

14 November 2023

Aurora to Sell 85% of the Lithium Rights Over the Aurora Energy Metals Project

- Aurora has granted ASX-listed Macro Metals an exclusive Option to acquire 85% of the lithium rights over the Aurora Energy Metals Project in Oregon
- Aurora will retain 15% of the lithium rights and 100% of the non-lithium rights
- The transaction allows Aurora to focus on the timely development of the advanced Aurora Uranium Deposit
- If the Option is exercised, Aurora will be issued shares that equate to ~20% of Macro's shares on issue (post transaction) plus the same quantum of Macro Options to provide additional upside. Aurora will have the right to nominate a director to the Board of Macro
- Aurora will be free carried on lithium expenditure until the completion of a positive DFS
- The lithium hosting lakebed sediments overlie and surround the Aurora Uranium Deposit, thus offering the potential to reduce the pre-strip costs of the uranium

Aurora Energy Metals Limited (**Aurora or the Company**) (ASX:1AE) is pleased to announce that it has executed a Term Sheet with ASX-listed Macro Metals Limited (ASX:M4M) (**Macro**) for an Option Agreement for Macro to acquire an 85% interest in the lithium rights over the Aurora Energy Metals Project in Oregon.

Aurora will retain 15% of the lithium rights and 100% of the non-lithium rights, allowing Aurora to focus on the development of the Aurora Uranium Deposit.

Macro has been granted an exclusive three-month option period (**Option Period**) to conduct due diligence and complete formal documentation for a fee of A\$50,000 (**Option Fee**). The Option Period can be extended by mutual agreement for a further three months via an additional Option Fee payment.

If the Option is exercised, Macro will issue Aurora 666,666,667 Ordinary shares at a deemed issue price of \$0.003 (equivalent to ~20% of the Macro shares on issue post transaction) plus an additional 666,666,667 Options (in three equal tranches exercisable at \$0.008, \$0.012 and \$0.016 all within five years). The Options holding provides significant upside opportunity to increase the Company's holding in Macro.

Following completion, Aurora will have the right to appoint a nominee director to the Board of Macro for as long as Aurora (or its nominee) holds a 10% or greater interest in the number of shares on issue by Macro.

Aurora's Managing Director, Greg Cochran, commented:

"We have communicated to the market that Aurora's primary strategic focus is on our Aurora Uranium Deposit and that we would consider collaborating with other companies to enable the demonstrated lithium prospectivity on our claims to be explored.

The proposed transaction with Macro allows Aurora to focus on the development of our advanced, large scale and well-defined uranium deposit, whilst retaining leverage to the increased value of lithium exploration via our significant shareholding in Macro post transaction."

Key Terms of the Option Agreement

- Aurora has granted Macro an exclusive three-month Option for the acquisition of an 85% interest in the lithium rights over the Aurora Energy Metals Project, in Oregon.
- Macro will pay Aurora a A\$50,000 fee for the option, during which time it can conduct due diligence activities and move to formal documentation.
- Upon mutual agreement, the option period can be extended by a further three months via notification and payment of an additional A\$50,000 to Aurora.
- If the Option is exercised, Macro will acquire 85% of the lithium rights over the Aurora Energy Metals Project and Aurora will retain a 15% interest in the lithium rights.
- Aurora will retain 100% of the rights to all other commodities, including but not limited to uranium.
- Option exercise is conditional on completion by Macro of due diligence to its satisfaction, negotiation and execution of definitive transaction documents and any necessary shareholder or regulatory approvals.

Consideration

- If Macro exercises the Option, the following consideration will be payable to Aurora:
 - 666,666,667 fully paid Ordinary shares in Macro are to be issued to Aurora or its nominee at a deemed issue price of \$0.003;
 - 222,222,222 Macro Options, exercisable at \$0.008 within five years;
 - 222,222,222 Macro Options, exercisable at \$0.012 within five years; and
 - 222,222,223 Macro Options, exercisable at \$0.016 within five years
- Aurora will be free carried on lithium expenditure on the project until the completion of a positive Definitive Feasibility Study on the project. Thereafter, the parties will contribute pro-rata or dilute in line with standard formulas.

Director Representation

- Aurora will have the right to appoint a nominee director to the Board of Macro for as long as Aurora (or its nominee) holds a 10% or greater interest in the number of Macro shares on issue.

Escrow Restrictions

- It is anticipated that the Consideration will be subject to an escrow period, as agreed with the ASX.
- It is the Company's current intention to hold its Macro shares as an investment on behalf of Aurora shareholders to retain leverage to the increased value of the lithium exploration.

THIS ANNOUNCEMENT HAS BEEN AUTHORISED FOR RELEASE ON THE ASX BY THE COMPANY'S BOARD OF DIRECTORS

ABOUT AURORA ENERGY METALS

Aurora Energy Metals is an ASX-listed company focused on the exploration and development of its flagship, the 100% owned Aurora Energy Metals Project in south-east Oregon, USA. Boasting the USA's largest, mineable, measured and indicated uranium deposit (MRE: 107.3Mt @ 214ppm U₃O₈ for 50.6 Mlbs U₃O₈) with a shallow high-grade core of 18Mt @ 485ppm U₃O₈ for 19.2 Mlbs U₃O₈. The high-grade resource is 99.5% in the measured and indicated JORC category and the project has a clear pathway to development. Lithium mineralisation is found in soft lakebed sediments above and surrounding the uranium deposit, and the region hosts the USA's two largest lithium deposits.

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<https://www.linkedin.com/company/aurora-energy-metals/>

CAPITAL STRUCTURE:

Share Price (13/11/23): \$0.098
Market Cap: \$17.5 million
Shares on Issue: 179 million

COMPANY SECRETARY:

Steven Jackson

SHAREHOLDER CONTACT:

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BOARD OF DIRECTORS:

Peter Lester: Non-Executive Chairman
Greg Cochran: Managing Director
Alasdair Cooke: Non-Executive Director

SHAREHOLDERS:

Directors: 15%
Management: 13%
Institutional shareholders: 10%
Balance of Top 20: 14%
Balance of Register: 48%

INVESTOR & MEDIA CONTACT:

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Competent Person Statement:

Information in this announcement relating to Exploration Results and Mineral Resources is based on information compiled by Mr. Lauritz Barnes (a consultant to Aurora Energy Metals Limited and a shareholder) who is a member of The Australian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists. Mr. Barnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Barnes consents to the inclusion of the data in the form and context in which it appears.

Information in this announcement relating to Mineral Resources is extracted from the announcement titled 'Uranium Resource Up 34% to 50.6Mlb, Maiden Measured Resource' released by the ASX on 23 November 2022. Aurora Energy Metals Limited confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed. Aurora Energy Metals Limited confirms that the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement.