



*To find, mine and deliver the planet's most important and essential minerals that enable the world and humankind to create, innovate, and prosper*

**Management's Discussion and Analysis**

For the three and six months ended June 30, 2021

Dated as of August 10, 2021

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The management's discussion and analysis ("MD&A") has been prepared as at the date written on the cover page and provides information that management believes is relevant to assessing and understanding the financial condition of the Company and the results of operations and cash flows for the three and six months ended June 30, 2021.

Thus, this MD&A should be read in conjunction with Aura Minerals Inc.'s (the "Company" or "Aura") quarterly condensed interim consolidated financial statements for the three and six months ended June 30, 2021 and 2020 and related notes thereto (the "Financial Statements") which have been prepared in accordance with International Financial Reporting Standards and Interpretations as issued by the International Accounting Standards Board (collectively, "IFRS"). In addition, this MD&A should be read in conjunction with both the annual audited consolidated financial statements for the year ended December 31, 2020 (the "2020 Annual Financial Statements"), the related annual MD&A, and the most recent Annual Information Form ("AIF") as well as other information relating to Aura Minerals as filed on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

Except for mineral prices and unless otherwise noted, references herein to "\$" are to thousands of United States dollars. References to "C\$" are to thousands of Canadian dollars. Tables and dollar figures in the body of the document are expressed in thousands of United States dollars, except where otherwise noted.

The Company has included certain non-GAAP financial measures, which the Company believes, that together with measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. Non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore they may not be comparable to similar measures employed by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The non-GAAP financial measures included in this MD&A include:

- Cash operating costs per gold equivalent ounce produced;
- Cash operating costs per copper pound produced;
- Realized average gold price per ounce sold, gross;
- Realized average gold price per ounce sold, net of local taxes;
- EBITDA;
- Adjusted EBITDA;
- Adjusted EBITDA margin; and
- Net Debt.

Reconciliations associated with the above performance measures can be found in Section 17: Non-GAAP Performance Measures.

Statements herein are subject to the risks and uncertainties identified in Section 18: Risk Factors and Section 20: Cautionary Note regarding Forward-Looking Information sections of this MD&A.

All mineral resource and mineral reserve estimates included in documents referenced in this MD&A have been prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"). Readers are encouraged to review the AIF and full text of the Company's continuous disclosure documents. These documents are available on SEDAR and supply further information on the Company's compliance with NI 43-101 requirements. See Section 21: Technical Disclosure of this MD&A for further information.

Additional information relating to the Company, including the AIF, is available on the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com)

## 1. BACKGROUND AND CORE BUSINESS

Aura is a mid-tier gold and copper production company focused on the operation and development of gold and base metal projects in the Americas. The shares of the Company are listed on the Toronto Stock Exchange under the symbol "ORA" and the Brazilian Depositary Receipts ("BDRs") of the Company, each representing one share of the Company, are listed on the B3 S.A. – Brasil, Bolsa Balcão ("B3"), a stock exchange located in São Paulo, Brazil, under the symbol "AURA33". Aura is focused on responsible and sustainable growth while striving to operate at the highest levels of environmental and safety standards and in a socially responsible manner at all of its operations.

The Company has the following mineral properties:

### Producing assets:

- The San Andres Gold Mine ("San Andres", "Minosa") – an open-pit heap leach gold mine located in the highlands of western Honduras, in the municipality of La Union, Department of Copan, approximately 150 km southwest of the city of San Pedro Sula.
- The Ernesto/Pau-a-Pique Mine ("EPP", "Apoena") – a mine complex located in the southwest of Mato Grosso state, near Pontes e Lacerda in Brazil which consists of the following gold deposits: the Lavrinha open-pit mine ("Lavrinha"), the Ernesto open pit mine ("Ernesto"), the Pau-a-Pique underground mine ("Pau-a-Pique" or "PPQ"), the Japonês open pit mine, the Nosde open pit mine, and the near mine open-pit prospects of Bananal North and Bananal South.
- The Aranzazu Copper Mine ("Aranzazu") – an underground copper mine operation, producing gold as a by-product, located within the Municipality of Concepcion del Oro in the State of Zacatecas, Mexico, near its northern border with the State of Coahuila. The property is situated in a rugged mountainous area and is accessed either from the city of Zacatecas, located 250 km to the southwest, or from the city of Saltillo, located 112 km to the northeast in the State of Coahuila.
- The Gold Road Mine ("Gold Road") – a narrow vein underground gold mine located in the historical Oatman mining district of northeastern Arizona, by the California-Nevada-Arizona border, and 40 kilometers southwest of Kingman, Arizona. The property acquired includes other adjacent historically mined veins including Gold Ore, Tru-Vein, and Big Jim.

### Projects:

- The Almas Gold Project ("Almas") – a gold project located in the state of Tocantins, Brazil. The Almas Gold Project consists of three deposits (Paio, Vira Saia and Cata Funda) and several exploration targets, including Nova Prata/Espinheiro, Jacobina and Morro do Carneiro.
- The Matupá Gold Project ("Matupá") – a gold project located in the northern part of the state of Mato Grosso, Brazil. It consists of three deposits: X1, Serrinha (gold), and Guarantã Ridge (base metal). The X1 deposit was the main focus for exploration and drilling in the past, resulting in an established mineral resource and a NI 43-101 compliant technical report. See Section 21: Technical Disclosure of this MD&A for further information. For the other two deposits, they are in the early stages of exploration. Matupá's claims consist of multiple exploration targets, including a copper porphyry target.
- The São Francisco Gold Mine ("São Francisco") – part of EPP Mines, an open-pit heap leach gold mine located in the southwest of the state of Mato Grosso, Brazil, approximately 560 km west of Cuiabá, the state capital. Currently, the mine is in care and maintenance.
- The Tolda Fria Gold Project ("Tolda Fria") – a gold project located in Caldas State, Colombia. Currently, the project is in care and maintenance.



