australian resident Shareholder derives a capital loss on the disposal of Ordinary Shares where the consideration received on disposal is less than the capital gains tax reduced cost base of the Ordinary Shares.

All capital gains and losses for the year are added together to produce a net capital tax position. A net capital gain for a financial year is included in the assessable income of the Australian resident Shareholder and should be subject to taxation in Australia. A net capital

loss may generally be carried forward to the next financial year to be deducted against future capital gains.

Non-Australian Resident Shareholders – General

Non-Australian resident Shareholders who hold Ordinary Shares on revenue account may need to include profits from the sale of Ordinary Shares in their assessable income. If applicable, a double taxation agreement may provide relief from Australian taxation.

Non-Australian resident Shareholders who do not hold Ordinary Shares on revenue account may be subject to Australian capital gains tax upon disposal of their Ordinary Shares. If the Company is a private company for Australian tax purposes at the time the shares are sold, profits from the sale of the shares may need to be included in their assessable income as a capital gain. Broadly, the Company will be a private company irrespective of whether its shares are listed on an official exchange, if not less than 75% of its shares are held by not more than 20 individuals or entities. If the Company is not a private company, non-Australian resident Shareholders will only be subject to Australia's capital gains tax on the disposal of Ordinary Shares if they and their associates held more than 10% of the issued capital of the Company at any time within five years of the disposal or the shares are held as part of a business carried on through a permanent establishment in Australia. In limited circumstances, these Shareholders may be able to obtain relief from Australian capital gains tax via the application of any relevant double taxation agreement. Such Shareholders should seek specific advice by reference to their own circumstances.

Non-Australian resident Shareholders, who together with associates, have always owned less than 10% of the Company's issued capital in the five years prior to disposal and in circumstances where the company is not a private company for tax purposes at the time of disposal, will not be subject to Australia's capital gains tax rules.

Capital Gains Tax Discount

Individual Shareholders may be entitled to obtain a 50% capital gains tax discount in relation to any capital gain derived from disposal of their Ordinary Shares. This discount is only available if the Shareholder has held the Ordinary Shares for at least twelve months. This concession will result in only 50% of any capital gain being assessable.

Non-Australian Resident Shareholders will not be entitled to obtain a 50% capital gains tax discount in relation to shares that are acquired and disposed of after 8 May 2012.

A one-third capital gains tax discount is also available to Australian resident complying superannuation funds and operates the same way as for individuals. The concession is not available to a Shareholder that is a company.

(b) Dividends

Dividends are paid to Shareholders from the accounting profits of the Company. Shareholders will receive credits for any corporate tax that has been paid on these profits. These credits are known as "franking credits" and they represent the extent to which a dividend can be "franked". It is possible for a dividend to be either fully or partly franked. Where a dividend is partly franked the franked portion is treated as fully franked and the remainder as being unfranked. It should be noted that the definition of dividend for Australian tax purposes is broad and can include certain capital returns and off-market share buy-backs.

Australian Resident Shareholders – Individuals

Individual resident Shareholders will need to include dividends in their assessable income in the period in which they receive the dividend. Individual Shareholders will receive tax credits for any franking credits attached to the dividend. The franking credits attaching to the franked dividends must also be included in the Shareholder's assessable income (i.e. the dividend is "grossed-up"). Individual Shareholders may receive a tax refund if the franking credits attached to the dividend exceed their tax payable on the receipt of the dividend. Individuals will need to pay additional tax at their marginal rate of tax if the tax payable as a result of receiving the dividend exceeds the franking credits attached to the dividend.

In order for individual shareholders to be entitled to claim the "tax offset" in relation to franked dividends, the recipient of the dividend must be a qualified "person". To be a qualified person, the two tests that need to be satisfied are the "holding period rule" (generally referred to as the "45 day rule") and the "related payments rule".

Broadly, if individual shareholders have held shares at risk for 45 days (excluding the dates of acquisition and disposal), they are able to claim the tax offset for the amount of any franking credits attaching to the dividend.

To the extent that the dividend is unfranked, there is no gross-up of the dividend and an Australian resident Shareholder should generally be taxed at their marginal rate of tax on the dividend received with no tax offset.

Australian Resident Shareholders – Corporate

Dividends payable to Australian resident corporate shareholders will be included in their assessable income in the year the dividend is paid. The corporate Shareholder will be entitled to a franking credit to the extent that the dividend is franked. This would result in the dividend being free of further company tax to the extent that it is franked. A fully franked dividend should effectively be free of tax to an Australian resident corporate Shareholder.

The franking credits attaching to dividends received will be added to the corporate shareholders franking account.

To the extent that the dividend is unfranked, there is no gross-up and shareholders should generally be taxed at the company tax rate on the dividend received, with no tax offset available.

Non-Australian Resident Shareholders – General

Subject to the exception below, unfranked dividends payable to non-Australian resident Shareholders will be subject to withholding tax. Withholding tax is generally imposed at 30% unless a Shareholder is a resident of a country with whom Australia has a double taxation agreement. The double taxation agreement may reduce the withholding tax rate to a range of between 5% and 15% depending on the country of residence of the non-Australian resident Shareholder.

However, to the extent that the unfranked dividend paid by the Company itself consists of foreign dividends that are treated as non-assessable non-exempt income in Australia (such as dividends received from China), no dividend withholding tax should be payable where dividends are paid over to foreign resident Shareholders in a timely manner.

Fully franked dividends are not subject to withholding tax. Non-Australian resident Shareholders may be assessable for tax on any such dividends under their domestic tax regime. Non-Australian resident Shareholders should seek appropriate independent professional advice on any foreign taxation implications of the investment that may arise.

(c) Tax File Number and Australian Business Number

Shareholders are not obliged to quote their tax file number (TFN), or where relevant, Australian Business Number (ABN), to the Company. However, if a TFN or ABN is not quoted and no exemption is applicable, tax is required to be deducted by the Company at the highest marginal rate (currently 47%, reducing to 45% from 1 July 2017) plus Medicare Levy (currently 2.0%) from certain distributions.

14.3. UK Taxation

Dividends

The Company will not be required to withhold UK tax from dividends paid on the Ordinary Shares. Any holder of Ordinary Shares who is resident in the UK, or who carries on a trade, profession or vocation in the UK to which the Ordinary Shares are attributable, will generally be subject to UK tax on income in respect of any dividends paid on the Ordinary Shares. A Shareholder resident outside the UK may also be subject to foreign taxation on dividend income under local law. As these dividends are from a non-UK resident company they will be subject to a different tax regime from that applying to dividends received from a UK resident company.

Dividends paid to a UK resident Shareholder will be assessable income of the Shareholder but it is likely that a claim for exemption will have to be made.

Capital gains

Any holder of Ordinary Shares who is resident in the UK in the relevant year of assessment, or who carries on a trade, profession or vocation in the UK, may be subject to UK tax on capital gains or realise an allowable loss in respect of a disposal of the Ordinary Shares. In addition, a holder of Ordinary Shares who has previously been resident in the UK may in some cases be subject to UK tax on capital gains in respect of a disposal of Ordinary Shares. There are reliefs available where a split year basis claim may be made which may mean that the capital gain will not be brought into UK tax charge. There are temporary non residence rules which deal with individuals who are non-resident for a period but return to the UK, at which point previously untaxed capital gains may be brought into charge on the individual's return to the UK.

A Shareholder who is not resident in the UK for tax purposes but who carried on a trade, profession or vocation in the UK through a branch, agency or, in the case of companies only, a permanent establishment and has used, held or acquired the Ordinary Shares for the purpose of such trade, profession or vocation may also be subject to UK taxation on chargeable gains on a disposal of those Ordinary Shares.

Inheritance tax

If any holder of Ordinary Shares is regarded as domiciled in the UK for inheritance tax purposes, inheritance tax may be payable in respect of the value of the Ordinary Shares on the death of the holder or on any gift of the Ordinary Shares. Business property relief (BPR) reduces the transfer of value for inheritance tax purposes if the conditions are satisfied. BPR is only given if a donor makes a transfer of 'relevant business property'. One example of 'relevant business property' is shares quoted on AIM.

Many overseas companies, which at first sight could appear to qualify by reference to their apparent activities, may well have a separate listing on another recognized stock exchange outside the UK. If this is the case then BPR cannot be claimed.

For inheritance tax purposes a transfer of assets at less than market value may be treated as a gift and particular rules may apply where the donor reserves or retains some benefit.

In the case of a holder of Ordinary Shares who is not regarded as domiciled in the UK for these purposes, no such UK inheritance tax will be payable to the extent that the Ordinary Shares are not situated in the UK.

Stamp duty and stamp duty reserve tax

The following comments do not apply to Ordinary Shares issued or transferred into depositary receipt schemes or clearance arrangements, to which special rules apply. Transfers of depositary interests within CREST will be subject to stamp duty reserve tax at the rate of 0.5 per cent.

No liability to UK stamp duty or stamp duty reserve tax will generally arise on the issue of Ordinary Shares by the Company under the Placing.

Domicile

Any individual who owns Ordinary Shares and is resident in the UK, but who is not domiciled in the UK for tax purposes, may be subject to UK income tax or capital gains tax as described above only to the extent that his income or disposal proceeds are treated as remitted to the UK. Any such individual is advised to obtain his own professional advice on the UK tax implications of the acquisition, ownership and disposal of Ordinary Shares.

15. Corporate Governance

The Company complies with the corporate governance regime of Australia, being its country of incorporation. In addition, the Directors acknowledge the importance of the guidelines set out in the QCA Guidelines for Smaller Quoted Companies. They therefore intend to comply with the QCA Guidelines so far as is appropriate having regard to the size and nature of the Company, and taking into account that it is an Australian company listed on the ASX which complies with existing ASX corporate governance procedures. At this time, the Board comprises four members, three of whom are non-executive.

16. Accounting

The Company's accounting reference date is 30 June in each year. The Company is required to lodge its 2016 annual report with the ASX on 30 September 2016. Copies of the Company's annual reports can be located here: http://www.auraenergy.com.au/annual-reports.html

17. Constitution

17.1. The following is a summary of the key rules of the Constitution:

Shares

Subject to the Constitution and to the terms of issue of shares, all shares attract the right to receive notice of and to attend and vote at all general meetings of the Company, the right to receive dividends, in a winding up or a reduction of capital, the right to participate equally in the distribution of the assets of the Company (both capital and surplus), subject to any amounts unpaid on the share and, in the case of a reduction, to the terms of the reduction.

Issue of Shares

Without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, unissued shares shall be under the control of the Directors and, subject to the Australian Corporations Act, the ASX Listing Rules and the Constitution, the Directors may at any time issue such number of shares either as ordinary shares or shares of a named class or classes (being either an existing class or a new class) at the issue price that the Directors determine and with such preferred, deferred, or other special rights or such restrictions, whether with regard to

dividend, voting, return of capital or otherwise, as the Directors shall, in their absolute discretion, determine.

Share Options

Subject to the ASX Listing Rules, the Directors may at any time and from time to time issue share options on such terms and conditions as the Directors shall, in their absolute discretion, determine.

Restricted Securities

The Company shall comply in all respects with the requirements of the ASX Listing Rules with respect to restricted securities.

Minimum Shareholding

The shareholding of a member holding less than the minimum parcel of shares may be sold by the Company in accordance with the provisions of the Constitution and the Australian Corporations Act. It is the directors intention to remove this article at the next general meeting of the Company.

General meetings

The Directors may, by a resolution passed by a majority of Directors, convene a general meeting of Shareholders in accordance with the Constitution and the Australian Corporations Act. An annual general meeting shall be held in accordance with the requirements under the Australian Corporations Act.

Shareholders are entitled to be present in person, or by proxy, attorney or representative and to attend and vote at general meetings. Shareholders may requisition meetings in accordance with section 249D of the Australian Corporations Act and the Constitution.

Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of Shareholders:

I. each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

II. on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

III. on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

Dividend rights

Subject to the rights of any preference shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against Aura. The Directors may set aside out of the profits of Aura any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of Aura may be properly applied.

Subject to the ASX Listing Rules and the Australian Corporations Act, Aura may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on shares which are participating shares in the dividend reinvestment plan, less any amount which Aura shall either pursuant to the Constitution or any law be entitled or obliged to retain, to be applied by Aura to the payment of the subscription price of shares.

Winding-up

If Aura is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of Aura, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

Shareholder liability

As the shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

Transfer of shares

Shares in the Company are freely transferable, subject to usual legal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Australian Corporations Act and the ASX Listing Rules.

Future increase in capital

The issue of any new shares is under the control of the Directors. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Australian Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue shares as they shall, in their absolute discretion, determine.

Variation of rights

Under section 246B of the Australian Corporations Act, Aura may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not Aura is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Alteration of constitution

In accordance with the Australian Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. Under the Australian Corporations Act, a company is required to provide at least 28 days' written notice specifying the intention to propose the resolution as a special resolution.

Requirement to disclose interest in shares

As required by the Australian Corporations Act, a Director must give the Directors notice of any material personal interest in a matter that relates to the affairs of the Company. A Director who has a material personal interest in a matter must not vote on the matter and must not be present while the matter is being considered at the meeting except where the material interest is an interest that the Director has as a Shareholder and in common with other Shareholders or where a resolution has been passed in accordance with section 195(2) of the Australian Corporations Act, in which case the Director may be present but may not vote. A Director must give to the Company such information about the shares or other securities in the Company in which the Director has a relevant interest and at the times that the secretary requires, to enable the Company to comply with any disclosure obligations it has under the Australian Corporations Act and the ASX Listing Rules.

18. Australian law

A general outline of the relevant corporate laws and policies in Australia is set out below. The law, policies and practice are subject to change from time to time and the description below should not be relied upon by Shareholders or any other person. It does not purport to be a comprehensive analysis of all the consequences resulting from holding, acquiring or disposing of shares or interests in shares and accordingly, if you have any doubt as to your legal position you should seek independent advice.

Aura is obliged to comply with the Australian Corporations Act and also with specific obligations arising from other laws that relate to its activities.

The Australian Securities & Investments Commission is responsible for administering and enforcing the Australian Corporations Act.

Takeovers

The Company is incorporated in, is resident in and has its head office and central place of management in Australia. Accordingly, transactions in shares will not be subject to the provisions of the UK City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers. There are, however, provisions of the Australian law and regulations applicable to Aura, particularly Chapter 6 of the Australian Corporations Act, that are, in part, similar or analogous to certain provisions of the UK City Code on Takeovers and Mergers.

As an Australian public listed company, a takeover of Aura is governed by the Australian Corporations Act. The Australian Corporations Act contains a general rule that a person must not acquire a 'relevant interest' in issued voting shares of such a company as a result of a transaction in relation to securities entered into or on behalf of the person, if because of the transaction, a person's voting power in the company:

- Increases from 20 per cent. or below to more than 20 per cent.; or
- Increases from a starting point which is above 20 per cent. but less than 90 per cent.

Under the Australian Corporations Act a person's "voting power" is defined in broad terms and includes any relevant interest in shares held by a person and their associates as defined by sections 10 to 17 of the Australian Corporations Act, section 6 of the Foreign Acquisitions and

Takeovers Act 1975 and as defined in paragraph (c) of the definition of 'related party" in the AIM Rules for Companies as published by the London Stock Exchange.

Certain acquisitions of relevant interests are exempt from the above rule including, among others, acquisitions under takeover bids, acquisitions approved by shareholders, acquisitions that do not result in the person having voting power more than three per cent. higher than that person had six months before the acquisition (so long as the person maintained voting of at least 19 per cent. during that six month period) and acquisitions that result from rights issues, dividend reinvestment schemes and underwritings.

If a person wishes to acquire more than 20 per cent. of a company, or increase a holding which is already beyond 20 per cent. (but less than 90 per cent.), the person must do so under one of the exemptions (as noted above) which includes undertaking a takeover bid in accordance with the Australian Corporations Act.

A person who holds 90 per cent. or more of the shares in a company may conduct a compulsory acquisition of all the remaining shares under the Australian Corporations Act. There is no provision under the Australian Corporations Act for minority shareholders to require a person who holds more than 90 per cent. of the shares in a company to buy them out.

The ability to compulsorily acquire all the remaining shares can arise following a takeover bid (if at least 75 per cent. of the shares the subject of that takeover bid were accepted into the bid) or from a general compulsory acquisition power under the Australian Corporations Act. Separate from the concept of conducting a compulsory acquisition, if a person reaches this 90 per cent. (or more) shareholding as a result of a takeover bid, then that person must make an offer to all the minority shareholders to acquire their shares (giving them the option to accept the offer). The Australian Corporations Act also provides for circumstances in which other securities of a company (ie convertible notes) may be compulsory acquired.

Minority shareholders

The Australian Corporations Act also provides protection to minority shareholders where the conduct of the company's affairs or an act or omission (including a resolution of members or a class of members) by a company is contrary to the interests of the members as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a member or a group of members.

Substantial shareholders

Under the Australian Corporations Act, a person has a "substantial holding" if that person and his/her Associates have a relevant interest in 5 per cent or more of voting shares in a company. A person who begins to or ceases to have a substantial holding in a company, or has a substantial holding in a company and there is movement by at least 1 per cent. in their holding, must give notice to the company and to the ASX. The contents of the notice are prescribed in the Australian Corporations Act, section 671B(3)/(4). Rule 17 of the AIM Rules for Companies requires issuers to notify the market of any shareholder holding (directly or indirectly) 3 per cent of more of the issuer and any changes to the holding of any such shareholder where such shareholder increases or decreases their holding through any single percentage.

