



EXPLORE, DISCOVER, DEVELOP

14 NOVEMBER 2018

AURA ENERGY 2018 AGM CHAIRMAN'S ADDRESS

Good Morning and thank you for attending the 2018 Aura Energy Annual General Meeting. It is good to see a number of attendees in the audience today which is a welcome change from the past few years where interest has been low. I believe this change also marks a point within Aura of strong change where we can see a very different corporate future emerging for the company in a very short period of time.

Mining development, starting with the core of high-quality exploration, is a fascinatingly engaging process yet a slow, laborious and expensive exercise. Through the passage of that time passing the technical and market positions within a company ebb and flow and these unchoreographed stresses, strains and positive turns test the patience and will of management, Directors and shareholders.

Aura, with two excellent virgin discoveries a number of years ago in commodities with a volatile history, has seen a number of the ebbs and flows I speak of. However, as we approach, what looks to be our more permanent high tide water mark, it is clear that Aura's excellent technical work and continual, hard fought application of that work is reaping dividends and moving Aura to a position of production and cashflow in a very short period of time.

So I would like to acknowledge the really great work of our very strong geological, metallurgical, engineering and corporate team in Australia, Mauritania and Sweden and their dedication in managing these tides. I would also like to thank the shareholders for their confidence in allowing us to manage a portion, however small or large, of their money and their patience as the good ship Aura has bobbed up and down in the sea and surged and dropped in the various tides the world of mining and commodities has provided us. With the Tiris Uranium Project now closing in on the end of its Feasibility Study shareholders should understand that the construction phase of the project is fast approaching we can now, as a team, see the production starting line for the first time. It is tangible and an .

exciting time and made all more real by the fact that Tiris has a very low projected capital cost relative to many of its peers. The importance of this is simply in the 'do-ability' of the project for a small company which lowers the hurdles and thresholds required in the financing of the development.

Again, simply fantastic work was conducted at Tiris in geology and metallurgy during the year and this was then rigorously tested by strong engineering dissection. To get 17 million pounds of uranium to the Measured and Indicated category was outstanding and positions the company firmly for production with more upside expected to the resource. Then to see a bulk sampling exercise conducted in the Sahara Desert in the harsh, windy, African conditions demonstrates the serious commitment and will of our team to get this project completed.

The transformation of our Häggån deposit to a vanadium development project was positively electrifying, with no pun intended, as all Aura's previous technical work on the deposit, and the extraordinary path of the vanadium price combined to position Aura with a very valuable and well understood asset.

Vanadium, whose price has recently been driven primarily by significant changes to the Chinese rebar standards, has risen over 1000% since its most recent low and is only just beginning to make itself known as a key player in the battery storage market where lithium has clearly been the fancied runner.

Vanadium Redox Flow Batteries (VRFB's) are used for industrial and grid-scale power storage, very different to its lithium, more retail type, companion. In fact, I liken the pair to trucks and cars on the road where both are required for a functioning system with vanadium batteries the trucks and prime movers. Vanadium and lithium do not compete, they complement each other to provide a complete power setting. VRFB's provide long term power storage of the output of solar panels and wind turbines and the perceived growth in this sector is enormous within the mind-boggling growth in the global energy storage market.

Because of the long term geological and metallurgical work done by Aura over a 10-year period, when the vanadium market surged Aura was able to quickly define the aspects of the resource and metallurgy of Häggån, with respect to vanadium, and quickly establish the shape of the project.

The definition of the Vanadium High Grade Zone at Häggån was an extraordinarily positive step and one that I believe the market still does not fully grasp the significance of. To find 20 years of processable mineralisation no deeper than 100 metres from surface and starting at 20 metres is a geological god-send and one that will minimise capital, keep operating costs very low and lead to lower risk mining.

Aura has already completed its initial capital and operating estimates of the Häggån Vanadium Project and these very encouraging estimates have given Aura great confidence going to the next phase. Frustratingly, we cannot release these numbers yet as the pertinent zone of high-grade mineralisation requires Measured and Indicated status for this release. That drilling is underway currently and this will lead to the release of the Häggån Vanadium Scoping Study in early 2019. This will herald an exciting time for Aura as the



shape of its second development project emerges and shareholders can rate Häggån against its vanadium peers. We believe they will be very pleased with the comparison.

Aura's gold and base metal prospects in Mauritania are simply breathtaking however we have been frustrated now for 2 years with the slow grant of these permits from the Government. We have continued to press the issue recently and currently with them and do hope that it is close to resolution.

These prospects contain extensive, lightly explored, greenstone belts in the shadow of the 20 million-ounce Tasiast Mine and in other parts, exceptional drill results in nickel, copper and cobalt which Aura is keen to advance to the next level of understanding.

Unfortunately, the long delay on the part of the government in awarding these gold tenement grants has seen one of our key shareholders depart the register, affecting our share price strongly. These shareholders invested funds for these gold programs that were unable to be fulfilled. Whilst we are sad to see them move on, we want to thank them for their significant financial contribution the Tiris studies and other technical work within Aura.

So as we close 2018 and enter 2019 Aura shareholders should be very comfortable that whilst the share price has not performed acceptably the company has made significant and meaningful progress in its two development projects with one nearing cashflow. Additionally, these projects are in commodities which have been strong performers in the 2018 with great prospects ahead.

The next steps for the reality of production and cashflow to occur is the negotiation of product offtake and financing for Tiris. We can report that excellent progress has been made in this area and hopefully we can report shortly on the results of that work. Again, I would like to thank all our shareholders and followers for their support in 2018 and urge them to stay for 2019 and enjoys the fruits of our development projects. So please continue the focus on our nearest term cash flow opportunity with Tiris Uranium but please do not take your eyes off the Häggån Vanadium Project as this emerging gem has the potential, as we have always maintained, to be Aura's real company maker.

Thank you

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