## 2. SECOND QUARTER 2021 HIGHLIGHTS

- During the second quarter of 2021, Aura demonstrated the stability of its operations and reported strong results despite the expected lower grades in EPP and Aranzazu compared to the previous quarter and negative results at Gold Road. A summary of Aura's results from operations during the second quarter of 2021 is set out below:
- Total production during the second quarter of 2021 was 63,020 gold equivalent ounces ("GEO")<sup>1</sup>, compared to total production of 37,306 GEO during the second quarter of 2020. During the six months ended June 30, 2021, total production across Aura's operations was 129,802 GEO. In the twelve months ended June 30, 2021, Company's production reached 256,673 GEO, a record in the Company's history.
- Production during the second quarter of 2021 was 6% lower compared to production during the first quarter of 2021, primarily due to:
  - Mining in lower grade zones in Aranzazu in accordance with the Company's mining plan. This was partially offset by production at the Aranzazu plant achieving its targeted 30% increase in throughput capacity, what the Company expects will lead to higher production in the second half of 2021
  - Mining in lower grade zones in EPP in accordance with the Company's mining plan. The Company expects higher grades from the Ernesto mine in the second half of 2021
  - Lower production at Gold Road as the Company transitioned from employing mine contractors to in-house operators, and as a result of an electrical issues on the main transformer at the mine and lower than expected grades in some areas
- During the second quarter of 2021, the Company's net revenue was \$111,669, representing an 84% increase compared to the same period of 2020 and a 4% decrease compared to the first quarter of 2021. Over the last twelve months, Aura's net revenue was \$418,109
  - Gold prices remained relatively stable during the second quarter of 2021. The average market price of gold during the second quarter of 2021 was US\$ 1,816 /Oz, whereas the average market price of gold during the first quarter of 2021 was US\$ 1,762/Oz
  - Copper prices increased significantly in the second quarter of 2021 compared to the first quarter of 2021. The average price of copper during the second quarter of 2021 was US\$4.36 /lb, an increase of 77% compared to the same period of the previous year (US\$2.46 /lb) and an increase of 14% compared to the previous quarter (US\$3.84/lb). In the event Copper prices remain at current levels, the Company expects to benefit from such higher prices and grades during the third quarter of 2021, while keeping production at the plant at around 100,000 tons per month.
- During the second quarter of 2021, Adjusted EBITDA<sup>1</sup> was \$40,199, representing a 112% increase compared to same period of 2020. In the last twelve months, Aura's EBITDA was \$ 187,214. Compared to the first quarter of 2021, EBITDA decreased from \$52,402 to \$40,199 (- 23%), primarily due to:
  - Adjusted EBITDA for Q1 2021 partially benefited from approximately \$5,000 in sales recognition from shipments made in Q4 2020. Therefore, on comparative basis, EBITDA decreased from approximately \$47,402 in the first quarter of 2021 to \$ 40,199 in the second quarter of 2021 (- 18%)
  - Lower grades in Aranzazu and EPP due to mine sequencing
  - Negative EBITDA of \$2,394 of Gold Road, as result of low production due to the reasons mentioned above
- Total capital expenditure ("Capex") for the second quarter was \$20,464, due to the Company's previously announced investments in non-recurring Capex such as the Tailing Dam expansion at Aranzazu and Leach Pads in San Andres, capacity expansion at Aranzazu, exploration, Gold Road and Almas, all of which summed up \$ 10,955 during the second quarter, 54% of the total.
- Despite mining in lower grade zones as a result of mine sequencing, increased Capex and annual income tax payments of \$9,086 mainly for San Andres, the Company's net cash position improved once again during the second

<sup>1</sup> Gold equivalent ounces, or GEO, is calculated by converting the production of silver and copper into gold using a ratio of the prices of these metals to that of gold. The prices used to determine the gold equivalent ounces are based on the weighted average price of silver and copper from sales at the Aranzazu Complex during the relevant period.

quarter of 2021. The Company's Net Debt<sup>1</sup> position for the three months ended March 31, 2021 was (\$ 61,675), which adjusting for the Company's April 2021 dividend payment of \$60,224 would result in Net Debt of (\$1,451). As at the six months ended June 30, 2021, the Company's Net Debt position improved to (\$ 7,062).