The Company therefore intends to propose a resolution at its next annual general meeting in November 2016 to change the Company's Constitution to ensure that the Company can comply, as far as possible, with Rule 17 of the AIM Rules for Companies on disclosure of Shareholders' holdings. The proposed amendment will require that all Shareholders holding (directly or indirectly), 3 per cent or more in the Company must notify the Company without delay of any changes to their holding which increase or decrease such holding through any single percentage.

Foreign investment

Foreign investment in, and ownership of, companies and property is regulated by the Foreign Acquisitions and Takeovers Act 1975 of the Commonwealth of Australia. The Australian Foreign Acquisitions and Takeovers Act is administered by the Foreign Investment Review Board, a division of the Treasury Department of the federal government. The ultimate responsibility for making decisions on foreign investment proposals rests with the Treasurer of the federal government.

` The Australian Foreign Acquisitions and Takeovers Act provides for, amongst other things, a notification and approval process for proposed investments in Australia by "foreign persons" (individuals, corporations or trusts), which may result in foreign control or ownership of Australian businesses and companies. Regulations (and accompanying guidelines) to the Australian Foreign Acquisitions and Takeovers Act set out a number of exemptions from notification for small proposed transactions whilst large proposed transactions require notification; both are subject to determination as to whether they are in the Australian national interest. Under the Australian Foreign Acquisitions and Takeovers Act (and, indeed, the broader foreign investment policy) the threshold requirements for notification vary according to the nature of the foreign investor (ie the foreign investor is private or state-owned), the nature and value of the business to be acquired and the aggregate Australian land holding of that business.

The Australian Foreign Acquisitions and Takeovers Act generally provides that where:

- the Treasurer is satisfied a person proposes to acquire shares in a company which carries on an Australian business;
- the acquisition would result in the company being controlled by a foreign person; and
- the result would be contrary to the national interest,

the Treasurer may make an order prohibiting the acquisition. Existing Australian companies or businesses that are valued at less than A$252 million are not obliged to notify the Treasurer of proposed transaction, unless the investment involves a direct interest by foreign government or is considered an acquisition of an interest in Australian urban land

A proposed transaction of shares (unless an exempt dealing under the Australian Foreign Acquisitions and Takeovers Act) will have the effect of a foreign person acquiring a controlling interest in an Australian company if one of the following applies:

- that person alone, or together with their associates, directly or indirectly acquires 15 per cent. or more of the shares or controls 15 per cent. or more of the voting power (or potential voting power) in an Australian company; or

- that person, together with other foreign persons and each of their associates, directly or indirectly acquires 40 per cent. or more of the shares or controls 40 per cent. or more of the voting power (or potential voting power) in an Australian company.

If a foreign person is required to give notice of a proposed transaction to the Treasurer under the Australian Foreign Acquisitions and Takeovers Act, it must either wait for the decision of the Treasurer or allow for a prescribed period following the notification to the Treasurer to lapse before entering into a binding agreement to acquire shares which will result in a foreign person acquiring a controlling interest in a company.

ASX Listing Rules

As Aura has been admitted to the official list of the ASX, Aura is bound to comply with the ASX Listing Rules, as amended from time to time. The ASX Listing Rules address such matters as Admission to listing, quotation of securities, continuous disclosure, periodic disclosure, certain requirements for terms of securities, issues of new capital, transfers of securities, disclosure of corporate governance practices, mining and exploration reporting requirements, escrow (lock-in) arrangements, transactions with related/controlling parties, significant transactions, shareholder meetings, trading halts and suspensions and fees payable. The ASX also publishes guidance notes regarding the interpretation of the ASX Listing Rules.

The ASX listing Rules and guidance notes can be found at www.asx.com.au.

19. Material Contracts

The following material contracts are those contracts which have been entered into by a member of the Group (a) in the two years immediately preceding the date of this document (other than in the ordinary course of business); (b) which contain any provision under which any member of the Group has any obligation or entitlement which is material to the Group as at the date of this document (other than those entered into in the ordinary course of business); and (c) any other material subsisting agreement which relates to the assets and liabilities of the Group (notwithstanding whether such agreements are within the ordinary course of business or were entered into outside of the two years immediately preceding the date of this document).

19.1. Share Sale and Purchase Agreement

On 15 October 2010, the Company entered into a share sale and purchase agreement to acquire 100% of the issued capital of GCM Africa Uranium Ltd from GCM Resources PLC (the "Seller"). The purchase price included a clause which stated that, as part of the consideration for the completion of the transaction, the Company will make the following payments to the Seller after completion only if they fall due within a 10 year period from the date of completion (i.e. prior to 15 October 2020):

(i) US$2,000,000 in cash or by the issue of shares in the Company, or a combination of both upon the first occurrence of the delineation of a uranium resource equal to 75,000,000 pounds or more that is JORC compliant on any or all of either the Mauritanian projects or the Niger projects (**Initial Resource**); and

(ii) US$400,000 and the issue of 400,000 shares in the Company for each occurrence of the delineation of an additional uranium resource in excess of the Initial Resource (**Subsequent Resource**) where each increase in the Subsequent Resource is 6,500,000 pounds that is JORC compliant up to a maximum payment of US$4,000,000 and the issue of up to a maximum of 4,000,000 shares in the Company.

There is no provision for termination following Completion.

19.2. Tasiast Sale and Purchase Agreement

On 25 June 2016, the Company, Tiris International Mining Company sarl ("TIMCO") and Sid Ahmed Mohamed Lemine Sidi Reyoug executed the Tasiast South sale and purchase agreement. Under the terms and conditions of the agreement:

(i) the Company has agreed, subject to Admission, to fund the submission of Application 2457 (Hadeibet Bellaa) and Application 2458 (Touerig Taet) made by TIMCO to Unite Cadastre Minier and, on the grant of these two exploration permits, to pay TIMCO US$100,000 in four instalments over a 12 month period;

(ii) on the grant of the exploration permits by UCM to TIMCO, the Company has a right to acquire either the tenements or all the uncertificated shares in issue in TIMCO in order to conduct exploration; and

(iii) if the Company proves up an 'Indicated Resource' greater than one million ounces of gold it will be required to pay Sid Ahmed Mohamed US$250,000 and, on

commencement of production, Aura is required to pay Sid Ahmed Mohamed US$5/ounce of gold and a 0.4% net sales revenue royalty on other commodities with total royalty payments capped to a maximum of US$5 million.

19.3. Hartley Advisory Agreement

On 11 November 2014 Aura Energy Limited entered into a Capital Raising and Corporate Advisory Mandate with Hartley Limited. Under the terms and conditions of the Mandate, Hartley agreed to assist the Company with the development of an equity capital markets strategy and to arrange meetings between the Company and the international and domestic institutional and retail distribution network of Hartley.

The mandate was for a period of 12 months.

Until such time as Hartley had raised no less than A$1.5 million, Hartley agreed to forgo its monthly advisory fee of A$10,000 (plus GST) in cash for shares in the Company priced at the VWAP for the preceding month. Once the aggregate equity raising threshold reached A$1.5 million, Hartley was entitled to receive the monthly advisory fee in cash

In addition, the Company agreed to grant Hartley 12.5 million options over Ordinary Shares exercisable at seven cents per option over Ordinary Share on execution of the mandate. The options over Ordinary Shares expire three years from the date of grant (with the date of grant being no later than seven days after the execution of the mandate) and vest on Hartley achieving the equity raising milestone of A$1.5 million.

19.4. Lind Financing Arrangement

On 28 February 2014, the Company entered into a financing arrangement with The Australian Special Opportunity Fund, LP, managed by The Lind Partners, LLC ("Lind"). Under the financing arrangement, Lind agreed to provide up to $3,775,000 over 24 months. The Company had received $325,000 in the form of a $250,000 convertible note and $75,000 as a prepayment for placement of fully paid Ordinary Shares.

Lind has the right, under the financing arrangement, to invest in shares of the Company in tranches of $75,000 on a monthly basis up until 24 May 2016.

The keys terms of the financing arrangement between the Company and Lind are as follows:

i. The $250,000 convertible note is secured by the issue of 2,200,000 fully paid Ordinary Shares. The Company has the ability to repurchase the convertible note at a premium to the issue price during the first 30 days of the agreement.

ii. The Company issued 2,946,378 fully paid Ordinary Shares as a commencement fee to Lind by the Company for the provision of funding under the facility.

iii. The Company issued to Lind 2,600,000 options over Ordinary Shares with an exercise price of 4.8 cents and an expiry date at 24 May 2016.

