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APPOINTMENT OF FINANCIAL ADVISORS FOR BOTH THE TIRIS URANIUM PROJECT AND HAGGAN VANADIUM PROJECT

ADVISORS TO FOCUS ON EXPORT CREDIT AGENCY FINANCE

EXPORT CREDIT AGENCY (ECA) SUPPORT IS A RELEVANT, EXCITING AND COMPETITIVE FORM OF FINANCE

Aura Energy Limited (AEE; ASX, AURA; AIM) is pleased to advise that it has appointed the London based financial advisory firms, SD Capital Advisory Limited and GKB Ventures Limited as joint finance advisors to arrange funding for both the Tiris Uranium Project in Mauritania and the Häggån Vanadium Project in Sweden.

The funding mandate will be undertaken jointly and will cover the financing requirements for the near term Tiris Uranium project and the Häggån Vanadium project as a combined finance package. The mandate will commence immediately whilst the Tiris Definitive Feasibility Study (DFS) is being completed and will continue through the Häggån vanadium work until completion of its DFS.

Under the mandate, SD Capital and GKB Ventures will seek up to 85% of the combined capital cost for both the Tiris and Häggån projects by way of ECA support. ECA support is an important element in the funding of projects especially in developing economies.

“This form of finance is the perfect blend for mining development companies, and proactive governments seeking to promote the export of goods and services for the successful implementation of projects. This finance team bring a wealth of experience to this area having raised significant sums from ECAs around the world over the years in previous roles and particularly, in Africa. Aura believes the approach to package a large combined funding requirement will result in a great financial outcome for the company”, Mr Peter Reeve, Aura’s Executive Chairman, said.

“Aura continues to steadfastly put in position the required building blocks to achieve production from its projects. Following the signing of the Tiris production offtake agreement, this strong step towards financing the project will allow the final move to construction to proceed”, he continued.

ECA finance allows national governments to provide support to development projects in a range of sectors and in return for that support, the project developer is required to source a significant proportion of a project’s goods and services from the host country.

In 2017, ECA backed support reached upwards of USD 85 billion of which approximately 60% was assigned to developing and emerging markets.

In a joint statement Messrs Gabriel Buck and David Buckle of GKB Ventures and SD Capital, respectively, added; “The capital expenditure makes these projects eligible for ECA support enabling medium to long term financing to be provided alongside any minor commercial debt funding and equity. ECAs provide political and commercial guarantees covering up to 85% of the CAPEX programme. Such guarantees increase the pool of liquidity for long term funding at rates which are deemed attractive.”

“We are impressed by the progress being made by Aura Energy Limited and are very attracted to the combined projects’ characteristics. Uranium forms an integral part of developed economies’ energy strategies and the principal output of the polymetallic deposit in Sweden being Vanadium, positions the company in the renewable energy space. Clearly, we will be exploring various funding options but given the attractiveness of ECAs this is where our main focus will be.”

“Our combined team with complementary technical and financial skills will liaise closely with Aura’s equity brokers who will be responsible for the equity component of the total funding required. Collectively we see this as an exciting project and are pleased to have been appointed by Aura.”

About the Advisors:

GBK Ventures Limited is an independent business consultancy focussed on international finance and specifically ECA Finance under Managing Director Gabriel Buck. Gabriel Buck has more than 35 years international banking experience. He is Chair of the British Bankers’ Association Export Finance and Trade Committee and was previously MD & Global Head of Barclays ECA & Capex Financing Solutions Group. In 2017, Global Trade Review awarded one of his African transactions "GTR Best Deal 2016".

SD Capital Advisory Limited is an incorporated, independent finance advisory firm which focuses specifically on emerging markets. SD Capital Advisory Limited is authorised and regulated by the Financial Conduct Authority as an appointed representative of Vicarage Capital Limited. The company is headed by emerging markets specialist, David M Buckle, who held senior positions in Unilever and the mining sector in Ghana. He is supported by Simon

Munns who has over 25 years with Goldman Sachs, Morgan Stanley and Nomura in a variety of roles and locations.

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