- On the Company's projects, Almas is advancing, and the Company is currently engaged in detail engineering, purchasing, and contracting with Promon as the EPCM contractor. In addition, discussions in respect of the project have progressed with the Government of Tocantins and the Company expects to enter into an agreement to use the land for construction of the project and receive licenses required to operate the project. Advances in detail engineering have allowed the Company to compress the project's construction schedule.
- At the Matupá project, the Company entered into an agreement with Ausenco for the completion of a pre-feasibility study and no additional drilling is expected to be required to complete such study. The Company expects the pre-feasibility study will be completed during the third quarter of 2021 and to release more information on resources conversion to reserves before year end. Following the completion of the pre-feasibility study, the Company anticipates it will commence a definitive feasibility study for Matupá, which is expected to be completed by first quarter of 2022.
- Subsequent to the end of the second quarter of 2021, on July 13, 2021, Aura, through its subsidiary Aura Almas, issued Senior Notes in the Brazilian market in an amount of approximately R\$ 400 million (about US\$ 77 million considering exchange rates of Jul 13, 2021). The issued notes have a final maturity of 5 years. The Company anticipates that the note issuance will provide additional liquidity to the Company, assist the Company in terms of its growth projects and allow the Company to improve its debt profile.
- On May 31, 2021, Aura released its 2020 Sustainability Report. The report was released in three different languages and discloses Aura's achievements and commitments on the Company's ESG goals, which are summarized in Section 3 below.

### 3. E & ESG – Employees, Environment, Social and Governance

Aura continues its path to solidify its 360 Mining Culture, focusing on values towards our business, employees, and the communities we are operating in. In support of the foregoing, we have added two key positions to our corporate team: a Talent & Culture Manager and an ESG & Innovation Manager.

Aura's eight sustainability pillars - themes that will guide our strategic performance in the coming years – were determined with the support of external consultants and based on an in-depth study of our market and interviews with several key individuals inside and outside the organization. Our view is that E&ESG are the foundation of our culture, and we will continually learn, innovate and invest in these areas.

#### 3.1 Employees

Aura believes that attracting and retaining top talent differentiates us from our peers. We are consolidating the Talent & Culture area to support our goal of attracting and retaining top talent, developing our people and providing growth opportunities through a meritocratic system. While we reviewed 120 leaders across 4 business units using the 9-box tool as part of our talent evaluation strategy in 2020, this year Aura is focusing on working on the personal developmental plans of our personnel which resulted from this years' evaluation cycle. As part of our culture of transparent feedback, this past June we offered Feedback Workshops to over 170 leaders across all our operations. Finally, as previously noted, Aura added a Talent & Culture Manager to its corporate team - a professional with 15 years of experience in talent management, in a variety of industries and geographies, including Africa, Middle East, Latin America and USA.

The EPP business unit has piloted a training program aimed at recruiting new talent directly out of universities. There

are currently 7 trainees on site. In the second quarter of 2021, these trainees had the opportunity to have a Q&A session with Aura's Chief Operating Officer. On the Learning & Development front, besides having Coursera as an online educational platform, the trainees have also completed the Lean Six Sigma program, and training focused on Aura's main competencies. The 7 trainees completed the rotation part of the program in the first quarter of 2021 and have now started working on their final project, to be presented to our executive team by year-end.

## 3.2 ESG Pillars

Environment	Social	Governance
Water and Effluents	Workers safety and health	Business Ethics
Geotechnical Structures Management	Communities (+ Human Rights)	Innovation for Sustainability
	Talent Development and Retention (+ Diversity)	Stakeholders Management

During the second quarter of 2021, we published our 2020 Sustainability Report, highlighting 1-3 commitments for each ESG Pillars in order to achieve our targeted 360-mining culture of a diverse, healthy meritocratic work environment. One of these commitments, Aura's first Innovation Awards, has taken place in the last months – with more than 122 people registering ideas that led to the selection of 8 finalists, who have been awarded additional training to present their ideas to Aura's executives.

We have also published our Human Rights policy and expect to train our employees and other collaborators during the third quarter of 2021. We are also planning to review and update our Responsibility Practices to include Human Rights as part of our investigation and diligence processes. Additionally, we have published our first map of our carbon emissions with the help of a specialized consulting firm. Following completion of this study, we plan to identify initiatives to reduce our emissions and establish a goal for our company's climate change strategy.

Aura has recently added to its corporate team an ESG & Innovation Manager – a former consultant from McKinsey & Company with experience in a variety of industries including basic industries, banking, telecommunications, and retail across Latin America.

## 3.3 COVID-19 Pandemic

The Company and its subsidiaries have prioritized the safety of its employees and the communities around which the Company operates during the COVID-19 pandemic (the "Pandemic"). During this period, the Company has implemented protective measures and biosafety protocols. Furthermore, the Company has continued to expand social work measures within the local communities in which it operates by providing donations of food, medicine, and medical supplies.

In 2021 the Company maintains bio-safety procedures for COVID-19 prevention in accordance with international protocols in order to ensure the safety of its employees and to support surrounding communities. Business units have been operating with no significant impact, as a result of the Company's efforts on avoiding transmission of COVID-19.

**At Ernesto/Pau-a-pique (EPP)**, maintained initiatives to reduce risks among its employees at the mine, including, among

other things, monitoring the interactions of those who had contact with infected person, if any, acquiring additional COVID-19 test kits. Given the reduction of COVID-19 cases in Brazil, capacity limits in the restaurant at EPP were increased to 100% and acrylic barrier systems were installed to protect patrons. In addition, the Company extended its work with the local community, continuing our "Prevention is the Solution Program", donating to a local hospital 40 units of Fowler hospital beds, 40 units of hospital foam mattress, 40 units of foam hospital pillow, and 10 medical 5m<sup>3</sup> oxygen cylinders. The Company also distributed antiviral masks to all its employees and to third parties.

EPP has been monitoring the developments in vaccination and currently, approximately 90% of employees are either partially or fully vaccinated. The Company is continuing to monitor the municipality vaccination schedule, which is age based.

**In San Andrés**, the monitoring and PCR testing campaign continues for personnel returning from breaks and vacations from other cities. This control mechanic also applies to maintenance and advisory service providers. The Company maintains strict compliance with standard biosafety protocols for the prevention of COVID-19, ensuring the delivery of adequate supplies and equipment for medical care, personal hygiene and protective equipment. As of August 6, 2021, at least the first dose of the vaccine was administered to 90% of all employees. Medical staff continues advising all staff on biosafety protocols.

**At Aranzazu**, there was no record of positive antigen and/or PCR tests for our personnel. The delivery of a portable container of antibacterial gel to all newly admitted personnel and masks made in the community continues to support prevention campaigns, as well as delivery of disinfectant kits for the different areas and vehicles.

Prior to the entry of suppliers and/or contractors, a maximum 72-hour negative antigen test and a COVID-19 vaccination sheet are requested. As of August 6, 2021, at least the first dose of the vaccine was administered to 88% of all employees. The epidemiological curve in Concepción del Oro has remained steady, and in Mexico vaccination of people aged 30 and over has started with the coordinating of Ministry of Welfare and IMSS (Mexican Social Security Institute).

**At Gold Road**, the Company continues to follow COVID-19 protocols to reduce the risk of exposure to employees and contractors. The protocols include social distancing, wearing face coverings when social distancing is not possible and temperature monitoring for anyone entering the site. Gold Road has encouraged employees and contractors to get vaccinated.

During the COVID-19 Pandemic, exploration activities for the Almas, Tolda Fria and Matupá projects have not been materially disrupted. The Company continues to conduct exploration work, with a reduced workforce, while complying with all applicable regulations and undertaking measures necessary to ensure a safe work environment for employees and contractors.

## 3.4 SAFETY & ENVIRONMENT

### Safety

Aura's guidelines include robust management systems and treat safety as a top priority. Senior leadership is directly involved in establishing the safety committees on the ground. Each site has a safety committee formed by the C-level, the general manager, the site safety manager, and corporate technical services. During the second quarter of 2021 it was registered 1 lost time incident (LTI), at our EPP operation in Brazil, with low severity.

### EPP

During the second quarter of 2021, EPP registered 1 lost time incident (LTI) with a third-party employee in the PPQ



underground mine. There were 12,107 hours of safety training given to 1,312 direct and indirect employees. The Company focused its efforts on preventing COVID-19, including mandatory use of masks, proper hygiene practices, social distancing and distribution of antiviral masks to employees and third parties. In addition, the Company developed and led 3 health campaigns (April on hypertension, May on smoking and June on diabetes), and also conducted 1,898 behavioral approaches, 30 environmental, health and safety inspections, with the participation of all managers, and 69 higher risk inspections.

EPP has completed daily, weekly and bi-weekly audits of our Tailings Dam, meeting all requirements. The installation of 7 towers of the Mass Notification System for the Self-Rescue Zone (ZAS) of the EPP Dam was completed, 12 Piezometers and 2 Water Level Indicators were installed in compliance with the Phase IV project. Biweekly inspections of the EPP Dam as per legal requirement and Noise and Vibration monitoring were concludes, without any changes.

### San Andres

**At San Andres**, during the second quarter of 2021, the Company trained 938 people for a total of 1,577 hours, including employees, contractors and specific service providers, on a variety of matters, including but not limited to, an introduction to safety for new hires, the safe use of cyanide, the Safety Rules for Major Hazards, recycling of operating procedures and the prevention of COVID-19.

San Andres has carried out training for improvements at its production facilities, including planning meetings, critical risk analysis by the Health and Safety department, and on-site supervision during the job. A process of reviewing and updating the occupational risk sheets, jobs and mapping of tasks has been carried out with the support of a qualified external advisor, to identify new risks and establish controls that did not exist, even more robustly.

During the second quarter of 2021, no LTI accidents were recorded, and lost time accident frequency was 0.97.

### Aranzazu

No lost time accident was recorded in the second quarter of 2021. There were 24,117 man-hours given of training on such matters as: safety, health & environmental issues, specific confined spaces, lifting, energy blocking, hot work, work at heights, dissemination of safe work procedures, emergency communication flow, inspection coaching and approaches, induction of new income and support for accident root cause analysis reports. Safety Week (International Safety Day) was carried out with training, dynamics, staff training.

Monthly review of fire extinguishers, tools, shelters, vehicles continue in Aranzazu. Quarterly review of self-rescuers and their respective staff training, first fire-fighting practice was carried out, personal protective equipment was provided to workers. Safety supervision in TD-5, Plant, Crushing, Grinding and areas assigned to contractors such as Socavón Mine and interior mine, powder magazines, warehouses, booths, among others.

In Aranzazu, relocation of animal species in TD5 continues, the Company carries out a fieldwork to monitor flora and fauna on Spring and we monitor our greenhouse gas inventory. Also, in order to educate, conferences with themes alluding to the environment to commemorate World Environment Day and Environment Week were held.

### Gold Road

No lost time or medical treatment injuries have been reported in 2021 as at the date hereof. There were 4 minor injuries for the year to the date hereof. The Safety Team has conducted 2714 hours on training for site specifics, new miner, task training and mine rescue. Focus continues on training and on-boarding and now is shifting towards Standard Operating Procedures.

### Aura's Geotechnical Compliance



Aura's operations have Tailings Dams at the Aranzazu and Ernesto/Pau-a-Pique mines, heap leach pad at the San Andres mine and dry stacking at the Gold Road mine, each of which follow safety and risk management standards. The Tailings Dams and heap leach pad were designed by experienced engineering companies, in accordance with the regulations in force in the areas in which the mines are located and best international practices. All dams have an operating manual that provides for the frequency of instrumentation reading, level controls, field inspections, among other matters. The data collected from the instruments and inspections are sent monthly to specialized consulting companies that evaluate the data and issue compliance reports that indicate safety conditions and recommendations when necessary. Aura is making its corporate geotechnical management system more robust, with the hiring of a geotechnical specialist for its own staff that is meant to optimize and amplify the existing management system. In addition, the Company started working on a closure plan for dams the Aranzazu mine, and the Company engaged various contractors, including SRK, Wood, Langston and Associates, GHT, DAM and Geoconsultoria. All dams, waste dumps and heap leach pad that are currently in operation or are in care and maintenance are in satisfactory stability and comply with all current legislation.

## 3.5 COMMUNITIES

### Women in Mining

In December 2020, Aura joined Women in Mining organization in Brazil and Mexico, and in April 2021 in Honduras. Aura is also advancing its innovation award with the objective to encourage Aura's employees to support innovation across the organization.

### EPP - United Nations' Sustainable Development Goal: Quality Education

During the second quarter of 2021, social institutions from the Pontes e Lacerda municipality were able to register projects and receive support through a public notice in a 100% online process. The company's contribution consists of supplying materials or contracting services to implement the ideas. On June 1, 2021, Apoena announced the seven projects selected by its Social Responsibility Committee among the 27 initiatives presented, in such areas as environment, sport, culture, health, employment and new income sources.

We continue with Virtual "Mina Aberta" (Opened Mine) program for the population surrounding our units and projects, in addition to educational institutions.

#### Entrepreneurial Education Program

Partnership signed in February with the Commercial and Business Association of Pontes e Lacerda (ACEPL) to offer short-term online courses to owners of small and medium-sized companies, in addition to individual microentrepreneurs (MEI).

Some of the classes offered are: Financial Administration, Management Skills, Product Creation, Development and Management, Organizational Structure and Processes, Customer Experience, Supply Chain Management, Quality and Process Management, Cost Management, People Management, Corporate Governance, Marketing.

#### Enxergar Além (See Beyond) Program

Enrollments have been open since June 2021 for free courses on Excel Basic, Cashier Operator, Snack Bar and High-Performance Sales. The initiative is part of the third edition of Apoena's Enxergar Além – Training Program and will benefit residents of Pontes e Lacerda, Porto Esperidião and Vila Bela da Santíssima Trindade. The Company hired Senac Mato Grosso to teach the courses remotely (online) to follow the Prevention Protocol to Covid-19.

The first classes will start classes on July 26 in the Excel Basic and Cash Operator areas, benefiting 40 people. For August, another class of each course is planned, that is, another 40 students. Also, next month, High Performance Sales classes will

be given to 20 women.

#### "Prevention is the Solution" Program

On April 13, Apoena delivered 40 infirmity beds to Hospital Vale do Guaporé, responsible for serving the population of ten municipalities, and more than R\$100,000 was donated. Apoena also donated 10 cylinders of medicinal oxygen to the Health Department of Pontes e Lacerda.

#### Women in Mining

Apoena's initiatives under the Women in Mining Movement's Action Plan for the Advancement of Women in the Mining Industry are ongoing:

- Strategy 7 of the Action Plan "Investing in women present in communities": Care Room and Professionalization of Women Victims of Domestic Violence. Also, Free High Performance Sales course, offered by Apoena in partnership with the Sala da Mulher of Pontes e Lacerda City Council. Classes are scheduled to start in August and will have 20 students as a target audience.
- Strategy 8 of the Action Plan "Investing in women present in communities": Developing talent for the future by investing in STEM (Science, Technology, Engineering and Math).

#### **Aranzazu**

Among the actions that have been carried out during the second quarter of 2021, emphasis has been placed on improving the houses of surrounding village colonies so that the inhabitants have a better quality of life. Investment was made to equip a water well and to install a water line of 800 meters to supply the population. In addition, the Company continues to deliver basic pantry baskets to the elderly and provides support to elderly inhabitants with physical, dental and emotional therapy through the Bethesda Association. The Company also restored restrooms and various areas of the military barracks located in Concepción del Oro, and the roadrunner brigades, charged with supply COVID-19 vaccines in the town, were supported with food.

During the 2021 rainy season, garbage, dirt and rocks were dragged to the main streets and the Company carried out various works to clear these materials from the roads. We also supported the IMSS clinic by providing the clinic with clean water supply. The Company has also supported various sports clinics available to adolescents and young people in the locality.

#### **San Andres**

During second quarter of 2021, San Andres focused on raising awareness for COVID-19 through televised campaigns with our personnel communicating measures to prevent the spread of COVID-19. The communication strategy focused on advertisements showing activities and actions taken by the Company, including personal care of employees related to protective and biosafety equipment. Medical team paid by MINOSA also carried out activities to support the vaccination program conducted by the state of Honduras in neighboring communities. In addition, the Company has supported local entrepreneurs, donating cloth masks for children and the elderly.

## 3.6 CORPORATE GOVERNANCE

The Company's board of directors (the "Board") and its committees seek to follow recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board currently consists of seven directors, four of whom are not considered independent of the Company and three of whom have been determined by the Board to be independent within the meaning of applicable Canadian securities laws.

The Board considers Stephen Keith, Philip Reade and Bruno Mauad to be independent.

Richmond Fenn has served as an employee of the Company within the last three years by virtue of serving as Interim General Manager for Gold Road and therefore is not considered independent. Fabio Ribeiro is also not considered independent due to his work as Technology Consultant of the Company, which was terminated in the first semester of 2020 and, therefore, was within the last three years. Paulo Brito beneficially owns Northwestern Enterprises Ltd., the Company's largest shareholder, and thus is not considered an independent director. Paulo Brito Filho is an immediate family member of Paulo Brito, a director and Chairman of the Board, and therefore is not considered independent.

The Audit Committee is composed entirely of and chaired by non-management directors (Bruno Mauad, Stephen Keith, and Philip Reade), each of whom meet the independence requirements of National Instrument 52-110 – Audit Committees, the TSX Company Manual and our Board Mandate. The Audit Committee fulfills its role of ensuring the integrity of the reported information through its review of the interim and audited annual consolidated financial statements prior to their submission to the Board for approval. The Audit Committee meets with management quarterly to review the consolidated financial statements, including the MD&A, and to discuss other financial, operating, and internal control matters. The Company also retains external auditors to audit its annual consolidated financial statements.

The Audit Committee has reviewed this MD&A, pursuant to its charter, and the Board has approved the disclosure contained herein. Additionally, any such copy of this MD&A shall be provided to anyone who may request it.

The Corporate Governance, Compensation and Nominating Committee has 3 members, 2 of whom are independent, Philip Reade and Bruno Mauad, and Paulo Brito Filho are its members.

#### Aura's Ethics Committee

In 2018, the Company implemented and rolled out to all business units an independent whistleblower channel, managed by TMF Group (tmf-group.com). Any stakeholder can call and make an anonymous report through the whistleblower channel. All claims are forwarded to the Company's ethics committee, chaired by the CEO. The ethics committee will review and discuss all claims and make appropriate recommendations to the General Manager (unless he is related to the claim, in which case the committee is responsible for applying proposed measures).

In September 2020, Aura relaunched the Aura Ethics Channel. Relaunch included new contacts (phone and website), a friendlier interface and an easy-to-remember website address. There was an increase in the use of the channel in the United States and Honduras. All employees and stakeholders were re-trained.

In July 2021, the Company engaged Alvarez & Marsal – a global management consultant firm – to support the Company as to expand its Integrity Program. The goal is to evaluate and advance the Company's existing and robust compliance program to ensure compliance with best market practices not only among the mining industry in Latin America but across all industries and geographies.

## 4. Operational Highlights

Production in GEO, for the Company in the three and six months ended June 30, 2021, for the different mine stages is summarized below:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Production for mines at commercial stage	63,020	36,537	128,218	76,273
Production for mines not at the commercial stage	0	771	1,583	499
<b>Total Production (gold ounces)</b>	<b>63,020</b>	<b>37,308</b>	<b>129,801</b>	<b>76,772</b>

The table below summarizes the main operational indicators for the three and six months ended June 30, 2021 for the mines at the commercial stage:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
<b>OPERATING DATA</b>				
Gold ore processed (tonnes)	2,074,888	824,978	3,837,881	2,357,989
Gold bullion produced (ounces)	40,430	21,789	80,615	47,757
Gold bullion sold (ounces) <sup>(1)</sup>	42,933	26,073	89,654	47,117
Copper ore processed (tonnes)	292,712	211,319	566,526	408,552
Copper concentrate produced (dry metric tonnes "DMT")	13,869	13,033	30,461	25,154
Total Production (Gold Equivalent Ounces) <sup>(1)</sup>	63,020	36,537	128,218	76,273

(1) Does not consider pre-commercial production and sale from capitalized ounces.

The main factors resulting in the changes observed in the second quarter of 2021 are detailed below:

- **San Andres:** The Company recorded better grades and lower waste to ore ratio in the second quarter of 2021 compared to the same period in 2020 as a consequence of access to higher grade areas at the Esperanza zone. Plant feed was 300% higher in the second quarter of 2021 compared to the same period in 2020 due to operational interruptions in March 2020 because of the COVID-19 pandemic.
- **EPP Mines:** mine performance was good during the quarter with higher tons moved from Open Pit mines compared with same period 2020 and higher grades due to the mine sequence. In particular, the Japones mine had good productivity and grades similar to Nosde. Ernesto has been prepared to access better grades during the next quarters of this year.
- **Aranzazu:** The plant achieved a 30% capacity increase reaching close to 100,000 tons per month and is now stabilized to keep this level of production. Recoveries during the second quarter of 2021 are in line with those during same period in 2020 and are stable despite the fact that there throughput production was impacted due to lower grades in accordance with mine sequencing and better grades are scheduled to be mined in the third and fourth quarters of 2021.
- **Gold Road:** Production was impacted by the Company transitioning from employing mine contractors to in-house operators (impacting in turnover and productivity right after the transition), which is expected to lead to significant cost reductions at the mine on future quarters. In addition, reduced production during the second quarter of 2021 as compared to the first quarter of 2021 can partially be attributed to an electrical issuer on the main transformer at the mine which interrupted operation for a week during the second quarter of 2021 and lower than expected grades in some areas. The transition to in-house operations is 100% complete and the transformer was repaired by the end of the second quarter and is in full operation.
- **Almas project:** The project is advancing and the Company is currently engaged in detail engineering, purchasing, and contracting with Promon as the EPCM contractor. In addition, discussions in respect of the project have progressed with the Government of Tocantins and the Company expects to enter into an agreement to use the land for construction of the project and receive licenses required to operate the project. Advances in detail engineering have allowed the Company to compress the project's construction schedule.
- **Matupá project:** The Company has signed a contract with Ausenco to perform multidisciplinary engineering services in support of a pre-feasibility study, which is expected to be completed by the second semester of 2021, and to report conversion of resources to reserves, also within 2021. Following the completion of such pre-feasibility study, the Company intends to conduct a definitive feasibility study and prepare a technical report in compliance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects. The technical report is anticipated to be published during the first quarter of 2022. The Company has continued to further expand its geological understanding of the porphyry potential and advanced geological program for targets Alto Alegre and Target 47.



## Production and cash cost highlights

Gold equivalent production and cash operating costs per gold equivalent ounce produced<sup>1</sup> for the three and six months ended June 30, 2021, and 2020 were as follows:

Three months ended June 30,	2021		2020	
	Oz Produced - Gold Equivalent Ounces (GEO)	Cash costs per ounce of gold produced	Oz Produced - Gold Equivalent Ounces (GEO)	Cash costs per ounce of gold produced
San Andres	23,124	\$ 818	8,835	\$ 946
EPP Mines <sup>1</sup>	14,119	\$ 997	12,954	\$ 832
Aranzazu	22,590	\$ 795	14,748	\$ 933
<b>Subtotal (w/o Gold Road)</b>	<b>59,833</b>	<b>\$ 851</b>	<b>36,537</b>	<b>\$ 900</b>
Gold Road	3,186	\$ 2,256	-	\$ -
<b>Total / Average</b>	<b>63,019</b>	<b>\$ 922</b>	<b>36,537</b>	<b>\$ 900</b>

(1) Does not consider pre-commercial production and sale from capitalized ounces.

Six months ended June 30,	2021		2020	
	Oz Produced - Gold Equivalent Ounces (GEO) <sup>(1)</sup>	Cash costs per ounce of gold produced	Oz Produced - Gold Equivalent Ounces (GEO)	Cash costs per ounce of gold produced
San Andres	44,206	\$ 825	23,199	\$ 1,058
EPP Mines <sup>1</sup>	28,894	\$ 869	24,558	\$ 1,016
Aranzazu	47,603	\$ 737	28,516	\$ 950
<b>Subtotal (w/o Gold Road)</b>	<b>120,703</b>	<b>\$ 801</b>	<b>76,273</b>	<b>\$ 1,004</b>
Gold Road	7,514	\$ 1,849	-	\$ -
<b>Total / Average</b>	<b>128,217</b>	<b>\$ 862</b>	<b>76,273</b>	<b>\$ 1,004</b>

(1) Does not consider pre-commercial production and sale from Nosde, capitalized.

Cash operating costs per GEO produced increased 2% in the second quarter of 2021 in comparison to same period of 2020. Excluding Gold Road, which is currently in the ramp-up phase, there was a decrease of 6% in the second quarter of 2021 in comparison to the same period in 2020. This was mainly driven by:

- **San Andres:** lower cost compared to the same period of 2020 due to higher production, considering that production in the second quarter of 2020 was partially interrupted due to COVID pandemic interruption.
- **EPP:** increase in costs mostly driven by inflation pressure on annual contractual readjustments. A wide range of sectors in Brazil is being affected, with 12-month accumulated IGPM (General Market Prices Index) reaching 35.8% and 12-month accumulated INPC (Prices to Consumer National Index) reaching 9.2%, as of June 30. Negotiation efforts to reduce adjustments with suppliers are in place, as well as various initiatives to look for cost savings. Waste to ore ratio 40% above same period of 2020, consequence on operation at Ernesto mine, also contributed to higher cash cost on the quarter. Finally, exchange rates moved unfavorably during the second quarter of 2021 when compared to the same period of previous year (appreciation of the Brazilian Real of 1.7%) and with the previous quarter (- 3.5%).
- **Aranzazu:** lower costs during the second quarter of 2021 compared to the same period in 2020, which was primarily attributable to economy of scale with the capacity increase and higher production in gold equivalent ounces, driven by copper prices.
- **Gold Road:** higher cost during the second quarter of 2021 compared to previous quarter due to lower production as a result of the transition from employing mine contractors to in-house operators, and due to the impact from power transformer issues and lower than expected grades in some areas during the second quarter of 2021.

See Section 7: Review of Mining Operations and Exploration for further details.