During the financial year ended 30 June 2015, Lind converted $200,000 of the $250,000 convertible note into 11,111,111 fully paid Ordinary Shares.

On 11 February 2016, Lind converted $15,000 of its convertible notes into shares under the terms of the Share Placement approved by Shareholders at the general meeting on 5 November 2015 and were issued 1,224,500 fully paid Ordinary Shares at 1.225 cents per share and 1,224,500 options over Ordinary Shares at an exercise price of 2.5 cents per Ordinary Share..

On 18 February 2016, Lind converted the remaining balance, $35,000, of the convertible notes into Ordinary Shares in accordance with the financing agreement. Under the terms of the financing agreement, Lind was entitled to 2,916,667 fully paid Ordinary Shares, net of 2,200,000 collateral shares previously issued to Lind in accordance with the financing agreement.

The Company issued Lind 716,667 fully paid Ordinary Shares at 1.2 cents per share to extinguish its obligations under the financing agreement.

19.5. Nomad and Broker Agreement

The Company entered into a nominated adviser and broker agreement dated 9 September between the Company and WHI as nominated adviser and broker pursuant to which the Company has appointed WHI to act as nominated adviser to the Company for the purposes of AIM for a period of 12 months commencing on the date of the agreement.

19.6. Placing Agreement

A placing agreement dated 9 September 2016 between WHI (1), the Directors (2) and the Company (3) has been entered into pursuant to which WHI has agreed to use its reasonable endeavours to procure placees to subscribe for the Placing Shares at the Placing Price. The agreement is conditional, inter alia, upon Admission taking place on or before 12 September 2016 or such later date as WHI and the Company may agree but in any event not later than 20 September 2016. The Company will pay to WHI a fee of £55,000 and a commission of 5.5 per cent. of the aggregate value of the Placing Shares at the Placing Price (of which it is agreed that 2% will be satisfied by the issue of the Commission Shares) and grant to WHI pursuant to the warrant instrument described in paragraph 19.7 below a warrant to subscribe for such number of Ordinary Shares as shall comprise one per cent. of the Company's issued share capital immediately following Admission. The agreement provides for the Company to pay all expenses of and incidental to the Placing and the application for Admission, including the fees and costs of other professional advisers, all costs relating to the Placing, including printing, advertising and distribution charges, the fees of the Registrars and the fees payable to the London Stock Exchange, and VAT thereon where appropriate.

The agreement contains warranties and indemnities given by the Company and the Directors in favour of WHI.

WHI may terminate the placing agreement in specified circumstances prior to Admission, principally in the event of a material breach of the placing agreement or of any of the warranties contained in it or where any event or omission relating to the Group is, or will be in the opinion of WHI, materially prejudicial to the successful outcome of the Placing, or where any change in economic, financial, political or other market conditions is, or will be in the opinion of WHI, materially prejudicial to the successful outcome of the Placing.

19.7 Warrant Instrument

On 9 September 2016, the Company entered into a warrant instrument with WH Ireland pursuant to which the Company granted to WH Ireland, conditional upon Admission, a warrant to subscribe for such number of Ordinary Shares as shall comprise one per cent. of the Company's issued share capital immediately following Admission. The warrant shall be exercisable in whole or in part at any time during the period commencing on Admission and ending at midnight on the third anniversary thereof. The price per Ordinary Share at which the warrant may be exercised is the Placing Price, subject to the usual adjustment provisions. The warrant instrument also contains anti-dilution provisions.

19.8 Lock-in Agreements

Lock-in agreements have been entered into between each of the Directors, the Company, and WH Ireland dated 9 September 2016 pursuant to which the Directors have agreed not to dispose of any interest in Ordinary Shares for the period of 12 months following Admission except in the very limited circumstances allowed by the AIM Rules.

19.9 Deed Poll

Pursuant to a deed poll dated 11 August 2016, the Depositary will hold itself, or through its nominated custodian (the "Custodian"), as bare trustee, the Ordinary Shares issued by the Company and all and any rights and other securities, property and cash attributable to the Ordinary Shares and pertaining to the Depositary Interests for the benefit of the holders of the relevant Depositary Interests.

Holders of the Depositary Interests warrant, among other things, that the securities in the Company transferred or issued to the Custodian on behalf of the Depositary and for the account of the DI Holders are free and clear from all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Constitution nor any contractual obligation, law or regulation. The holder of Depositary Interests indemnifies the Depositary for any losses it incurs as a result of breach of this warranty.

The Depositary and the Custodian must pass on to DI Holders and exercise, on behalf of DI holders, all rights and entitlements received or to which they are entitled in respect of the Ordinary Shares which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information to make choices and elections and to attend and vote at meetings shall, subject to the Deed Poll, be passed on to the DI Holders upon being received by the Custodian and in the form in which they are received by the Custodian together with any amendments and additional documentation necessary to effect such passing-on.

The Depositary shall re-allocate any Ordinary Shares or distributions which are allocated to the Custodian and which arise automatically out of any right or entitlement of Ordinary Shares already held by the Custodian to DI Holders pro rata to the Ordinary Shares held for their respective accounts provided that the Depositary shall not be required to account for any fractional entitlements arising from such re-allocation and shall donate the aggregate fractional entitlements to charity.

The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not incur any liability to any holder of Depositary Interests or to any other person for any loss suffered or incurred arising out of or in connection with the transfer and prospective holders of the Depositary Interests and Ordinary Shares should refer to the terms of the Deed Poll and the Constitution to ensure compliance with the relevant provisions.

The Depositary may compulsorily withdraw the Depositary Interests (and the DI Holders shall be deemed to have requested their cancellation) if certain events occur. These events include where the Depositary believes that ownership of the Depositary Interests may result in a pecuniary disadvantage to the Depositary or the Custodian or where the Depositary Interests are held by a person in breach of the law. If these events occur, the Depositary shall make such arrangements for the deposited property as it sees fit, including sale of the deposited property and delivery of the net proceeds thereof to the holder of the Depositary Interests in question.

DI Holders are responsible for the payment of any tax, including stamp duty reserve tax on the transfer of their Depositary Interests.

19.10 Direct Subscription Agreements

On 8 September 2016, the Company signed subscription letters with 5 subscribers pursuant to which the subscribers have irrevocably subscribed for and the Company has agreed, subject to receipt of the cleared funds, to allot, in aggregate, 41,000,000 new Shares at the Placing Price. It is anticipated that the Subscription will complete on or around 16 September 2016 although there can be no guarantee that that these funds will arrive in part or in full, or the date by which funds will clear.

19.11 Intra Company Contracts

Asset Loan Agreement

The Company entered into an Assets Loan Agreement with Aura Energy Sweden AB on 1 December 2012 whereby the Company has made available to Aura Energy Sweden AB a loan for the amount of AU$6,015,299 subject to any further advances being made by the Company to Aura Energy Sweden AB. The parties amended the repayment terms of the Assets Loan Agreement by an amendment deed dated on 17 May 2013. The Company has confirmed that the loan was originally established to transfer the expenditure incurred on the Swedish tenements by the parent entity to a controlled entity. However, over time, additional funds have been advanced for working capital purposes. The current balance of the loan is $7,411,121.

20. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is aware) in which the Company or any member of the Group is involved by or against any Group company which may have or have had in the 12 months preceding the date of this document a significant effect on the Group's financial position or profitability.

21. Intellectual Property Rights

There are no patents or intellectual property rights, licences or particular contracts which are of fundamental importance to the Group's business.

22. Investments

Save as set out in this document, there are no investments in progress which are significant or future investments upon which the Group or its management bodies have already made firm

23. Working Capital

The Directors, having made due and careful enquiry, have no reason to believe that the working capital available to the Group will be insufficient for at least 12 months from the date of Admission.

24. Environmental Issues

Neither the Company nor the Directors are aware of any environmental issues or risks affecting the Group.

25. Related Party Transactions

There are no related party transactions that the Company or any Subsidiary Undertaking has entered into during the period covered by the historical financial information and up to the date of this document.

26. Reason for the Admission and Use of Proceeds

26.1. The Directors believe that Admission should assist the Group by broadening Aura's market presence for new investors in the UK and European markets. Aura believes that the AIM Admission is strategically important given the location of its projects in Africa and Europe where the understanding of investments in these jurisdictions is higher than in Australia. The Directors also believe that raising money through AIM will assist the Group by allowing it to advance its mineral exploration, develop its projects, attract funding and, where

appropriate, attract joint venture partners. In particular, the Directors consider that Admission will facilitate future investment in the Company by European investors, and provide a base for recruitment of additional, experienced local staff.

26.2. The gross proceeds of the Placing are expected to be approximately £2.24m and the costs of Admission are approximately £480,000. The Directors intend that these will be used to continue the Tiris Feasibility Study, towards the costs of the Placing and Admission and for general working capital. The proceeds are not expected to allow completion of the Tiris Feasibility Study; however they will contribute to a substantive portion of the study and will allow the Company to implement its business plan, as reviewed in the Competent Person's report, which essentially comprises the advancement and exploration of existing projects, with the intention to advance to production as quickly as possible.

26.3. The Directors are aware that the anticipated proceeds of the Placing are not sufficient to fund the Company through to completion of the Tiris project Feasibility Study and they intend to seek further funds from investors, as required.

27. Settlement

UK Registered Shareholders and CREST

27.1. To be traded on AIM, securities must be able to be held in electronic as well as in paper form. The UK system that facilitates this is called the CREST system; the Australian equivalent of this system is called CHESS. In order to transfer and settle certain overseas securities through CREST, in this case the Ordinary Shares, the overseas securities need to be in the form of Depositary Interests ("DIs").

27.2. The Company, through the Depositary, Computershare, will establish a depositary arrangement whereby DIs established pursuant to the deed poll executed by the Depositary, acting as depositary and representing Ordinary Shares, will be issued to investors who wish to hold their Ordinary Shares in electronic form within the CREST system. The Company will apply for the DIs representing Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in Ordinary Shares, represented by DIs following Admission may take place within the CREST system if the relevant investors so wish. CREST is a UK electronic paperless share transfer and settlement system, which allows shares and other securities, (including DIs), to be held in electronic rather than paper form. The Ordinary Shares may be traded using the system. Please note that CREST is a voluntary system and holders of shares who wish to receive and retain share certificates will also be able to do so.

27.3. Further information regarding the depositary arrangement and the holding of Ordinary Shares in the form of DIs is available from the Depositary who may be contacted at Computershare Investor Services plc, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, UK telephone: +44 (0)370 889 3129.

Australian Registered shareholders and CHESS

Settlement on the Australian register will continue to be conducted under the electronic CHESS system.

28. General

28.1. The total proceeds of the Placing are expected to be £2.24m. The estimated amount of the expenses of the Placing and Admission which are all payable by the Company, is approximately £480,000 (including VAT).

28.2. The net proceeds of the Placing will be £1.76m.

28.3. WH Ireland Limited is registered in England and Wales under number 02002044 and its registered office is at 11 St James Square, Manchester M2 6WH UK. WH Ireland is regulated

by the Financial Conduct Authority and is acting in the capacity of nominated adviser and broker to the Company.

28.4. WH Ireland Limited has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

28.5. Wardell Armstrong International has given and not withdrawn its written consent to the inclusion in this document of references to its name in the form and context in which they appear.

28.6. There are not, neither in respect of the Company nor any member of the Group, any significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of this document.

28.7. There are not, neither in respect of the Company nor any member of the Group, any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Company's prospects for at least the current financial year of the Company.

28.8. The Company confirms that since incorporation that it has spent approximately A$1,000,000 on its Mauritanian tenement applications, grants and renewals and approximately A$750,000 on its Swedish tenement applications, grants and renewals.

28.9. Save as disclosed in this document, there has been no significant change in the financial or trading position of the Group since 31 December 2015.

28.10. The Existing Ordinary Shares are, and the Placing Shares will be, allotted and issued in registered form under the laws of Australia and their currency is Australian dollars. They will be traded in pounds sterling on AIM.

28.11. Other than set out below, no person, either directly or indirectly, has in the last twelve months received or is contractually entitled to receive either directly or indirectly, from the Company on or after Admission (excluding in either case persons who are professional advisers otherwise disclosed in this document and trade suppliers) (i) fees totalling £10,000 or more; (ii) its securities, where these have a value of £10,000 or more calculated by reference to the Placing Price; or (iii) any payment or benefit from the Company to the value of £10,000 as at the date of Admission:

- Neil Clifford, Exploration Manager
- George Widelski, Project Manager.
- John Madden, Company Secretary and Chief Financial Officer.
- Will Goodall, Metallurgical Consultant.
- Caridad Facun, Administrative Assistant.
- Stan Zilwood, Company Secretary.
- Mathias Forss, Manager, Sweden.
- Helena Karlsson, Site Exploration, Sweden.

The total amount of fees paid to these consultants during the 12 month period was A$470,526. No consultant received any other benefits or bonuses (including share based payments) from the Company during this period.

28.12. The Placing Shares represent 30.53 per cent. of the Enlarged Issued Share Capital and their issue will result in a corresponding level of dilution.

28.13. Monies received from applicants pursuant to the Placing will be held in accordance with the terms of the placing letters issued by WH Ireland to proposed subscribers pursuant to the Placing until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by 20 September 2016, application monies will be refunded to applicants at their risk and without interest.

28.14. Bentleys Audit & Corporate (WA) Pty Ltd of Level 3 London House, 216 St Georges Terrace, Perth, WA 6000, Australia were auditors of the Company for the period relating to the accounts set out in Part III of this document. Bentleys Audit & Corporate (WA) Pty Ltd, is an *Australian Securities and Investments Commission* Registered Company Auditor and member firm of *Chartered Accountants Australia and New Zealand*.

28.15. To the extent information has been sourced from a third party, this information has been accurately reproduced and, as far as the Directors and the Company are aware and able to ascertain from information published by that third party, no facts have been omitted which may render the reproduced information inaccurate or misleading.

29. Publication of this document

Copies of this document shall be available free of charge during normal business hours on any day (except Saturdays, Sundays and public holidays) from WH Ireland at 24 Martin Lane, London EC4R 0DR UK for a period of one month from the date of Admission.

30. Risk Factors

An investment in the Ordinary Shares may not be suitable for all investors and involves a high degree of risk. Before making an investment decision, prospective investors are advised to consult a professional adviser authorised under FSMA who specialises in advising on investments of the kind described in this document if they are resident in the UK, or, if they are not resident in the UK, from an appropriately authorised independent adviser. Prospective investors should consider carefully whether an investment in the Company is suitable for them in the light of their personal circumstances and the financial resources available to them.

In addition to the other relevant information set out in this document, the Directors consider that the following risk factors, which are not set out in any particular order of priority, magnitude or probability, are of particular relevance to the Group's activities and to any investment in the Company.

The exploration for and development of natural resources is a highly speculative activity which involves a high degree of risk.

It should be noted that the factors listed in this paragraph 30 are not intended to be exhaustive and do not necessarily comprise all of the risks to which the Group is, or may be, exposed or all those associated with an investment in the Company. It should be noted that additional risks and uncertainties not presently known to the Directors, or which they currently consider to be immaterial, may also have an adverse effect on the Group's business, operating results, financial condition and prospects.

If any of the risks referred to in this paragraph 30 were to crystallise, the Group's business, financial condition, results or future operations could be materially adversely affected. In such case, the price of the Ordinary Shares could decline and investors may lose all or part of their investment.

30.1 **Risks relating to the Group's business**

Mauritanian permits

The Company holds exploration permits for its key licence areas in Mauritania. Mauritanian mining legislation provides that before commencing mining operations on any tenements a company must first complete a specific schedule of works on the assets, incorporate a wholly-owned Mauritanian subsidiary and apply for an exploitation permit from the Ministry of Mines in Mauritania.

The Company currently holds title to the following exploration permits, which, in accordance with local mining legislation, were granted for an initial period of three years and subsequently

renewed for a further period of three years: the Ain Sder Permit (permit no. 564) which is due to expire on 10 June 2018; the Oum Ferkik Permit (permit no. 561) which is due to expire on 24 March 2018 and the Oued El Foulé Est Permit (permit no. 563) which is due to expire on 20 November 2017. There is, at the date of this document, 20 months remaining on the Ain Sder Permit, 19 months remaining on the Oum Ferkik Permit and 15 months remaining on the Oued El Foulé Est Permit. At the expiry of the term of each aforementioned permit, each permit must be converted into an exploitation permit, which entails lodging an application for its conversion into an exploitation permit six months prior to its expiry, and satisfying a number of stated conditions including the completion of a specified schedule of works, the payment of certain fees and being able to demonstrate the Company has the financial and technical capacity to mine the area within 24 months following conversion. In order to ensure continuity of title this means that an application must be submitted by the Company to the mining cadastre in Nouakchott by or before 9 December 2017 in respect of the Ain Sder Permit, by or before 23 September 2017 in respect of the Oum Ferkik Permit and by or before 19 May 2017 for the Oued El Foulé Est Permit. If the Company fails to lodge any conversion application in respect of a particular permit before the relevant deadline, or does not satisfy the stated conditions for conversion, at the discretion of the Ministry, the permit will not be converted and the existing exploration cannot be extended in accordance with Mauritanian mining legislation, therefore Aura will lose its interest in the relevant permit(s).

