

AURA ENERGY LIMITED
ACN 115 927 681
NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: Friday, 14 August 2020
DATE: 11:00 am (AEDT)
PLACE: 34-36 Punt Road, Windsor, VIC 3181

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Board of Directors has determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 11.00 am (AEST) on 12 August 2020.

**A MAJORITY OF THE
BOARD OF DIRECTORS
RECOMMENDS THAT**

**SHAREHOLDERS VOTE
AGAINST ALL RESOLUTIONS**

DIRECTORS' STATEMENT

14 July 2020

Dear Shareholder

On 23 June 2020, ASEAN Deep Value Fund submitted yet another s.249D requisition for a shareholders meeting to remove and add new directors to the Board.

This request has been lodged despite losing all six resolutions a recent s.249D EGM where the proposers included Directors based in Panama. It is not surprising that Aura shareholders, sensibly, voted against all those resolutions. It is also noteworthy that these Panamanian's have not been proposed as directors at this meeting.

Again, shareholders will be asked to cast votes for ASEAN's repeated request for Board renewal. Again, Aura's Directors believe firmly that ASEAN are NOT acting in the best interest of shareholders and has another hidden agenda that will unreasonably benefit ASEAN.

The Board of Directors, management and technical staff in Africa, Europe and the UK have worked hard, over many years, and continue to do so, to foster strong business relationships for development of the company's asset base. One of the Aura Board's key concern's is that the asset base may be lost given ASEAN lack of resources, corporate or listed company experience. This will expose shareholders to a major risk for no legitimate declared reason. Particularly as the technical team has indicated that it will not continue if these Board changes succeed.

The majority of the Board of Directors, comprising Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins believe firmly that it is in the best interests of you, the shareholders of the Company to allow your present directors who have a clear, achievable plan for a profitable future for the Company, to **vote AGAINST all six resolutions**.

Summary

The key points your Board of Directors requests that you take carefully into account, when considering the resolutions proposed by ASEAN to replace three experienced directors with three effectively unknown candidates, are as follows:

- The Company has developed a strong and clearly understood strategy:
 - Advance the Tiris Uranium Project to development
 - Separately list its gold and vanadium assets
- **In line with that strategy Aura recently announced a C\$4.5 million gold funding deal to advance its gold assets which values the gold assets, on a 100% basis, at C\$9 million (or A\$9.6 million). The value of Aura on the AIM in London has more than doubled since this announcement - \$20 million – on the AIM market. The Board of Directors fear this transaction, if the resolutions are passed, may result the loss of the gold transaction and the technical team have indicated they**

will leave the Company if the resolutions are passed and effective leave the Company no staff.

- ASEAN has never, in any of the s.249D requisitions outlined its strategy or business plan for the company and the board of directors believe it does not have a strategy and additionally is incapable of such a strategy given their limited experience
- ASEAN's only definitive plan is to incur a A\$26 million royalty (more than the current total value of Aura) as a fee for a \$3 million convertible note.
- The disclosure of that this proposed royalty was the key reason the Aura Board of Directors to reject all ASEAN proposals from that point on. The Board of Directors interpreted this to be a blatant attempt by ASEAN to transfer future wealth from Aura Energy shareholders for the benefit of itself or its backers. Directors cannot and will not accept this action
- The business impact of these ASEAN proposed board changes succeeding could be extremely negative as:
 - The replacement convertible note they have proposed would be financially devastating for the Tiris Project to bear and in turn for the company.
 - The highly experienced technical have indicated they will not continue with the company if ASEAN is successful
 - The new gold deal may be placed in jeopardy.
 - Create very high risk for the Tiris project given the board and managements current relationships with the Government of Mauritania
 - Create high risk for the Häggån Vanadium Project given Aura's local Swedish relationships
- ASEAN rejected Aura's good faith negotiations where the company offered board seats and several other concessions. They only want complete control whilst only controlling 15% of the company shares
- ASEAN and its proposed Directors have still not revealed their true relationship to the previously proposed Panamanian Directors. This is deeply concerning to the current Aura Directors as if they are successful in this meeting, they may take step to appoint these Directors at a later stage
- Aura decided to make an application to the Takeovers' Panel given its deep concern about the conduct of ASEAN on several fronts and its relationship to other parties including existing director John Bennett. This concern remains current
- Aura maintains none of these Directors have the skills or experience to progress the Aura Energy development plan

In the interests of the Aura business and all shareholders the majority of the Board of Directors continues to recommend Shareholders vote against all these resolutions.

Background

On 17 February 2020, the Company received a letter from Mr John Bennett pursuant to article 12.3 of the Constitution requiring the Company to convene a general meeting of shareholders at which to consider and vote on resolutions for:

- The election of Mr Florian Hoertlehner of Panama as a Director
- The election of Mr Florian Bauer of Panama as a Director
- The election of Mr Hendrik Delen, a neighbour of John Bennett's, as a Director

Mr Bennett was elected as a director on 7 January 2020 following a shareholders meeting requested by Pre-emptive Trading Pty Ltd, which Mr Bennett owns and controls ("Pre-emptive Trading"), which company holds approximately 3% of the shares in the Company.

On 20 February 2020, the Company received a notice under section 249D of the Corporations Act from ASEAN Deep Value Fund ("ASEAN"), which holds approximately 15% of the capital, requesting the Company call a general meeting of shareholders to consider and vote on resolutions for:

- The election of Mr David Eric Roes as a Director
- The election of Mr Raymond Gin as a Director
- The election of Mr David Peter O'Neil as a Director

The meeting was originally to be held on Tuesday 14 April 2020, but the Board of Directors deferred the meeting in order to comply with the National Cabinet requirements for all Australians to adhere to social gatherings and social distancing under the Coronavirus pandemic.

Mr Bennett and ASEAN displayed no interest in abiding by these decisions of the National Cabinet and demanded that the meeting be held by any means, which would enable them to take control of the Company. The Board of Directors held the meeting on 21 May 2020 and at this meeting **none of above nominees of Mr Bennett and ASEAN were elected to the Board of Directors**. Indeed, the Board of Directors were informed that ASEAN, in part, abstained in voting for its own nominee Mr Raymond Gin.

Reason for this meeting

On 23 June 2020, ASEAN submitted another s.249D requisition for a shareholders meeting. In compliance with the above requisition, the Company has issued this Notice of Meeting which includes the following items of special business:

- | | |
|--------------|--|
| Resolution 1 | Removal of Peter Desmond Reeve as a director of the Company |
| Resolution 2 | Removal of Robert Beeson as a director of the Company |
| Resolution 3 | Removal of Julian Christopher Perkins as a director of the Company |
| Resolution 4 | Appointment of David Eric Roes as a director of the Company |
| Resolution 5 | Appointment of David Peter O'Neil as a director of the Company |
| Resolution 6 | Appointment of Raymond Gin as a director of the Company |

The meeting of shareholders is to be held on Friday, 14 August 2020.

