



ASX Announcement

ASX Code: ARM

26 April 2019

Aurora Minerals Group of Companies -
Diversified minerals exploration via direct and indirect interests

Peninsula Mines Limited (ASX: PSM)

– 19.9%

✚ Graphite Business Development in
South Korea

Predictive Discovery Limited (ASX: PDI)

– 27.4% (21.9% post PDI capital raising)

✚ Gold Exploration and Development in
West Africa

Nusantara Resources Limited (ASX: NUS)

– 1.2%

✚ Awak Mas Gold Mine development in
Sulawesi, Indonesia

Project Acquisitions

Project acquisition plan in progress

Contact Details

Principal & Registered Office

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QUARTERLY ACTIVITIES REPORT

to 31 March 2019

Aurora Minerals Limited ("Aurora" or "the Company") is actively seeking participation in advanced projects for development. Additionally, through its subsidiary and associate companies, Aurora is involved in exploration across three continents with a focus on South Korea (Peninsula Mines Limited), West Africa (Predictive Discovery Limited), Indonesia (Nusantara Resources Limited) and Australia.

Highlights:

Aurora Project Acquisition Plan

- Aurora's project review has identified a number of potential development projects for acquisition or joint venture, all of which are suited to the implementation of smart ore sorting technology. The review process is advancing with ongoing discussions to secure a new flagship project and the requisite funding.

Peninsula Mines Limited ("Peninsula")

- PSM continues to develop its key graphite projects in South Korea while building relationships with battery component manufacturers. ^{D1, D3}
- Peninsula successfully negotiated a Memorandum of Understanding (MOU) to supply locally sourced graphite to TeraTechnos, an innovative South Korean manufacturer of battery anodes. ^{D2}

Predictive Discovery Limited ("Predictive")

- Post-Quarter end, an oversubscribed placement secured exploration funding with Capital Drilling Limited participating as the cornerstone investor. ^{P1}
- Initial exploration results from PDI's projects in Guinea have generated strong stream and soil anomalies. ^{P2}
- Additional ground has been secured over key geological terranes in Guinea. ^{P2}

Nusantara Resources Limited ("Nusantara")

- Near-mine drilling commenced testing extensive surface mineralisation in trenches adjacent to the proposed Awak Mas open pit. ^{N1,2}

Corporate

- Aurora cash at bank ~\$0.97M (parent) at end of March 2019
- Value of cash and investments as at 31 March 2019 ~\$2.7M (~2.3c/share)

Figure 1: Aurora and its associate companies conduct exploration across three continents



Aurora's associate company investments and market valuations, as at 31 March 2019, are summarised in Table 1, below.

Table 1: Aurora Minerals Group Investments

Investment	Code	Type	Number	% Holding	Unit Value	Total Value
Predictive Discovery Ltd	PDI	Shares - Listed	64,653,686	27.38%	\$0.011	\$711,191
		Shares – post-PDI raising		21.91%		
Peninsula Mines Ltd	PSM	Shares - Listed	171,295,270	19.85%	\$0.004	\$685,181
		Options - Unlisted (2.0c)	3,125,000	0.00%	\$0.000	\$0
Nusantara Resources Ltd	NUS	Shares - Listed	1,851,852	1.20%	\$0.20	\$370,370
						\$1,766,742