The Company has applied for further explorations permits, namely: the Aguelet Permit, the Agouyame Permit, the Oued El Foulé Sud Permit, the Oum Ferkik Sud Permit and the Amare Permit. The usual exploration application protocol was followed in respect of each these permits in accordance with Mauritanian mining legislation and the Company is currently awaiting issuance of the ministerial decrees in respect of each of these permits, which, once obtained, would confirm their legal, valid and fully registered title in the name of the Company at the mining cadastre in Nouakchott. Until the date this occurs no other company can apply for the mining area covered by the aforementioned permits and the Company may not carry out any exploration activity in respect of any of the aforementioned permits.

There may be a risk that any application for issuance of new permits and extension and/or conversion of existing permits may be delayed or refused at the time requested. The risk of cancellation of exploration permits may occur, according to Mauritanian mining legislation, when a company fails to pay permit area fees on the specified date in relation to a specific permit, or due to non-lodging of the required bank guarantees.

Any failure to successfully transform each existing exploration permit into an exploitation permit or any failure of the Company to obtain the additional exploration permits for which it has applied in Mauritania may have a material adverse effect on the ability of the Company to explore and produce uranium in the areas comprised in those permits and applications which would have a material adverse effect on the Group's business, results of operations and financial condition.

Swedish licences

Aura Energy Sweden AB holds several exploration permits in Sweden. All permits are valid for a certain period of time and may be extended for a maximum validity period of fifteen years if certain conditions are met. If the validity of a permit is to be extended beyond its current period of validity, an application for extension must be submitted before the expiration date or the permit will cease to be valid. If a permit is not extended, Aura Energy Sweden AB is not allowed to carry out exploration work on the land related to such expired permit and will have to re-apply for a new permit. Depending on the maturity of a permit, an application to extend a permit may require either special or exceptional reasons to be granted. A decision by the relevant authority to extend a permit may be appealed to the Administrative Court by a person affected by the decision. There is a risk that an application or decision to extend a permit is denied or rejected if no special or exceptional reasons (as applicable) are deemed to exist. A failure to extend a

exploration permit could have a material adverse effect on Aura Energy Sweden AB's business, results of operations and/or financial condition.

Uranium mining in Sweden will require certain permits granted by, among others, the Swedish Government and the Land and Environment Court. Further, the relevant municipality where the contemplated mining activities are to be carried out has a right of veto and may deny Aura Energy Sweden AB a permit to carry out such mining activities. There is a risk that a necessary permit is not granted due to that Aura Energy Sweden AB or the contemplated mining activities do not fulfil the required conditions and/or that the relevant municipality exercises its right of veto. A failure to obtain a permit to carry out uranium mining activities could have a material adverse effect on Aura Energy Sweden AB's business, results of operations and/or financial condition.

Whilst Sweden generates substantial quantities of electricity from nuclear power there can be no guarantee that uranium mining will be supported in Sweden. Sections of the community oppose mining generally and some more specifically oppose uranium mining. The outcomes of Aura's environmental studies and permitting processes are at this stage uncertain.

General Risk Factors

Exploration and Mining Risks

The business of exploration for minerals involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. The mineral deposits to be assessed by the Group may not contain economically recoverable volumes of resources. Should the mineral deposits contain economically recoverable resources then delays in the construction and commissioning of mining projects or other technical difficulties may result in the Group's current or future projected target dates for production being delayed or further capital expenditure being required.

The operations of the Group may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards, technical failures, labour disputes, unusual or unexpected rock formations, explosions, flooding and extended interruptions due to inclement or hazardous weather conditions and other acts of God. These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. No assurance can be given that the Group will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

The occurrence of any of these hazards can delay activities of the Group and may result in liability. The Group may become subject to liability for pollution or other hazards against which it has not insured or cannot insure, including those in respect of past mining activities for which it was not responsible.

Mineral exploration is highly speculative in nature, involves many risks and frequently is unsuccessful. There can be no assurance that any mineralisation discovered will result in proven and probable reserves being attributed to the Group. If reserves are developed, it can take a number of years from the initial phases of drilling until production is possible, during which time the economic feasibility of production may change.

Substantial expenditures are required to establish ore reserves through drilling, to determine metallurgical processes to extract metals from ore and, in the cases of new properties, to construct mining and processing facilities. As a result of these uncertainties, no assurance can be given that the exploration programmes undertaken by the Group will result in any new commercial mining operations being brought into operation.

Governmental Regulations and Processing Licences

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental offices. The Group must comply with known standards,

existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations implemented by the permitting authority. New laws and regulations, amendments to existing laws and regulations, or more stringent enforcement of existing laws and regulations, could have a material adverse impact on the Group's business, results of operations and financial condition.

The Group's exploration, mining and processing activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. There can also be no assurance that they will be renewed or if so, on what terms.

Title Matters

Whilst the Group has diligently investigated title to all mineral claims and, to the best of its knowledge, title to all properties is in good standing, this should not be construed as a guarantee of title. The properties may be subject to undetected title defects. If a title defect does exist it is possible that the Group may lose all or part of its interest in properties to which the title defect relates.

Volatility of price of uranium

The market price of uranium and other base metals in which the Company is interested, such as gold,is volatile and is affected by numerous factors which are beyond the Group's control. These include international supply and demand, the level of consumer product demand, international economic trends, currency exchange rate fluctuations, the level of interest rates, the rate of inflation, global or regional political events and international events as well as a range of other market forces. Sustained downward movements in uranium and, in the future, gold market prices could render less economic, or uneconomic, some or all of the exploration and/or extraction activities to be undertaken by the Group and would have a material adverse effect on the Group's business, results of operations and financial condition.

Volatility of Metal Prices and Exchange Rates

Historically, metal prices have displayed wide ranges and are affected by numerous factors over which the Company does not have any control. These include world production levels, international economic trends, currency exchange fluctuations, expectations for inflation, speculative activity, consumption patterns and global or regional political events. The aggregate effect of these factors is impossible to predict.

Consequently as a result of the above, price forecasting can be difficult to predict or imprecise.

Any future Company income from its product sales will be subject to exchange rate fluctuations and could become subject to exchange controls or similar restrictions. Currency conversion may have an adverse effect on income or asset values.

Development Projects

Development projects have no operating history upon which to base estimates of future cash operating costs. For development projects, estimates of proven and probable reserves and cash operating costs are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of cash operating costs based upon anticipated tonnage and grades or ore to be mined and processed, the configuration of the ore body, expected recovery rates, comparable facility and equipment operating costs, anticipated climatic conditions and other factors.

As a result, it is possible that actual cash operating costs and economic returns may differ materially from those currently estimated.

Reserve and Resource Estimates

The Company has derived the ore resource figures presented in this document from the estimates prepared by management and/or reported in the Competent Person's report dated 5 August 2016 prepared by Wardell Armstrong and which are subject to the qualifications in the Competent Person's report. Resource figures are estimates and there can be no assurances that they will be recovered or that they can be brought into profitable production. Resource estimates may require revisions based

on actual production experience. Furthermore, a decline in the market price of uranium that the Group may discover could render ore reserves containing relatively lower grades of these minerals uneconomic to recover.

Environmental Factors

The Group's operations are subject to environmental regulation (including regular environmental impact assessments and permitting). Such regulation covers a wide variety of matters, including, without limitation, prevention of waste, pollution and protection of the environment, labour regulations and worker safety. The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. Environmental legislation and permitting are likely to evolve in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their directors and employees.

Limited Operating History

The Group has no properties producing positive cash flow and its ultimate success will depend on its ability to generate cash flow from producing properties in the future. The Group has not earned profits to date and there is no assurance that it will do so in the future. A portion of the Group's activities will be directed to the search for and the development of new mineral deposits. Significant capital investment will be required to achieve commercial production from the Group's existing projects and from successful exploration efforts. There is no assurance that the Company will be able to raise the required funds to continue these activities.

Financing

The successful extraction of uranium will require very significant capital investment. In addition, delays in the construction and commissioning of any of the Group's mining projects or drilling projects or other technical difficulties may result in projected target dates for related production being delayed and/or further capital expenditure being required. In all mining and drilling operations, there is uncertainty, and therefore risk, associated with operating parameters and costs resulting from the scaling up of extraction methods tested in laboratory conditions. The Group's ability to raise further funds will depend on the success of existing and acquired operations. The Group may not be successful in procuring the requisite funds and, if such funding is unavailable, the Group may be required to reduce the scope of its operations or anticipated expansion or cease operations entirely. In the event that financing is successful it may mean that new Ordinary Shares need to be issued on a non-pre-emptive basis, thus diluting the interests of investors at that time.