The majority of the Board of Directors, comprising Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins, believe that it is in the best interest of the Company and all shareholders to **vote AGAINST all six resolutions.**

The majority of the Board of Directors note that director Mr JL Bennett is in favour of all the resolutions.

The Board of Directors' reasons for making this recommendation are as follows:

- **The Company has developed a strong and clearly understood strategy to advance its Tiris Project to development and to separately list its gold and vanadium assets.**
- **The Company has recently announced a joint venture with Chilean Metals Inc to advance its gold assets which values the gold assets, on a 100% basis, at C\$9 million (or A\$9.6 million).**
- **ASEAN has never put forward any strategy on creation of shareholder value in extraordinary and difficult market conditions and the Board of Directors believes that it is incapable of such a strategy.**
- **The conduct of ASEAN is completely disruptive and shows that it does not consider the interests of shareholders as a whole but its own self-interest to control the Company by having a majority of the Board of Directors.**
- **This second s.249D requisition from ASEAN is “sour grapes” as its nominees (and those of Mr JL Bennett) were rejected by shareholders at the general meeting on 21 May 2020. Will a rejection by shareholders of the resolutions ASEAN has put forward for this Notice of Meeting result in a third s.249D requisition?**
- **The Board of Directors has, in the past, met with representatives of ASEAN and through these s.249D requisitions requested information on the experience of ASEAN in relation to geology, mining, metallurgy, community relations and mining development and ASEAN has failed to provide any information that shows its representatives have any such relevant experience in the mining industry as their backgrounds are solely in financial services.**
- **The Company has an experienced management team and any loss or reduction, of the current management team would have a severe negative impact on the development of the projects of the Company and the relationships developed with the Mauritanian and Swedish governments and partners.**
- **The Company notes that ASEAN continues to put forward the same argument that the remuneration of Mr PD Reeve needs to be restructured. The Board of Directors has addressed this issue and therefore the position taken by ASEAN in its explanatory statement can be dismissed as irrelevant. Mr Reeve has agreed to remuneration of \$280,000 plus superannuation and other benefits set out in his contract of employment whilst the Company for the foreseeable future. Non-executive directors have deferral any cash remuneration as well.**

- The Company also notes that ASEAN now claims that the Company Secretary is a person whose remuneration is considered to be too high; however, it does not disclose in its explanatory statement the note attached to the remuneration report in the 2019 Annual Report where the Company states clearly that the Company Secretary spent approximately 12 weeks in Mauritania during the 2019 financial year which extended his 3-4 day a week arrangement to a 7-day a week working environment.
- The Company notes the selective use by ASEAN of remuneration figures which include share-based payments that are valued in accordance with an Australian Accounting Standard. ASEAN again shows its cavalier use of information about the Company to present a distorted argument to shareholders.
- The Company refers shareholders to the extraordinary terms of the proposed convertible note that ASEAN put forward to replace an existing convertible note facility. ASEAN has never stated in its explanatory statements whether it will pursue this convertible note facility to fund the Company. Shareholders will recall the facility requiring the Company to pay a US\$17 million (~A\$26 million) royalty on the A\$3-4 million note (with a coupon rate attached to this note), and a finder's fee of 5% of the face value of the convertible note.
- The Company rejected further discussions with ASEAN on the convertible note primarily due to the refusal of ASEAN to disclose the party or parties that were to provide the facility which amounted to a fundamental breach of the principles of "know-your-client." The Company notes from discussions with Henslow Capital that it was led to believe that the "party" was an individual; however, a letter to shareholders in March 2020 indicated that the "party" to the convertible note was an investment bank. The Company was extremely concerned by ASEAN's secrecy surrounding an obligation of the Board of Directors to conduct any negotiation for such an important financing facility in a commercial and transparent manner.
- The Company notes that the letter sent to shareholders by Mr DP O'Neil for the previous s.249D requisition for a shareholders meeting (which did not display a letterhead and was undated), alarmingly, did not disclose the fact that ASEAN was to receive a finders' fee for arranging the facility.
- The Company also notes in the current explanatory statement from ASEAN a constant reference to governance processes. The Company forwarded to ASEAN a Letter of Appointment prior to the previous s.249D requisition for a shareholders meeting which ASEAN refused to accept and informed the Company that the Letter of Appointment required amendments. ASEAN failed to understand that the Letter of Appointment was prepared in accordance with the Corporate Governance Principles and Recommendations required by all entities listed on the Australian Securities Exchange. The failure by ASEAN to share with the Company at that time its proposed amendments displays a complete lack of understanding of what is required of directors of a listed entity in Australia.
- None of the ASEAN nominees has displayed any knowledge of the Australian Corporations Act and Australian Securities Exchange Listing Rules. The Company notes that it sent to Messrs Gin, O'Neil and Roes, at their nominated

addresses, s.672A Tracing Notices on 7 May 2020 and has not received any response.

- The Company notes that ASEAN participates in social media where it makes derogative remarks about the Company, its directors and management as well as providing rudimentary valuations of the Company. The Board of Directors regards this practice as totally unprofessional and inappropriate behaviour for a director or a potential director.
- Over the Australia Day weekend earlier this year, the Company E-mailed and attempted to speak to representatives of ASEAN in relation to its proxy votes for the general meeting of shareholders on Friday 31 January 2020. The Company also contacted the Australian Securities Exchange in relation to the negative vote by ASEAN which had the potential for the Company to be declared in default of its convertible note facility. The Board of Directors believed that ASEAN had not read the numerous cleansing statements and notices of meeting which set out the terms and conditions of the convertible note facility and that it had to virtually refer ASEAN to the exact page in the notice of meeting which set out the implications of its decision to vote against two specific matters relating to the convertible note.
- The Company notes that ASEAN has complained to the Australian Securities Exchange with regard to the convertible note facility; however, it has made this complaint with complete knowledge of the convertible note facility and has continued to trade in shares in the Company notwithstanding the fact that it had complete knowledge of the convertible note facility. However, ASEAN appeared to realise in advance that its nominees might not be successful at the general meeting on 21 May 2020 and so it raised its complaint.
- The Company conducted a private placement of shares to sophisticated and professional investors in February 2019. The Company was later forced to issue an announcement to the market that two subscribers had failed to honour the irrevocable acceptance to subscribe to the shares.
- The Company had offered ASEAN the opportunity to participate in the above-mentioned private placement but was informed that the ASEAN investment model did not include participating in equity raisings of the entities that form part of its investment strategy. The failure to raise the full amount subscribed to in the private placement meant that the Company was required to arrange funding with some urgency and limited opportunities and that was why it entered into the convertible note facility. The Board of Directors believed that the Company and therefore, shareholders had little choice but to enter into the convertible note facility in order to complete the Tiris feasibility study and the Haggan drilling campaign.
- The Company notes that ASEAN's determination of a dilution in the share price begins from a period when ASEAN was not a shareholder, which shows the arbitrary manner in which it distorts information to suit its position. ASEAN was not a shareholder at the date of the calculation of the dilution. The Board of Directors acknowledges the decline in the share price in recent years which can largely be attributed to uranium prices having not recovered and an abrupt

decision by the Swedish Government to ban uranium mining. The Board of Directors has in recent days displayed its decision to diversify the exploration portfolio with its gold assets being valued on a 100% bases at almost the same value as the Company on the 18 May 2020.

- The Company took the extraordinary step to go to the Takeovers' Panel concerning ASEAN's activities due to information that it had identified since February this year. The Company wishes to advise shareholders that it identified that Mr Florian Hoertlehner, a German citizen residing in Panama and a nominee of Pre-emptive, had a working relationship with Mr Roes, an executive officer of ASEAN, which was not disclosed at the time of the meeting.
- There has been in recent months share purchases in the Company by parties who are unknown to the Company.
- All of the proposed nominees of ASEAN are non-residents of Australia and, as the Company noted with the previous s.249D requisition brought by ASEAN, concern was expressed by shareholders that the Board of Directors would not then be composed of a majority of Australian citizens and would represent parties to a fund (ASEAN) which there is very little information in the public domain as a Cayman island entity.

It is for these reasons the Board of Directors seeks your support by voting AGAINST all six resolutions at the General Meeting.

As the Board of Directors has demonstrated in recent days with its gold joint venture, it is implementing a strategy to improve shareholder value in an extraordinarily difficult environment and the conduct of ASEAN is undermining the Company, diverting that attention of directors from their duties to serve you and incurring significant cost for repeated EGMs.

Yours sincerely

Peter Reeve
Executive Chairman

Robert Beeson
Non-Executive Director

Robert Craigie
Non-Executive Director

Paul Heber
Non-executive Director

Julian Perkins
Non-executive director

NOTICE OF GENERAL MEETING AND AGENDA

Notice is hereby given that a general meeting of Aura Energy Limited (the “Company”) will be held at Level 1, 34-36 Punt Road, Windsor, Victoria, 3181 on Friday, 14 August 2020 commencing at 11.00 am Australian Eastern Standard Time (“AEST”) (“Meeting”).

The Explanatory Memorandum that accompanies and forms part of this Notice of General Meeting provides additional information on matters to be considered at the Meeting. The Proxy Forms also form part of this Notice of General Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 11:00 pm AEST on Wednesday, 12 August 2020.

Shareholders are urged to vote by attending the Meeting in person or by returning a completed Proxy Form. Instructions on how to complete the Proxy Form are set out in the Explanatory Memorandum.

Proxy Forms must be received by no later than 11.00 am AEST on Wednesday, 12 August 2020.

Terms and abbreviations used in this Notice of General Meeting and Explanatory Memorandum are defined in the Glossary of the Explanatory Memorandum.

Shareholders should read the Explanatory Memorandum before deciding how to vote.

AGENDA

Resolution 1: Removal of Peter Desmond Reeve as a Director



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That, in accordance with section 203D of the Corporation Act 2001 (Cth), Mr Peter Desmond Reeve, having consented to act, be removed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of directors recommends that you vot AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 1.

Resolution 2: Removal of Dr Robert Beeson as a Director



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That, in accordance with section 203D of the Corporation Act 2001 (Cth), Dr Robert Beeson, having consented to act, be removed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of Directors recommends that you vot **AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 2.

Resolution 3: Removal of Mr Julian Christopher Perkins as a Director



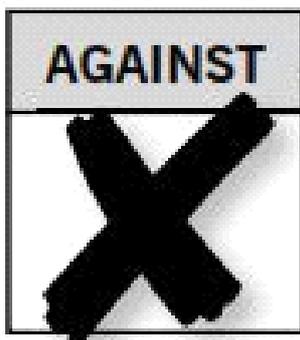
To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That, in accordance with section 203D of the Corporation Act 2001 (Cth), Mr Julian Christopher Perkins, having consented to act, be removed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of Directors recommends that you vot **AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 3.

Resolution 4: Election of Mr David Eric Roes as a Director



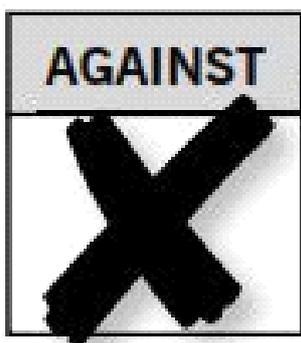
To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr David Eric Roes, having consented to act, be appointed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of Directors recommends that you vot **AGAINST** this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 4.

Resolution 5: Election of Mr David Peter O'Neil as a Director



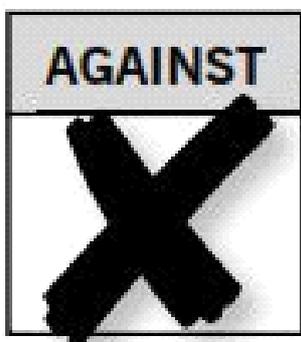
To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr David Peter O’Neil, having consented to act, be appointed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of Directors recommends that you vot AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 6.

Resolution 6: Election of Mr Raymond Gin as a Director



To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

“That Mr Raymond Gin, having consented to act, be appointed as a director of the Company with effect from the end of the General Meeting of the Company at which this resolution is passed.”

The majority of Directors recommends that you vot AGAINST this resolution.

The Chairman intends to vote all undirected proxies **against** Resolution 5.

Proxies, attorneys and corporate representatives

A member entitled to attend and vote at the Meeting may appoint a proxy, attorney or representative to give its vote and, if entitled to cast two or more votes, is entitled to appoint no more than two proxies. If two proxies are appointed, each proxy may be appointed to represent a specified proportion of the member’s voting rights.

If such proportion is not specified, each proxy may exercise half of the Shareholder’s voting rights. Fractions shall be disregarded. A proxy may, but need not be, a member of the Company and a member may appoint an individual or a body corporate to act as its proxy.

The instrument appointing the proxy must be in writing, executed by the appointor or his attorney duly authorised in writing or, if such appointor is a corporation, executed in accordance with the Corporations Act.

Proxy forms and, if applicable, the powers of attorney (or a certified copy of the powers of attorney) under which they are signed must be lodged directly by the member making the appointment at least 48 hours before the appointed time of the Meeting.

Lodgement details for proxy forms are as follows:

Post	Aura Energy Limited Level 1, 34-36 Punt Road Windsor, VIC, 3181
Hand Delivery	Aura Energy Limited Level 1, 34-36 Punt Road Windsor, VIC, 3181
Facsimile	+61 (3) 9516 6565
Email	info@auraenergy.com.au

Voting

The Chairman intends to put each Resolution that is moved at the Meeting to a poll. Voting results will be announced to the ASX as soon as practicable after the Meeting.

Entitlement to attend and vote

All Shareholders may attend the Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001 (Cth)* that the persons eligible to vote at the Meeting are those who are registered as Shareholders of the Company at 11:00 am AEST on Wednesday 12 August 2020. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

ASX

A final copy of this Notice of General Meeting and Explanatory Memorandum has been lodged with ASX. Neither ASX nor any of its respective officers takes any responsibility for the contents of this document.

By order of the Board:



JM Madden
Company Secretary
14 July 2020

EXPLANATORY MEMORANDUM

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting of the Company to be held at Level 1, 34-36 Punt Road, Windsor, Victoria, 3181 on Friday, 16 April 2020 commencing at 11:00 pm AEST.

The purpose of this Explanatory Memorandum is to explain the background to the Meeting and the Resolutions, and to provide information that the Board of Directors considers material to Shareholders in relation to the Resolutions.

The Company recommends that Shareholders read this Explanatory Memorandum and Directors' Statement (which is included in this Notice of General Meeting) before making any decisions in relation to the Resolutions.

Background

On 23 June 2020, the Company received a notice under section 249D of the Corporations Act from ASEAN Deep Value Fund ("ASEAN"), a member of the Company with at least 5% of the votes that may be cast at a general meeting, requesting the Company to call a general meeting to consider and vote on resolutions for:

- the removal of Peter Desmond Reeve as a director
- the removal of Robert Beeson as a director
- the removal of Julian Christopher Perkins as a director
- the election of Mr David Eric Roes as a Director
- the election of Mr Raymond Gin as a Director
- the election of Mr David Peter O'Neil as a Director

Directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend that shareholders vote against all six Resolutions.

Director John Bennett recommends that Shareholders vote in favour of all resolutions.

Voting by the majority of Shareholders in accordance with the recommendation of directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins will result in a Board of Directors comprising Mr Peter Reeve, Dr Robert Beeson, Mr John Bennett, Mr Robert Craigie, Mr Paul Heber and Mr Julian Perkins.

Similarly, voting by the majority of Shareholders in accordance with the recommendation of ASEAN will result in a Board of Directors comprising Mr John Bennett, Mr Robert Craigie, Mr Raymond Gin, Mr Paul Heber, Mr David Peter O'Neil and Mr David Eric Roes.

Frequently asked questions

<p>On what basis has ASEAN called the Meeting to have Resolutions considered and voted on for the removal from the Board of Messrs Reeve and Perkins and Dr Beeson and the election to the Board of Messrs Roes, O’Neil and Gin?</p>	<p>Any shareholder (or group of shareholders) holding more than 5% of the votes that may be cast at a general meeting is entitled to call and arrange to hold a general meeting to have resolutions considered and voted on.</p> <p>Six resolutions are being put before the Meeting as a result of a request from ASEAN which, in aggregate, holds more than 5% of the Company’s shares.</p>
<p>Why does ASEAN wish to elect Messrs Roes, O’Neil and Gin to the Board?</p>	<p>ASEAN has provided a statement under section 249P of the Corporations Act (“Requisitioning Shareholders’ Statement”) which is included in this Notice of General Meeting and which sets out its reasons for seeking to elect Messrs Roes, O’Neil and Gin to the Board.</p> <p>Directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins disagree with the reasons set out by ASEAN.</p>
<p>Why do Directors Reeve, Beeson, Craigie, Heber and Perkins recommend shareholders vote against all Resolutions?</p>	<p>Directors Peter Reeve, Bob Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend shareholders vote against all Resolutions for the reasons set out in the Directors’ Statement to Shareholders which is included in this Notice of General Meeting.</p>

Further information

If you have questions about the Meeting or the Resolutions to be voted on, please call the Company information line on 61 (0) 400 887 001 or 61 (0) 417 377 114 Monday to Friday between 10.00 am and 4:00pm AEST.

Important dates and times

<p>Last time/date for receipt of valid proxies</p>	<p>11.00 am (AEST) on Wednesday, 12 August 2020</p>
<p>Record time/date to determine Shareholders eligible to vote</p>	<p>11.00 am (AEST) on Wednesday, 12 August 2020</p>
<p>Meeting</p>	<p>11.00 am (AEST) on Friday, 14 August 2020</p>

Nature of Resolutions

All of the Resolutions are ordinary resolutions, meaning they can be passed by a simple majority of votes cast by Shareholders entitled to vote.

Special Business

Resolution 1 – Removal of Mr Peter Desmond Reeve as a Director

Resolution 1 relates to the removal of Peter Desmond Reeve as a Director.

Mr Reeve has Bachelor of Science degree (Metallurgy) and has been board member since 13 July 2013 with over 30 years' experience including positions with Rio Tinto, Billiton Australia and Newcrest Mining as well as experience as a Resource Fund Manager and Resources Corporate Finance Director at J B Were and Son. Mr Reeve was Chief Executive Officer of Ivanhoe Australia Ltd until its acquisition by Rio Tinto following the latter's acquisition of Ivanhoe Inc in Canada.

Mr Reeve holds 44,718,204 shares in the Company.

Information as to why directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the removal of Mr Reeve as a Director is set out in detail in the Directors' Statement which is included in this Notice of General Meeting.



*Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold **AGAINST** the removal of Mr Reeve.*

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

Resolution 2 – Removal of Dr Robert Beeson as a Director

Resolution 2 relates to the removal of Dr Robert Beeson as a director.

Dr Beeson has Bachelor of Science (Honours) and PhD in science and is a Member of the Australian Institute of Geoscientists and has been a member of the Board of Directors since 31 March 2006, the date of the founding of the Company.

Dr Beeson is a geologist with over 35 years of global experience in uranium and other commodity management, exploration and development. He managed the deals and targeting that led to the discoveries of the Tiris Uranium, Haggan Vanadium and Tasiast South Gold discoveries and their initial evaluations.

Dr Beeson holds 3,129,071 ordinary shares directly in the Company and 2,820,366 ordinary shares and 166,667 options over ordinary shares indirectly in the Company.

Information as to why directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the removal of Dr Beeson as a director is set out in detail in the Directors' Statement which is included in this Notice of General Meeting.



Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold AGAINST the removal of Dr Beeson.

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

Resolution 3 – Removal of Julian Christopher Perkins as a Director

Resolution 3 relates to the removal of Julian Christopher Perkins as a director.

Mr Perkins has a Master of Science degree (Imperial College of Science and Technology) and is an Associate of the Camborne School of Metalliferous Mining (Honours), a fellow of the Australasian Institute of Mining and Metallurgy; a Graduate of the Australian Institute of Company Directors and a member of the Board of Directors since 7 June 2011.

Mr. Perkins has over 50 years' experience in operations and management with major companies in the international minerals industry. He was Manager of Mining and Technology (Australia) for AngloGold Ashanti Ltd, until 2006. His career includes operating and management roles on the Zambian Copperbelt, leading the mineral processing department at Shell Research in the Netherlands before returning to corporate management in Australia.

He was Chairman of Parker Centre Ltd for Hydrometallurgy from 2006 to 2012 and previously a director of the CRC Mining and of the Australian Centre for Mining Environmental Research.

Mr Perkins holds 3,799,490 ordinary shares and 500,000 options over ordinary shares indirectly in the Company.

Information as to why directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the removal of Mr Perkins as a director is set out in detail in the Directors' Statement which is included in this Notice of General Meeting.



Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold AGAINST the removal of Mr Perkins.

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

Resolution 4 – Election of Mr David Eric Roes as a Director

Resolution 4 relates to the appointment of Mr David Eric Roes as a director.

ASEAN has provided the following information concerning Mr Roes:

- He was born in New York in 1966.
- His usual residential address is Hong Kong.

- He is a director and the Chief Executive Officer of ASEAN Investment Management and ASEAN Investment Advisors Limited and indirectly a substantial shareholder in the Company.
- His only other public listed company directorship is that of Asia-Pacific Investment Joint Stock Company which is listed in Vietnam.

The Company is not in a position to verify any of this information.

The Company sent a s.672A Tracing Notice to Mr Roes and did not receive a response and therefore it is not aware of Mr Roes holding any Shares or Options in the Company.

Information as to why Directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the appointment of Mr Roes as a director is set out in detail in the Directors' Statement which is included in this Notice of General Meeting.



*Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold **AGAINST** the election of Mr Roes.*

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

Resolution 5 – Election of David Peter O’Neil as a Director

Resolution 5 relates to the appointment of Mr David Peter O’Neil as a director.

ASEAN has provided the following information concerning Mr O’Neil:

- He was born in New Zealand in 1972.
- His usual residential address is Jakarta, Indonesia.
- He is a director of ASEAN Deep Value Fund; a director, the ultimate shareholder and Chief Investment Officer of ASEAN Investment Management and ASEAN Investment Advisors Limited and indirectly a substantial shareholder in the Company.
- His has no other public listed company directorships.

The Company is not in a position to verify any of this information.

The Company sent a s.672A Tracing Notice to Mr O’Neil and did not receive a response and therefore, it is not aware of Mr O’Neil holding any Shares or Options in the Company.

Information as to why directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the election of Mr O’Neil as a Director is set out in detail in the Directors' Statement which is included in this Notice of General Meeting.



Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold AGAINST the election of Mr O’Neil.

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

Resolution 6 – Election of Mr Raymond Gin as a Director

Resolution 6 relates to the appointment of Mr Raymond Gin as a director.

ASEAN has provided the following information concerning Mr O’Neil:

- He was born in New Zealand in 1965.
- His usual residential address is Auckland, New Zealand.
- He “is a retired fund manager with 20 years of Asian experience. He oversaw US\$3 billion of assets in Indonesia, with considerable experience in assessing mining companies.”
- He has no public listed company directorships.

The Company is not in a position to verify any of this information.

The Company sent a s.672A Tracing Notice to Mr Gin and did not receive a response and therefore, it is not aware of Mr Gin holding any Shares or Options in the Company.

Information as to why directors Peter Reeve, Robert Beeson, Robert Craigie, Paul Heber and Julian Perkins recommend Shareholders vote **against**, and will be voting all the Shares they hold **against**, the election of Mr Gin as a director is set out in detail in the Directors’ Statement which is included in this Notice of General Meeting.



Directors Peter Reeve, Robert Beeson and Julian Perkins do not support this Resolution and will be voting all the Shares they hold AGAINST the election of Mr Gin.

Directors Robert Craigie and Paul Heber do not hold shares in the Company at the date of the meeting.

COMPANY STATEMENT

A MAJORITY OF THE BOARD OF DIRECTORS RECOMMENDS THAT SHAREHOLDERS VOTE AGAINST ALL SIX RESOLUTIONS

- **THE BOARD OF DIRECTORS HAS A STRONG WELL-ARTICULATED PLAN FOR ADVANCING THE DEVELOPMENT OF THE TIRIS URANIUM PROJECT INTO PRODUCTION.**

The Board of Directors and the management team have a demonstrated track record of successful discovery of mineral deposits and their management through to the early development stages. The Company also has deep collective experience of international mine development and operation and has used this to develop a sound strategy and practical plan to bring Tiris into profitable operation as soon as the uranium price allows an acceptable return on the investment. This and actions on other assets will drive the Company's share price in the future.

ASEAN has provided no plan for the development of the Tiris Project, does not possess the necessary skills, experience and networks to do so and none of the proposed new directors has any relevant knowledge of the industry that they purport to become stewards to.