Disruptive technology

Aurora continues to assess projects

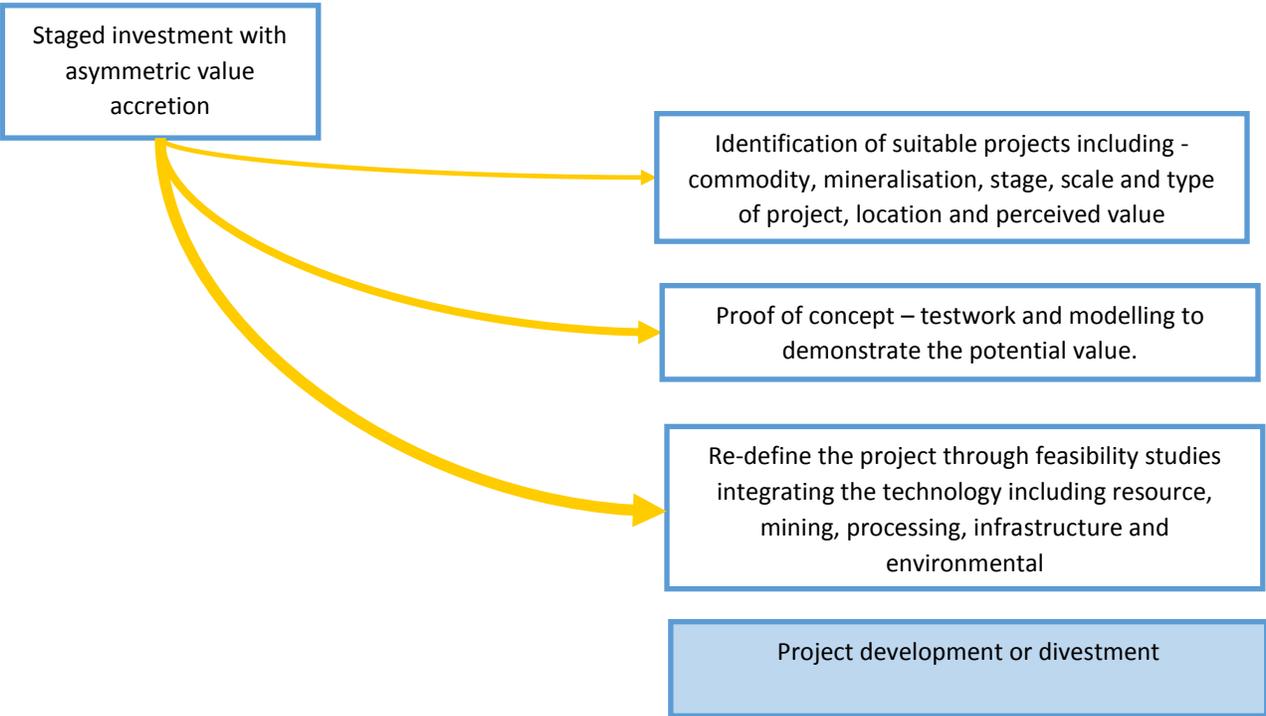
Aurora continues to assess projects that meet specific criteria set to ensure maximum leverage is delivered through the integration of sorting technology. A number of potential opportunities have been identified and the team continues to focus on the acquisition process.

New technology can change the approach or the direction of the industry as it unlocks value from known resources. An example of this is the integration of solvent extraction and electrowinning (SXEW) to the copper industry in the 1970's and 80's. The technology (developed principally for uranium extraction) unlocked value from vast resources of oxide mineralisation previously deemed sub economic. Foresight into the potential upside value of SXEW technology allowed early adopters to leverage their positions in targeted assets to deliver significant upside. Perhaps a more profound example is the integration of fracking and horizontal drilling to the oil shale business. Fracking has been used since the 1950's while drilling techniques have improved incrementally

over many decades. Combining the technologies and applying them to otherwise uneconomic shale resources resulted in a disruptive change to the oil business.

Sorting is an advanced processing technology, ubiquitous in recycling, that is ideal for pre-concentration of ore prior to processing. Pre-concentration through sorting effectively decouples mining from processing allowing ore bodies to be split into economic material and waste before the considerable costs of processing are applied. Sorting is an emerging technology in the mining space with extraordinary potential. Early adopters can select projects that are highly leveraged to sorting and therefore undervalued in the current market.

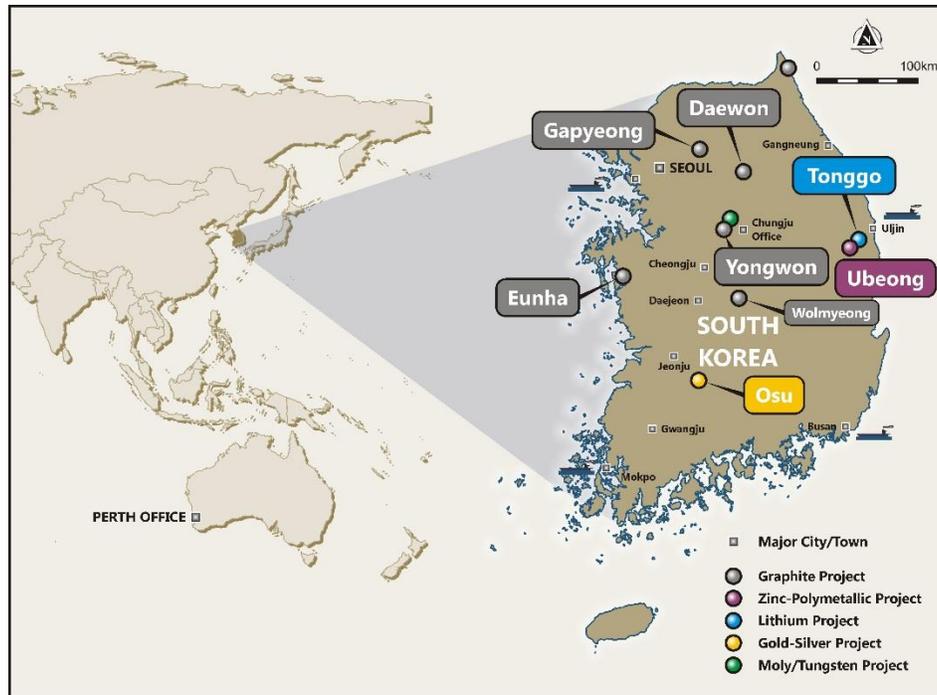
The Aurora Team have designed and overseen the construction and commissioning of two sorting operations and have the technical knowledge and skills to identify stranded projects that are highly leveraged to the application of the technology. The Aurora strategy is different as we look to acquire projects that are well understood but deemed sub-economic and apply a technology solution to unlock value. The technology is robust and underpinned by the successful application of it in metals and waste recycling. The opportunity is to acquire interests in, and integrate the robust technology to advanced resources projects to unlock value not yet recognised by the market.



Peninsula Mines Limited

Peninsula Mines' mineral development operations are strategically located in South Korea. Peninsula is an early mover into the region (with Korean operations commencing in 2012), bringing Australian mineral exploration and development expertise. Through its wholly owned Korean subsidiaries, Suyeon Mining Company Limited (SMCL) and Korea Graphite Company Limited (KGCL), Peninsula targets strategic mineral resources in South Korea, such as graphite, gold, zinc and copper in order to develop supply for Korea's advanced high-technology manufacturing industry.

Figure 2: Location Plan of Peninsula's South Korean Projects

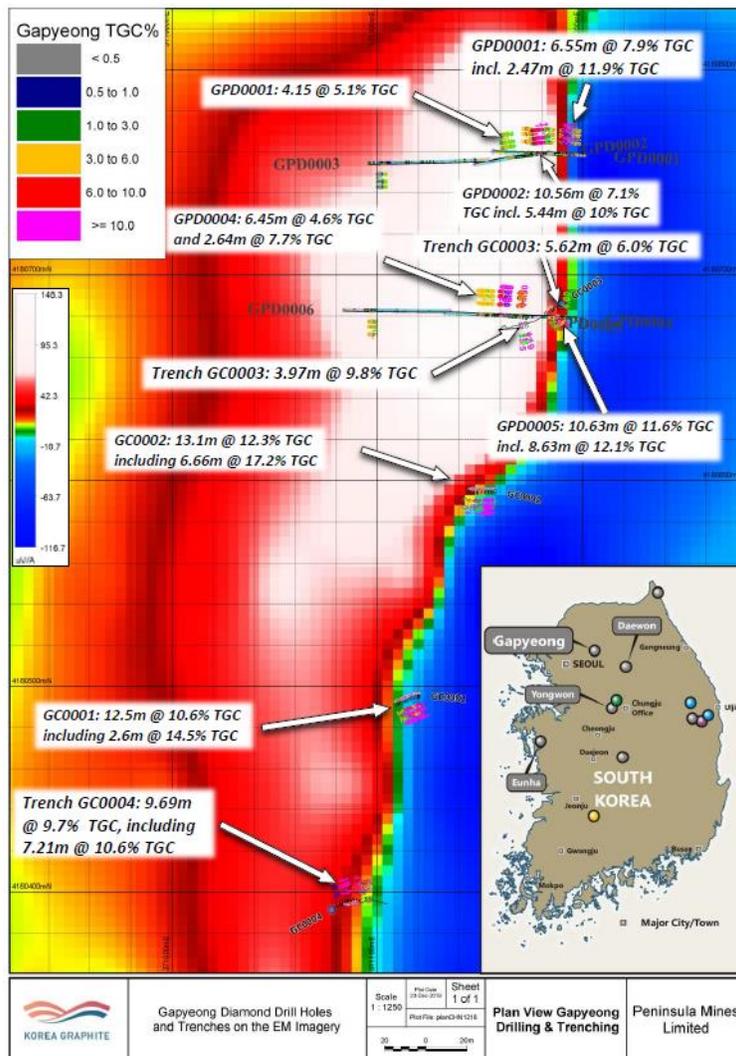


Flake Graphite Projects: Gapyeong, Eonha, Yongwon and Daewon

- Each project has flake graphite mapped over a strike of more than 1km
- Graphitic units are approximately 10m wide
- Each has undergone detailed ground electromagnetic (EM) surveys and trenching
- Metallurgical and petrographic analysis confirmed the suitability of the flake graphite for spherical graphite production
- Exploration Targets have been defined for Eonha, Gapyeong and Yongwon
- Resource drilling so far conducted at Gapyeong (Q4, 2018) and Eonha Projects (reported in Q3, 2018), with drill access under negotiation for Daewon and Yongwon.

Gapyeong Graphite Flagship Project - During the Quarter, trench sampling served to extend the Exploration Target to over 400m with LECO analysis results included **9.69m @ 9.7% total graphitic carbon (TGC)**. Resource drilling is planned post Spring thaw to define a maiden JORC Resource and generate a fresh rock composite sample for metallurgical concentration. ^{D1}

Figure 3: Gapyeong Diamond Drilling and Trenching over the North-South Trending EM Anomaly



Ubeong Zinc and Osu Gold Projects - JV Proposition

Peninsula’s focus on its graphite business development has highlighted the need for ‘farm-in’ partnerships to take these projects forward. The Korean peninsula provides an extremely lucrative target, with mining having been marginal to manufacturing for decades. Peninsula’s established track record in Korea enables successful partnerships with local, world class, industry players to ensure the development of its Korean projects. ^{D3}

Ubeong represents an historically mined, porphyry-skarn, zinc-lead-silver and copper-gold deposit striking over 10km from the adjacent, operating Keumho Zinc mine to the west. Peninsula’s geophysical surveys, soil sampling and diamond drilling serve as excellent groundwork for the ongoing development of this very large project under a suitable joint venture. ^{D4}

Osu, with historical underground mining over 1.2km strike and outcrop at surface of a broad, 30m wide zone of mineralised sheet veins, has benefitted from Peninsula’s groundwork of channel sampling and diamond drilling, as well as government regional aeromagnetic surveys, suggestive of a porphyry source. Osu’s consistent, high

gold-silver grades (including **0.31m @ 22.2g/t Au and 182 g/t Ag from 157.79m** in recent drilling) bode well for the application of modern mining methods in cooperation with a suitable JV partner. ^{D4}

Graphite Business Development

In January 2019, Peninsula signed a Memorandum of Understanding (MOU) with innovative Korean manufacturer, Tera Technos Company Limited (“Tera Technos” or TTCL). The MOU is the first step towards an offtake agreement to secure Peninsula as TTCL’s preferred supplier of flake graphite for use in their carbon composite “SiOx” anodes. The SiOx anodes outperform standard anodes made from purified and coated, sphericalised flake graphite. ^{D2}

TTCL is currently testing Peninsula’s Korean flake graphite concentrate to ensure its suitability for SiOx processing, while PSM’s development of its Korean graphite resources is ongoing ^{D2, D3}.

Predictive Discovery Limited

Predictive is focused on identifying and developing prospective gold projects in the richly mineralised Birimian greenstone belts of Burkina Faso, Cote D'Ivoire and Guinea in West Africa. Through its prospect generator model of Exploration – Partnership - Growth, Predictive has secured joint venture partners for its Ivorian and Burkinabe projects, enabling the Company to pursue additional ground in the region for early stage exploration, thereby leveraging their expertise. See Figure 5, below.

Figure 5: Predictive Discovery Project Locations in West Africa



Placement

Post Quarter-end, Predictive has received binding subscription agreements for a placement of shares to raise up to \$531,000 (before costs). The Placement was heavily oversubscribed with a cornerstone commitment from Capital Drilling Limited.^{P1}

Capital Drilling is a London Stock Exchange listed company with an extensive fleet of drill rigs across Africa. Capital Drilling invest in and partner with exploration companies in the region, providing ongoing support. Predictive will apply the capital raised to the development of their Guinea projects.^{P1}

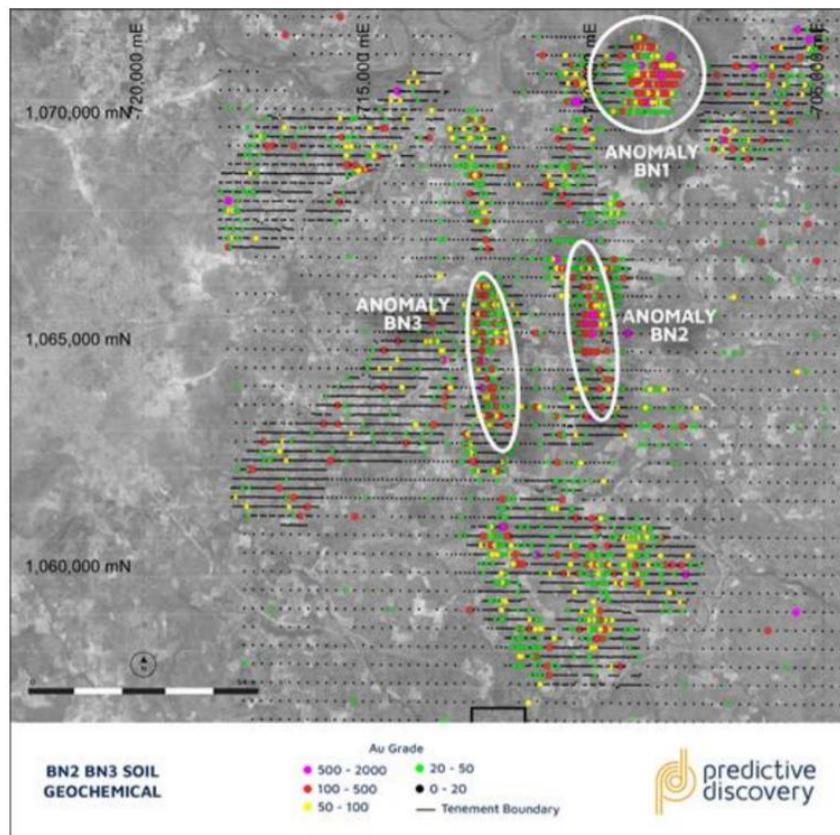
Guinea

Also post Quarter-end, Predictive announced impressive early results from stream sediment and rock chip sampling at its Nonta and Kankan permits in Guinea, including **up to 29g/t Au** in rock chip sampling at Nonta Project and a **6km long**, anomalous gold-in-soil trend at Kankan Project. ^{P2}

Cote D'Ivoire

Through its joint venture agreements with UK based Toro Gold, Predictive continues to develop its Ivorian Projects, with diamond drilling underway at **Ferkessedougou North**, following up on broad widths of high-grade gold in trenches, including **34m at 5.29g/t Au** with **2m at 75g/t Au**. ^{P3, P5} Trenching and 10,000m of RC drilling are underway at **Boundiali North** to follow up three strong gold-in-soil anomalies. ^{P4}

Figure 4: Gold- in-Soil Anomalies at Boundiali North, Cote D'Ivoire ^{P4}



Burkina Faso

PDI is free carried through the development of its Burkina Faso tenure via a JV with Progress Minerals. ^{D4}

Nusantara Resources Ltd

During the first Quarter 2019, Nusantara has been focused on developing near-mine prospects to enhance and extend the long-life, low-cost Awak Mas Gold Mine. Reprocessed geophysics over a 2km radius of the processing

plant had identified significant, near-mine mineralisation. This was followed up with trenching, with results including **28m @ 1.2g/t Au** and **37m @ 2.3g/t Au** now being drill tested at Pancak Selatan. The objective is to expand the proposed Awak Mas open pit, thereby increasing the life of the mine^{N1,2}

Corporate

Aurora cash at bank ~\$0.97M. Value of cash and investments as at 31 March 2019 ~\$2.7M (~2.3c/share).

Geoff Laing
Managing Director
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Competent Persons Statement

The information in this report that relates to the exploration results and Mineral Resources of Aurora, Peninsula and Predictive is summarised from publicly available reports as released to the ASX of the respective companies. The results are duly referenced in the text of this report and the source documents listed below.

The exploration results reported herein relating to Predictive Discovery Limited are based on information compiled by Mr Paul Roberts (Fellow of the Australian Institute of Geoscientists). Mr Roberts is a full-time employee of that company and has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Roberts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results for Peninsula Mines Limited is based on information compiled by Mr Daniel Noonan, a Member of the Australian Institute of Mining and Metallurgy. Mr Noonan is employed as a consultant. Mr Noonan 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 as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Noonan consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information in this report that relates to the Mineral Resource Estimation for Awak Mas Gold Project is based on, and fairly represents, information compiled by Mr Adrian Shepherd, Senior Geologist, (BSc), MAusIMM CP(Geo), for Cube Consulting Pty Ltd. Mr Shepherd is an employee of Cube Consulting Pty Ltd and is a Chartered Professional geologist and a current Member of the Australian Institute of Mining and Metallurgy (AusIMM No: 211818).

All the information in this release based on information compiled prior to 1 December 2013 was produced under the reporting directions as set out in the 2004 ed. JORC code. All subsequent releases have been compiled under the guidelines for reporting as set down under the 2012ed. JORC code. The information summarised herein has not changed materially from the greater detail that was originally disclosed in earlier public releases and which has

been duly referenced in this release. The Company confirms that it is not aware of any new information or data that materially affects the information included in this report.

APPENDIX 1

List of Announcements to the Australian Securities Exchange which are referenced in this release:

Peninsula Mines Limited

- D1 Gapyeong Graphite Channel Intersections Extend Target, 21 January 2019
- D2 Peninsula MOU with Korean Li-ion Battery Anode Supplier, 9 January 2019
- D3 Shareholder update, 25 March 2019
- D4 Quarterly Activities Report to 31 December 2018, 31 January 2019

Predictive Discovery Limited

- P1 Predictive Secures Support of Capital Drilling in \$531,000 Placement, 16 April 2019
- P2 Early Results Impress in Guinea, 9 April 2019
- P3 Diamond Drilling Underway at Ferkessedougou North, 22 March 2019
- P4 Three Strong Gold-in-Soil Anomalies at Boundiali North, 11 March 2019
- P5 Broad Widths and High-Grade Gold from Trenching at Ferkessedougou North, 13 February 2019

Nusantara Resources Limited

- N1 Near Mine Drilling Commenced, 19 February 2019
- N2 High-Grade Results from Near Mine Exploration, 19 December 2018

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

AURORA MINERALS LIMITED

ABN

46 106 304 787

Quarter ended ("current quarter")

31 MARCH 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	17	62
1.2 Payments for		
(a) exploration & evaluation*	(53)	(175)
(b) development		
(c) production		
(d) staff costs**		
(e) administration and corporate costs*	(128)	(513)
1.3 Dividends received (see note 3)		
1.4 Interest received	4	17
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)	-	-
1.9 Net cash from/(used in) operating activities	(160)	(609)

* The company's accounting policy allocates staff costs to activities and are accordingly included in items 1.2 (a) and 1.2 (e).

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)		
	(c) investments	-	-
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(2)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	(2)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,129	1,580
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(160)	(609)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	(2)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	969	969

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	937	87
5.2 Call deposits	32	1,042
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)*	969	1,129

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	90
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

6.1: Payment was for remuneration to directors.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

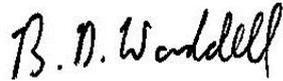
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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	85
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	125
9.6 Other	
9.7 Total estimated cash outflows*	210

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 26 April 2019

(Company secretary)

Print name: Bruce Waddell

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.