Employment Issues

The Group's success, in part, depends on the continued performance, efforts, abilities and expertise of its key management personnel, as well as other management and technical personnel employed on a contractual basis.

In particular, Peter Reeve, the Executive Chairman and Managing Director, is the Group's only full time executive, therefore his technical, strategic and commercial skills, as well as his experience in raising funds, and relationships with third parties in Mauritania and Sweden, is key to the Group's success. The loss of Peter Reeve may have a material adverse effect on the Group's business, results of operations and financial condition.

Currently, the Company predominantly employs, and is reliant on, contractors on temporary short term contracts. For example, Neil Clifford, John Madden and other members of the project team are sub contractors and only paid a per diem for services rendered. Whilst the Directors believe this allows the Company to be responsive as to its employment needs, there is no guarantee that the key contractors will continue to be available as and when the Company requires them and any failure to retain or successfully replace such contractors may have a material adverse effect on the Group's business, results of operations and financial condition.

Insurance coverage

There are significant exploration and operating risks associated with exploration for uranium and other base metals, including adverse weather conditions, environmental risks and fire, all of which can result in injury to persons as well as damage to or destruction of the extraction plant, equipment, formations and reserves, production facilities and other property. In addition, the Group will be subject to liability for environmental risks such as pollution and abuse of the environment. Although the Group will exercise due care in the conduct of its business and will maintain what it believes to be customary insurance coverage for companies engaged in similar operations, the Group is not fully insured against all risk in its business. The occurrences of a significant event against which the Group is not fully insured could have a material adverse effect on its operations and financial performance. In addition, in the future some or all of the Group's insurance coverage may become unavailable or prohibitively expensive.

Competition

The mineral exploration and mining business is competitive in all of its phases. The Group competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources than the Group, in the search for and acquisition of exploration and development rights on attractive mineral properties. The Group's ability to acquire exploration and development rights on properties in the future, and undertake work on its current licence areas, will depend not only on its ability to develop the properties on which it currently has exploration and development rights, but also on its ability to select and acquire exploration and development rights on suitable properties for exploration and development and to identify appropriate contractors and equipment, at the times when it is required. There is no assurance that the Group will continue to be able to compete successfully with its competitors in acquiring exploration and development rights on such properties**.**

Currency Risk

Currency fluctuations may affect the cash flow that the Group may realise from its operations, as mineral production is sold in the world market in United States dollars (''USD'') and the Company operates in bank facilities in Australian dollars. Certain costs to the Group are denominated in currencies other than USD, for example the Mauritanian Ouguiya, which is the national currency of Mauritania where the Group predominantly operates. Fluctuations in exchange rates between currencies in which the Group operates may cause fluctuations in its financial results, which are not necessarily related to the Group's underlying operations**.**

Market perception

Market perception of the Group may change, potentially affecting the value of investors' holdings and the ability of the Group to raise further funds by the issue of further Ordinary Shares or otherwise.

Conflicts of interest

Certain Directors also serve as directors and/or officers of other companies involved in mineral exploration and development, and consequently there exists the possibility for such Directors to be in a position of conflict. The Company expects that any decision made by any such Directors involving the Group will be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Company and its Shareholders, but there can be no assurance in this regard.

30.2 **Risks relating to Mauritania**

Economic and Security considerations

The economy in Mauritania is a developing one and as such present risks in the future which may create operating difficulties in the country. The economic conditions in the future may create unforeseen outcomes which may impact on the Company's activities in Mauritania. That said Mauritania is regarded as one of the more stable West African states in the region and is currently enjoying a period of comparative stability and steady growth since elections in 2014. In September 2009 the World Bank re-engaged with Mauritania following national elections that led to the formation of a national unity government and the lifting of international sanctions. However,

Mauritania still remains susceptible to bouts of violence and insecurity, particularly near the south-eastern border with Mali, the eastern half of the Assaba region (east of Kiffa) and the Zemmour region in the north of the country. There have also been reports of terrorist organizations such as AQIM and al-Murabitun and their affiliates operating in the same areas of the country.

Political Risk

The political situation in Mauritania introduces a certain degree of risk with respect to the Group's activities. The Government of Mauritania exercises control over such matters as exploration and mining licensing, permitting, exporting and taxation, which may adversely impact the Group's ability to carry out exploration, development and mining activities. No assurance can be given that such factors will not have a material adverse effect on the Group's ability to undertake exploration, development and mining activities in respect to present and future properties in Mauritania.

Existing political conditions are subject to the introduction of new legislation, amendments to existing legislation by governments or the interpretation of those laws by governments which could impact adversely on the assets, operations and ultimately the financial performance of the Group. Lack of political stability, changes in political attitudes and changes to government regulations relating to foreign investment and the mining business are beyond the control of the Group and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on various areas, including production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Corruption exists at all levels of government and society. While Mauritania has laws, regulations and penalties against corruption, enforcement can be challenging. As a result wealthy business groups and State officials have been known to receive favourable decisions from local authorities, while relatively modest salaries foster corruption at lower levels both in the public and private sectors. This said there are signs that the government is trying to redress the situation, for example the government's recent steps necessary to ensure transparent management of mining revenues by implementing the Extractive Industries Transparency Initiative (EITI), an international effort that requires countries to declare revenues they receive from their extractive industries.

Legal Systems

Mauritania and other jurisdictions in which the Group might operate in the future may have less developed legal systems than more established economies which could result in risks such as (i) effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute, being more difficult to obtain; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulations, decrees, order and resolutions; or (v) relative inexperience of the judiciary and courts in such matters. In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain, creating particular concerns with respect to the Group's licences and agreements for business. These may be susceptible to revision or cancellation and legal redress maybe uncertain or delayed. There can be no assurance that joint-ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

30.3 Risks relating to the Ordinary Shares

An investment in an AIM quoted company may entail a higher degree of risk and lower liquidity than a company listed on the Official List or on the main board of other leading exchanges

AIM is a market designed primarily for emerging or smaller growing companies which carry a higher than normal financial risk and tend to experience lower levels of liquidity than larger companies. Accordingly, AIM may not provide the liquidity normally associated with the Official List or some other leading stock exchanges. The Ordinary Shares may, therefore, be difficult to sell compared to the shares of companies listed on the Official List and the share price may be subject to greater

fluctuations than might be the case for a similar company listed on the Official List. An investment in shares traded on AIM carries a higher risk than those listed on the Official List.

The Ordinary Shares may not be suitable as an investment for all recipients of this document
The Company is principally aiming to achieve long term profitability and may not generate profits in the short or medium term; accordingly, the Ordinary Shares may not be suitable as a short-term investment. The Company's share price may be subject to large fluctuation on small volumes of shares traded and the Ordinary Shares may be difficult to sell at the quoted market price. Prospective investors should be aware that the value of an investment in the Company may go down as well as up and that the market price of the Ordinary Shares may not reflect the underlying value of the Company.

An investment in the Company is highly speculative, involves a considerable degree of risk and is suitable only for persons or entities which have substantial financial means and who can afford to hold their ownership interests for an indefinite amount of time and are able to suffer the complete loss of their investment. Readers of this document are accordingly advised, before making any investment decisions, to consult a person duly authorised under FSMA who specialises in advising on investments of this nature if they are resident in the UK, or, if they are not resident in the UK, from an appropriately authorised independent adviser.

Potential investors in the Ordinary Shares may lose part or all of the value of their investment
There can be no guarantee that the value of an investment in the Company will increase. Investors may, therefore, realise less than, or lose all of, their original investment. The price at which the Ordinary Shares are traded on Admission may or may not relate to the latest price at which the Ordinary Shares are traded on the ASX and may not be indicative of prices that will continue to prevail in the trading market. Prospective investors may not be able to resell their Ordinary Shares at a price that is attractive to them or that is higher than the price they paid for them. There is no guarantee that the historical level of trading in the Ordinary Shares on the ASX will continue or increase and the historic level of trading and share price performance should not be used to imply any future level of trading or share price performance post Admission.

The market price of the Ordinary Shares may fluctuate widely
The share prices of publicly quoted companies can be highly volatile. The price at which the Ordinary Shares are quoted and the price which investors may realise for their Ordinary Shares may be influenced by a large number of factors, some of which are general or market specific, others which are sector specific and others which are specific to the Group and its operations.

These factors include, without limitation, the performance of the Company and the overall stock market, large purchases or sales of Ordinary Shares by other investors, changes in legislation or regulations and changes in general economic, political or regulatory conditions and other factors which are outside of the control of the Company. The market price of the Ordinary Shares could be subject to fluctuations in response to variations in the Group's results of operations, changes in general economic conditions, changes in accounting principles or other developments affecting the Group, its customers or its competitors, changes in financial estimates by securities analysts, the operating and share price performance of other companies, press and other speculation and other events or factors, many of which are beyond the Group's control. Volatility in the price of the Ordinary Shares may be unrelated or disproportionate to the Group's operating results. Furthermore, there is no guarantee that the market price of an Ordinary Share will accurately reflect its underlying value.

The ability of overseas Shareholders to bring actions or enforce judgements against the Company or the Directors may be limited
The ability of an overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated in Australia. The rights of holders of Ordinary Shares are governed by Australian law and by the Constitution. These rights differ from the rights of shareholders in typical UK companies and some other non-UK corporations. An overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive

officers. Consequently, it may not be possible for an overseas Shareholder to effect service of process upon the Company, Directors and executive officers within the overseas Shareholder's country of residence, nor can there be any assurance that an overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries in which they reside against the Company, Directors or executive officers.

Exchange rate fluctuations between Pounds Sterling and other currencies will affect the equivalent value of the Ordinary Shares in currencies other than Pounds Sterling

The Ordinary Shares to be admitted to trading on AIM will be denominated in British Pounds whereas they will continue to be traded on the ASX in Australian Dollars. Fluctuations in the exchange rate between Australian Dollars and other currencies, including the Pound, will affect the value of the Ordinary Shares and any dividends the Company may declare in the future, denominated in the local currency of investors outside of Australia. Further, any future fundraising may be undertaken in Australian dollars or British Pounds and there is, therefore, a potential foreign currency risk on transferring any proceeds into the functional currency required for the Group's activities which is predominantly US Dollars.

The Company may be unable to pay dividends

No cash or other dividends have ever been declared or paid on the Ordinary Shares, and the Company does not intend to declare or pay such dividends in the near future. Accordingly, prospective investors should not rely on receiving dividend income from the Ordinary Shares. For the foreseeable future, any return on a prospective investor's investment in the Ordinary Shares is likely to depend entirely on their appreciation in value, which cannot be assured.

The declaration, timing and payment of dividends in future periods, if any, will be completely within the discretion of the Board. Any future dividends will also depend on the Group's future financial performance, which, in turn, depends on the success of its production efforts, on the implementation of its growth strategy, on general economic conditions and on competitive, regulatory, technical, environmental and other factors, many of which are beyond the Group's control. Additionally, because the Company is a holding company, its ability to pay dividends on the Ordinary Shares is limited by restrictions on the ability of its subsidiaries to pay dividends or make distributions to the Company.

Future sales, or the anticipation of future sales, of a substantial number of the Ordinary Shares may depress the price of the Ordinary Shares

Future sales of the Ordinary Shares, or the perception that such sales will occur, could cause a decline in the market price of the Ordinary Shares. On Admission, the Company will have 657,869,938 Ordinary Shares, including 22,174,831 Ordinary Shares owned by the Directors (being, 3.37 per cent. of the Enlarged Share Capital).

In connection with Admission, the Directors have agreed not to dispose of any of their interests in the Company for a period of 12 months from Admission, except in limited circumstances as permitted by the AIM Rules for Companies. Further details of the Lock-In Arrangements are set out in paragraph 19 of this document.

Further issues of Ordinary Shares could be made by the Company, for example, through a capital increase to fund capital investment in the Company's assets, an acquisition or for another purpose. The sale or issue of a substantial number of Ordinary Shares, or the perception that such sales or issues could occur, could materially and adversely affect the market price of the Ordinary Shares and could also restrict the ability of the Company to raise capital through the issue of equity securities in the future. Furthermore, the issue of additional Ordinary Shares may be on more favourable terms than the Placing Shares.

Existing and prospective investors may suffer further dilution in the value of the Ordinary Shares

The Company may need to raise capital in the future through equity financings. If the Company raises significant amounts of capital, by these or other means, it could cause dilution for existing Shareholders at that time.

Shareholders may be unable to participate in future equity issues by the Company, which could lead to an automatic dilution of their ownership stake in the Company

In common with many AIM companies, the Company may choose to raise future funds through placing shares to investors who are not Shareholders. Any such placing could dilute the interests of existing investors. If the Company offers to Shareholders rights to subscribe for additional Ordinary Shares or any right of any other nature, the Company will have discretion as to the procedure to be followed in making the rights available to Shareholders or in disposing of the rights for the benefit of Shareholders and making the net proceeds available to Shareholders. The Company may choose not to offer the rights to Shareholders in certain jurisdictions, in particular where it is not legal to do so. The Company may also not extend any future rights offerings or equity issues to jurisdictions where it would be difficult or unduly onerous to comply with the applicable securities laws.

The Company is not subject to the UK Takeover Code

As an ASX listed company, any potential takeover of the Company would be subject to the takeover provision of chapter 6 of the Australian Corporations Act. However, the Company is not subject to the UK Takeover Code. Whilst the regime governing takeovers under the Australian Corporations Act provides certain safeguards to Shareholders, Shareholders will not receive the full protection that the UK Takeover Code affords including the supervision and scrutiny of the UK Panel on Takeovers and Mergers. Further details of the key terms of the takeover provisions which apply to the Company are set out in paragraph 18 of this document.

Litigation may be brought against the Group in the future

While the Group is not currently aware of any material outstanding litigation, there can be no guarantee that the current or future actions of the Group will not result in litigation. There have been a number of cases where the rights and privileges of natural resources companies have been the subject of litigation and companies operating in the uranium mining industry, as with all industries, may be subject to legal claims, both with and without merit, from time to time. The Directors cannot preclude that such litigation may be brought against the Group in the future. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceeding will not have a material adverse effect on the Group's business, financial position, results or operations. The Group's business may be materially adversely affected if the Group and/or its employees or agents are found not to have met the appropriate standard of care or not exercised their discretion or authority in a prudent or appropriate manner in accordance with accepted standards.

Persons holding shares in the form of Depositary Interests may not be able to exercise their voting rights

Persons holding shares in the form of Depositary Interests may not be able to exercise voting rights. Under the Constitution, only those persons who are Shareholders of record are entitled to exercise voting rights. Persons who hold Ordinary Shares in the form of Depositary Interests will not be considered to be record holders of Ordinary Shares that are on deposit with the Depositary and, accordingly, will not be able to exercise voting rights. However, the Deed Poll provides that the Depositary shall pass on, as far as it is reasonably able, rights and entitlements to vote. In order to direct the delivery of votes, holders of Depositary Interests must deliver instructions to the Depositary by the specified date. Neither the Company nor the Depositary can guarantee that holders of Depositary Interests will receive the notice in time to instruct the Depositary as to the delivery of votes in respect of Ordinary Shares represented by Depositary Interests and it is possible that they will not have the opportunity to direct the delivery of votes in respect of such Ordinary Shares.

In addition, persons who beneficially own Ordinary Shares that are registered in the name of a nominee must instruct their nominee to deliver votes on their behalf. Neither the Company nor any nominee can guarantee that holders of Ordinary Shares will receive any notice of a solicitation of votes in time to instruct nominees to deliver votes on behalf of such holders and it is possible that holders of Depositary Interests and other persons who hold Ordinary Shares through brokers, dealers

or other third parties will not have the opportunity to exercise any voting rights. Further details of the Deed Poll is set out in paragraph 19 of this document.

Liquidity and Arbitrage between ASX and AIM

Whilst the Directors consider that Admission will increase the liquidity of the Company's share capital, this outcome cannot be guaranteed. In addition, there can be no guarantee that the Ordinary Shares will trade at the same price on both ASX and AIM due to different investor sentiments, liquidity levels, transaction costs, taxation rates, regulations or foreign exchange rates, particularly between Australia and the UK, the countries which host ASX and AIM respectively. Additionally, ASX and AIM operate in different time zones and, for instance, news flow from external sources such as regulatory regime changes which affect the Company may be acted upon earlier by an investor on one market ahead of the other. The Directors have engaged third parties in both Australia and the UK to manage the migration of shares between the registers kept in Australia and the UK, but there can be no guarantee that this arrangement will eliminate all arbitrage opportunities between the shares traded on ASX and AIM or that such procedures will be effective.

There is no guarantee that the Company will maintain its quotation on AIM

The Company cannot assure investors that the Company will always retain a quotation on AIM. If the Company fails to do so, certain investors may decide to sell their Ordinary Shares, which could have an adverse impact on the share price. Additionally, if in the future the Company decides to obtain a listing on another exchange, in addition to AIM or as an alternative, this may affect the liquidity of the Ordinary Shares traded on AIM.

Legislation and tax status

This document has been prepared on the basis of current legislation, regulation, rules and practices and the Directors' interpretation thereof. Such interpretation may not be correct and it is always possible that legislation, rules and practice may change. Any change in legislation and in particular in the tax status and tax residence of the Group or in tax legislation or practice may have an adverse effect on the returns available on an investment in the Company.