



AEE

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**21 June 2019**

Dear Shareholder

**Notice to Ineligible Shareholders of Non-Renounceable Rights Issue**

We write to you as the registered holder of shares in Aura Energy Limited (ASX:AEE) (**Company**) as at today's date.

As announced on the ASX on 21 February 2019, the Company is issuing a short form transaction-specific prospectus (**Prospectus**) lodged with the Australian Securities and Investments Commission (**ASIC**) under section 713 of the *Corporations Act 2001* (Cth). In accordance with the Prospectus, eligible shareholders will be offered a non-renounceable pro-rata entitlement of 1 Loyalty Entitlement Option for every 5 fully paid ordinary shares in the capital of the Company (**Shares**) held on 25 June 2019 (**Record Date**) at an issue price of \$0.005 each (**Entitlement Offer**).

Pursuant to the Entitlement Offer, the Company will issue up to 241,440,105 Loyalty Entitlement Options to raise up to \$1,223,891 (before costs). Shares issued on exercise of Loyalty Entitlement Options will rank equally with other fully paid ordinary Shares.

There is no applicable shortfall offer and the Entitlement Offer is not underwritten.

As at the close of trading on 19 June 2019, the Company's Share trading price is at \$0.011. This means that the Options to be issued pursuant to the Entitlement are 'out of the money' as each class has an exercise price of \$0.022. The Company and its directors do not warrant that the Options will come 'into the money' or the future performance of the Company.

**Use of proceeds**

Subject to the satisfactory completion of the Entitlement Offer, the proceeds raised will be used for continuing the Tiris Uranium Project and Haggan Vanadium Project and for general working capital purposes.

**Prospectus**

Details of the Entitlement Offer are contained in the Prospectus that was lodged with ASIC today. The Prospectus can be accessed from the ASX website ([www.asx.com.au](http://www.asx.com.au)) and the Company's website ([www.auraenergy.com.au](http://www.auraenergy.com.au)).

## Effect on Capital Structure

The table below sets out the impact of the rights issue on the Company's capital structure:

	Number of Shares	Number of unlisted options	Number of listed options	Performance rights
Balance at the date of this Prospectus <sup>1</sup>	1,223,891,343	169,236,144 <sup>2</sup>	Nil	32,500,000 <sup>3</sup>
Loyalty Options to be issued pursuant to Loyalty Options Offer	Nil	7,825,005	Nil	Nil
Listed Options to be issued pursuant to Listed Option Offer	Nil	Nil	13,041,670	Nil
Maximum number of Loyalty Entitlement Options issued under the Entitlement Offer	Nil	241,440,105	Nil	Nil
Total <sup>4</sup>	1,223,891,343	418,501,254	13,041,670	32,500,000

### Notes:

1. Includes the issue of 13,687,500 under the SPP and 25,437,500 under the Placement.
2. Comprising 106,736,144 Options exercisable at \$0.033 on or before 30 September 2019.
3. Comprises 17,500,000 vesting on 30 November 2019 and 15,000,000 Performance Rights vesting in three tranches:
  - a. 4,950,000 Performance Rights on 17 June 2019;
  - b. 4,950,000 Performance Rights on 17 June 2020; and
  - c. 5,100,000 Performance Rights on 17 June 2021.
4. Assumes no Options are exercised prior to the record date the Entitlement Offer is fully subscribed.

### Ineligible shareholders

A shareholder registered on the Record Date whose registered address is outside Australia or New Zealand (**Ineligible Shareholders**) will not be eligible to participate in the Entitlement Offer.

As you are not eligible to participate in the Entitlement Offer you will not be sent a copy of the Prospectus. This decision has been made pursuant to ASX Listing Rule 7.7.1(a) after taking into consideration the costs of complying with legal and regulatory requirements in jurisdictions outside Australia and New Zealand compared with the small number of Ineligible Shareholders and the number and value of new Shares to which they would otherwise be entitled.

### Actions required of Ineligible Shareholders

This notice is to inform you of the Entitlement Offer and that you will not be eligible to participate in the Offers. You are not required to do anything in respect to this letter.

For all enquiries concerning the Entitlement Offer, please contact the Company on (03) 9516 6500 and for all general shareholder enquiries, please contact Computershare Investor Services Pty Limited on 1300 850 505 (within Australia) or +613 9415 4000 (outside Australia).

Yours sincerely,

John Madden  
Company Secretary