The Board of Directors, to date, has:

- Secured the Exploitation License from the Mauritanian Government, enabling the Company to prepare for development swiftly and with confidence when the uranium price recovers.
- Secured an Offtake Agreement at a good price for a small portion of future Tiris uranium production, which still allows exposure of the remainder to higher future uranium prices
- Advanced metallurgical test-work to that required for detailed process design and engineering, including producing the first ever Mauritanian yellowcake. Studies have commenced into the recovery of vanadium as a by-product.
- Completed the Definitive Feasibility Study, a major effort for a tiny company, which demonstrated that the Project had excellent financial metrics and is one of the most compelling uranium development projects in the world.
- Advanced ongoing negotiations to obtain low-cost Export Credit Finance, planned to be a major part of the financing for the Tiris Uranium Project.
- **THE BOARD OF DIRECTORS HAS A CLEAR STRATEGY FOR THE EXPLORATION, DEVELOPMENT AND FINANCING OF ITS MAURITANIAN GOLD ASSETS.**

The recent announcement by the Company to form a joint venture with Chilean Metals Inc for the development of its Mauritanian gold tenement assets displays the effectiveness of the Board of Directors' strategy to create significant shareholder value in extraordinarily difficult market conditions. More importantly, the transaction has been generated through personal

relationships in England and Canada and the present actions and aspirations of ASEAN will undermine and may result in the failure of this important transaction.

- **THE BOARD OF DIRECTORS HAS A CLEAR STRATEGY FOR THE EXPLORATION, DEVELOPMENT AND FINANCING OF ITS SWEDISH HÄGGÅN VANADIUM RESOURCE.**

The Board of Directors and management team, having successfully advanced its original Häggån Uranium Project towards prefeasibility stage, reacted skilfully and decisively to the sudden decision by the Swedish Government in 2018 to ban all uranium exploration and mining with immediate effect, by converting the Company's huge multi-element resource into a new vanadium battery metal project.

Since then, to date, the Board of Directors has:

- Defined a large and exciting high-grade vanadium mineralised zone.
- Completed a detailed Scoping Study.
- Completed an initial programme of metallurgical test-work, achieving very strong recoveries and product quality.
- Advanced investigation into mechanisms to separately list the Häggån Project and to secure third-party funding for the next stage of development.

Challenged the decision of the Swedish Government not to compensate the Company for the shareholders' funds that were sunk into the Häggån Uranium Project up to the time of its ban on uranium deposit exploitation. The Company has lodged a claim pursuant to the Energy Charter Treaty against the Kingdom of Sweden seeking compensation. The claim is for a significant sum of money. The Board of Directors will advance this claim firmly but courteously in order to protect what was lawfully granted and then confiscated without compensation.

ASEAN has not proposed a strategy for the Häggån Vanadium Project and to date has not expressed any interest in it. The Explanatory Statement provided by ASEAN is completely silent about Häggån presumably because it fundamentally does not have the skill or the experience to coherently put forward any such strategy.

- **THE NOMINEES OF ASEAN DO NOT HAVE ANY SKILLS OR EXPERIENCE REQUIRED TO PROGRESS A DYNAMIC MINERAL EXPLORATION AND DEVELOPMENT COMPANY AND HAVE NO EXPERIENCE OF GOVERNING AND OPERATING A LISTED ENTITY WHICH OPERATES WITHIN STRICT LEGAL AND REGULATORY BOUNDARIES.**

Messrs Roes, O'Neil and Gin:

- Reside in Hong Kong, Indonesia and New Zealand, respectively, and presently are unable to enter Australia because of the COVID-19 pandemic restrictions.
- Have no exploration, operating, marketing, or management skills and experience in exploration or mining in international jurisdictions.

- Fail repeatedly to respond to formal requests for names of previous employment, directorships of ASX-listed public entities and business history or resumes.
- Maintain a Cayman Island registered entity to conduct their fund for which there is absolutely no transparency about the nature and operation.
- **POTENTIAL LOSS OF THE CURRENT AURA ENERGY TEAM WOULD HAVE A SEVERE NEGATIVE IMPACT ON ADVANCING THE COMPANY'S PROJECTS**

A key asset of the Company or, for that matter, any entity where specialist skills, knowledge or relationships are required, is the key personnel and their relationships within the jurisdictions where they represent their entities.

If the ASEAN resolutions are successful, the Company is likely to lose its key personnel. Their deep knowledge of the projects and relationships with key individuals in Mauritania, Sweden and other countries important for project development will not be replaceable in the short- to medium term which is the period in which the Company needs them to be fully and effectively active. The Company's corporate and technical staff have indicated that, in the event of the Board of Directors becoming controlled by inexperienced persons, they will leave the Company.

The Company's management team has developed close relationships with foreign government officials, communities and its partners and these relationships are critical to the advancement of the projects. There is also real potential for the complete loss of projects due to the constant disruption of project schedules due to the destabilisation of the Company through repeated requisitioning of shareholder meetings.

Progressing these projects not only requires breadth and depth of knowledge and experience in the core resources disciplines such as geology, mining, metallurgy, etc. but also experience operating in the foreign jurisdictions in which they are located.

The Board of Directors, with the exception of one director, and the management team have all the requisite skills, corporate knowledge and historical background to progress these projects efficiently and effectively.

The nominees of ASEAN have no knowledge or experience about these jurisdictions and despite private briefings they have never bothered to ask for more information.

- **THE BOARD OF DIRECTORS HAS ADDRESSED THE REMUNERATION OF ITS KEY EXECUTIVE DIRECTOR**

ASEAN has once again attempted to use the remuneration of the Company's Executive Director as an argument to support its s.249D actions. This is in spite of the fact that it knows that the Board of Directors has acted upon this within the cost-saving package introduced six months ago and which was communicated to shareholders. The Executive Chairman's remuneration package was significantly reduced by agreement and remains so at this time.

Moreover, ASEAN now seeks to manipulate language in the 2019 Annual Report to present a distorted argument about the remuneration to another officer of the Company without having properly read and understood the valid explanation provided in the same document. This is

far from the first time that ASEAN has levelled false accusations at the Company through failure to properly read and understand publicly available documents.

The Company Secretary remuneration referred to in the current ASEAN Statement is inclusive of performance shares based on the application of an accounting standard which represents approximately 28% of the amount recorded as remuneration and the Board of Directors is satisfied that it is legitimate and correct.

ASEAN has again displayed superficial knowledge about the roles of management within the Company but nevertheless it has used incorrect statements in an attempt to shore up its obviously weak case. The Board of Directors wishes to state for the record that the role performed by the Company Secretary during the 2019 financial year, included secretarial and accounting functions in Australia, Mauritania and Sweden, as well as conducting the community consultation programme in Zouerate, Mauritania and completing the documentation of the Farm-in and Joint Venture Agreement with Nomads Mining Company sarl.

• **THE EXORBITANT CONVERTIBLE NOTE PROPOSED BY ASEAN**

The Board of Directors wishes to remind shareholders about the extraordinary terms and conditions proposed by ASEAN for a replacement convertible note to replace the existing facility that the Company secured under great pressure in April 2019 following the failure of two subscribers to the February 2019 Private Placement which denied the Company of \$556,000.

The terms proposed by ASEAN included:

- Principal amount: A\$3 to 4 million
- Interest rate: 15% p.a.
- Term: 24 months
- Buyback terms: 1 year - A\$6 million; 2 years - A\$9 million
- Tiris royalty: US\$1 per pound, which has a value of US\$17 million
- Board composition: Majority of board seats to ASEAN
- Finder's fee: 5% of the note value payable to ASEAN

The Company notes that a letter sent to shareholders in March 2020 failed to disclose that ASEAN was the beneficiary of a significant finders' fee which was not disclosed in that letter.

The board of directors were open to replacing its existing convertible note facility but could not accept terms that would undermine the Company for the Tiris project over its entire life of mine. More alarmingly, the secrecy and lack of transparency displayed by ASEAN during in the negotiation on the party or parties to the convertible note facility was disconcerting.

Henslow Capital, representing ASEAN in discussions, led the Company to believe that the party was an Indonesian individual and the letter sent to shareholders stated that it was an investment bank.

It is a fundamental fiduciary obligation of the board of directors to “know the client” when conducting negotiations on significant financial arrangements and ASEAN failed to comprehend the need for open and transparent discussions.

The board of directors note the constant misunderstanding of ASEAN of the process of exploration to development, where the explorer requires funds with the best form of funding for the explorer being equity finance. The very requirement of equity finance for exploration means that there will be dilution of shareholders because exploration has to be funded. The Company would prefer never to have been forced to arrange a convertible note facility; but work programmes require funding.

With ASEAN pushing an anti-dilution rhetoric in its Explanatory Statement means that a convertible note facility such as that put to the board of directors in January 2020 will emerge again and satisfy the returns for ASEAN but not for all shareholders.

- **ASEAN FAILS TO UNDERSTAND CORPORATE GOVERNANCE**

ASEAN continues to raise issues of corporate governance but fails to understand this very concept in its own conduct.

The fact that the letter sent to shareholders in March 2020 did not disclose the finders’ fee payable to ASEAN is misleading. Further:

- the very failure of each of the three nominees to respond with any communication to the s.672A Tracing Notice sent on 7 May 2020; and
- the failure to adequately respond to the proposed Letter of Appointment with a mere statement that the Letter requirement numerous amendments showed that ASEAN has no knowledge of the role and responsibilities of directors as set out in the Corporate Governance Principles and Recommendations of the Australian Securities Exchange.

The board of directors, in principle agrees with ASEAN on the separation of roles, but there are sound, realistic reasons for the board of directors has merged these roles with the principal reason being cost.

The Company has referred to its desire to separate these roles in its annual Appendix 4G and noted that as its market capitalisation increased (and therefore funding capacity) it would be right and proper to separate the roles.

- **ASEAN ALMOST TRIGGERED DEFAULT WITH THE CONVERTIBLE NOTE**

The Company notes ASEAN statements in relation to the conversion rights of under the convertible holder falling the significant fall in the market capitalisation of the Company. At the date of executing the convertible note facility on 30 April 2019, the board of directors expected the share price of the Company to improve with the Tiris feasibility study to be

published in July 2019 and the Haggan scoping study to be published in September 2019. Accordingly, the market capitalisation was not relevant at the date of execution and the board of directors believed that it would not be a matter of concern going forward.

(The Tiris feasibility was favourably received by the investment community but the continued failure of the uranium price to recover undermined the expectation of the market that the project would proceed to the development phase quickly. The Haggan scoping study matched the expectations of the board of directors but could not satisfy an unpublished requirement of the Australian Securities & Investment Commission. INFO 214 Forward-Looking Statements which sets a market capitalisation to capital cost ratio that the Company could reach and therefore, the significant technical outcomes and economics could not be released.)

The Company; however, wishes to inform shareholders that ASEAN showed that it failed to comprehend many aspects of the convertible note facility itself. Indeed, over the Australia Day weekend, the Company E-mailed and attempted to contact ASEAN directly by telephone that its proxy vote submitted for a general meeting on 31 January 2020 was likely to push the Company into default. ASEAN would not believe the Company that the negative vote on resolutions one and two would have triggered default. At that time, the Company had issued three cleansing statements and two notices of meeting with significant detail covering the default issues and ASEAN either had not read these documents or if it had failed to comprehend its own actions. The Company and the ASX were so concerned that discussions were held as to whether the Company should enter a voluntary suspension until the outcome of the general meeting.

In relation to the conversion rights available to the convertible note holder where the capitalisation of the Company is less than \$9 million, this specific clause has not stopped ASEAN from continuing to buy shares in the Company when the board of directors enhanced its disclosure on 13 March 2020. The board of directors concluded that continued failure of the uranium price to recover coupled with the actions of ASEAN and, at that time Mr JL Bennett, were undermining the Company long-term.

The board of directors note that ASEAN is continuing to buy shares on the market but on the AIM market. The board of directors note that ASEAN disclosed in a recent Form 604 Substantial Shareholder Notice to the Australian market a purchase price in British pence with a reader likely to interpret such a price as Australian cents.

At the date of this announcement, the present market capitalisation on the AIM is \$20 million.

- **THE LONDON RELATIONSHIPS AND THE AIM LISTING COULD BE LOST**

As shareholders are aware, shares in the Company are listed not only on the ASX but also on AIM, the London Stock Exchange's international market for small capitalisations.

This listing cost approximately \$1 million but it was considered to be a prudent course of action given that two major projects of the Company, Tiris and Haggan, are located in jurisdictions (Mauritania and Sweden, respectively) which are far more familiar to the London investment community than their counterparts in Australia.

This has indeed met the expectations of the board of directors as the AIM market has provided approximately 60% of all funds raised since 2016. There are strong indications that AIM will continue provide funds for this Company as the board of directors has developed excellent

relations over the years with institutions and high-wealth European investors. These relationships will disappear if the resolutions put forward by ASEAN are successful.

The Nominated Advisor will undertake its review of the good standing of each nominee and if it determines that a nominee that has been appointed to the Board does not satisfy its expectation of a director it may resign as the Nominated Advisor unless the director sets aside. If the Nominated Advisor resigns the Company will be suspended from trading on the AIM market and unless it secures a replacement Nominated Advisor within 30 days, it will be delisted from the AIM.

- **THE TAKEOVERS' PANEL DECLINED TO GO TO A FULL HEARING OF THE MATTER BUT THE COMPANY RESERVES THE RIGHT TO APPROACH THE TAKEOVERS' PANEL IN THE FUTURE**

The Company identified significant information that made the board of directors extremely concerned with the requisition made by Mr JL Bennett and the requisition of ASEAN.

Mr JL Bennett nominated Mr Florian Hoertlehner, a German citizen residing in Panama who had a working relationship with Mr Roes, a principal of ASEAN, which was not disclosed at the time of the meeting.

REQUISITIONER'S STATEMENT

Dear fellow Aura Energy shareholders,

ASEAN Deep Value Fund (ASEAN), which holds ~15.0% of AEE and has been a net buyer of shares for the past 2 years, has issued a notice under s.203D and s.249D of the Corporations Act to seek to make a selection of Board changes.

This action follows the postponed meeting held on 21 May 2020, where resolutions proposed by ASEAN failed by marginal majorities. ASEAN has concerns that the issuance of shares in the lead up to the meeting may have breached ASX Listing Rules and influenced the outcome of the meeting.

Between the date on which the meeting requisitioned by ASEAN was originally to be held (14th April 2020), and the date the postponed meeting was held (21st May 2020), the Aura Board issued shares representing a 41.6% increase in the company's issued capital

ASEAN has raised its concerns prior to the meeting.

We note that the company has been suspended from trading pending clarification to certain market releases since 18 May 2020.

The current Board authorised and lodged a Takeovers Panel application against ASEAN (and others), **at shareholders' expense, which the Takeover's Panel elected not to pursue on the basis of a lack of a sufficient body of material to justify further enquiries.** These actions are, in ASEAN's view, indicative of Board's willingness to try and prevent ASEAN from seeking to exercise its rights, as a major shareholder, to advocate for change in management culture and governance.

We believe **a reconstituted board is absolutely essential.**

ASEAN is seeking improved corporate governance with director and executive compensation linked to productivity and performance (including shareholder returns).

What do we oppose?

1. A **highly dilutive and destructive stock issuance at a 45% discount** to the previous close, as well as the issuance of stock to the directors, of which some was issued at no cost;
2. Shareholder **dilution by 92% since June 2014** with no substantive change to Aura;
3. Annual combined compensation and expense accounts to Mr Reeve and Mr Madden of over A\$0.9m.

What do we propose?

To materially improve the alignment of shareholder interests with those of the Board.

ASEAN's key issues/concerns:

- a) Compensation to certain Board members, including the company secretary, who we believe has overseen significant breaches of ASX Listing Rules, is considered excessive and not justified in the circumstances of the company.
- b) The Board's continued use of what we consider as, 'last resort' financing which is excessively dilutive and creates negative pressure on the company's share price; and
- c) To ASEAN's knowledge, the Company failed to adequately disclose that the maximum conversion rate of the Lind Global facility (disclosed as \$125,000 per month) did not apply below a certain market capitalisation and that this default clause was in breach prior to the facility being voted on at the end January 2020 meeting.

ASEAN has sought to raise its concerns in discussions with the Board however we do not believe our views have been taken into consideration.

We are therefore again putting forward resolutions to appoint three new Directors to the Aura Board - David Roes, David O'Neil, and Raymond Gin and to remove Mr Reeve, Mr Perkins and Mr Beeson.

David Roes has been active in the financial industry for more than 25 years with experience in commercial banking, strategic planning, and portfolio advisory services.

David O'Neil has worked in the finance industry for over 20 years, with extensive experience in corporate finance, investment analysis and investing in the Asian region.

Raymond Gin is a retired fund manager with 20 years of Asian experience. He oversaw US\$3bn of assets in Indonesia, with considerable experience in assessing and evaluating mining companies.

We believe that the changes required are not only **long overdue** but also **absolutely necessary** to both restore and create value for all stakeholders.

Driven by the continued fall in the share price and the existing discount to peer group pre-production Uranium mine developers, we have taken this step to create a framework under which the key deficiencies can be corrected.

The results of the recent AGM and EGM are a testament to the sentiment of a significant portion of shareholders (and in our view, given the concerns around share issues leading up to the previously requisitioned meeting, a real majority) regarding the Board's decision making and performance.

Ultimately, by shareholders voting in favour of the resolutions ASEAN are putting forward, we are hopeful that over the next 12 months the reconstituted Board will be able to:

- a) Control dilution and achieve financing arrangements which are at higher prices than recent issues and involve longer-term strategic investors;
- b) Implement cost control initiatives in line with other micro-cap companies, and better aligned to shareholder interests, with benefits linked to performance and the creation of shareholder value; and

- c) Focus on securing the equity requirements to advance Tiris towards production, (assuming a sustained recovery in the Uranium market).

We invite shareholders to vote their shares in support of ASEAN's resolutions, to create positive change and join us in creating a successful future for Aura and creating shareholder value for all shareholders.

In summary:

- **We believe that at the next requisitioned meeting, positive change MUST occur;**
- **Long term shareholders will, in our view, prevail;**
- **It is time for change - It is time for wrongs to be made right!**
- **It is time for shareholders to take back their Company**

GLOSSARY

In this Notice of General Meeting and Explanatory Memorandum:

AEST	means Australian Eastern Standard Time.
ASEAN	means ASEAN Deep Value Fund.
ASX	means ASX Limited or the Australian Securities Exchange operated by ASX Limited, as the context requires.
Board	means the Aura Energy Limited Board of Directors.
Chairman	means the Chairman of Aura Energy Limited.
Company	means Aura Energy Limited (ACN 115 927 681).
Constitution	means the constitution of the Company.
Corporations Act	means the <i>Corporations Act 2001</i> (Cth) as amended.
Director	means a director of the Company.
Directors' Statement	means the statement prepared by Mr Peter Reeve, Dr Robert Beeson, Mr Robert Craigie, Mr Paul Heber and Mr Julian Perkins relating to the proposed Resolutions, as set out at the front of this Notice of General Meeting.
Explanatory Memorandum	means this explanatory memorandum.
Meeting	means the general meeting of shareholders of the Company to be held at 1, 34-36 Punt Road, Windsor, Victoria, 3181 on Friday, 14 August 2020 commencing at 11.00 am AEST.
Notice of General Meeting	means this Notice of Meeting.
Option	means an option to acquire a fully paid ordinary share in the capital of the Company.
Ordinary Resolution	means a resolution requiring to be passed by a majority of such shareholders, as being entitled to do so, voting in person or by proxy on such resolution.
Requisitioning Shareholders' Statement	means the statement prepared by ASEAN pursuant to section 249P of the Corporations Act relating to its proposed Resolutions.
Resolution	means a resolution set out in the Notice of Meeting.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means a holder of a Share.