## 5 Financial Highlights

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
<b>FINANCIAL DATA</b>				
<i>IFRS Measures</i>				
Net revenue	\$ 111,669	\$ 60,834	\$ 227,695	\$ 109,460
<b>Cost of goods sold</b>	<b>71,324</b>	<b>42,947</b>	<b>136,249</b>	<b>84,883</b>
Depreciation (included in cost of goods sold)	9,497	5,256	19,149	9,688
<b>Gross Margin</b>	<b>40,345</b>	<b>17,887</b>	<b>91,446</b>	<b>24,577</b>
Gross Margin (excluding depreciation)	49,842	23,143	110,595	34,265
Income for the year/period	\$ 21,543	\$ 3,984	\$ 35,502	\$ (13,679)
Income (loss) per share - Basic	\$ 0.30	\$ 0.06	\$ 0.49	\$ (0.21)
EBITDA	\$ 40,199	\$ 18,982	\$ 92,601	\$ 24,796

### Net revenues

Net revenues were US\$ 111,669 in the second quarter, an increase of 84% when compared to the same period of 2020. This increase was principally the result of:

- Increased in Sales, as result of the increase in production described above. See Section 5: Operational Highlights. The increase in sales was the result of: (a) stronger production compared to Q2 2020, which was affected by interruptions in operations due to the COVID-19 pandemic, (b) bullion inventory reduction ounces during Q2 2021 and more favorable metal prices, mainly in respect Copper.
- Metal Price Increases: Increased net revenues were impacted by Gold and Copper prices, as described below:
  - Market gold prices reached an average of US\$1,816/oz in the second quarter of 2021, an increase of 7% when compared to same period of 2020 (US\$ 1,705/oz).
  - Copper prices reached an average of US\$ 4.36/lb in the second quarter of 2021, an increase of 77% when compared to same period of 2020.

### Gross margin

The increase in net revenues resulted in a 126% increase of gross margin compared to the same period of 2020, when production was partially affected due to partial interruptions in our operations due to the COVID-19 pandemic.

### Net Income for the period

The Company's strong operational performance during the second quarter of 2021, as described above, had a positive impact on Net Income, resulting in Net Income of \$21,543 in the second quarter of 2021 compared to a \$3,984 in the same quarter of 2020. The principal factors which affected Net Income were:

- Operating Income of \$30,663 due to positive results in EPP, Aranzazu and San Andres
- Other gains of \$5,012 resulted from the appreciation of the Brazilian Real during the second quarter of 2021 (foreign exchange rate impact) and the partial recognition of the Serrote sale Promissory Note Receivable (see Section 5 – Financial Highlights - Additional events for the second quarter 2021)
- Finance costs of \$(3,222) resulting from increased interest associated with Gold Road Pandion's debt
- Income tax expenses (both current and deferred) of \$(10,910), due to positive results in EPP, Aranzazu and San Andres.

### Shareholder's Equity

As of June 30, 2021, shareholders' equity was \$ 288,903 compared to \$ 312,714 on December 31, 2020. The decrease of \$ 23,811 was mainly due to the declaration of \$ 60,224 in dividends, partially offset by the Income of the period.

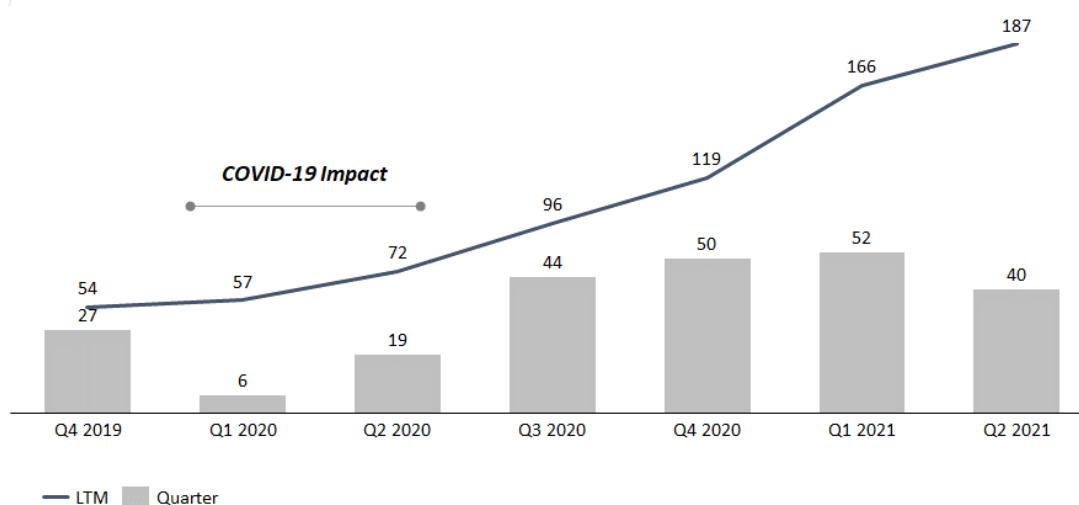
## Adjusted EBITDA

Adjusted EBITDA was \$ 40,199 in the second quarter of 2021, compared to \$ 18,982 recorded in the same period of 2020. The adjusted EBITDA by business unit was the following:

- Aranzazu: \$15,128
- Ernesto and Pau-a-Pique (EPP): \$ 9,479
- San Andres: \$ 21,966
- Gold Road: \$ (2,394)
- Others (Corporate, Almas, Matupá, and Tolda Fria): \$(3,980)

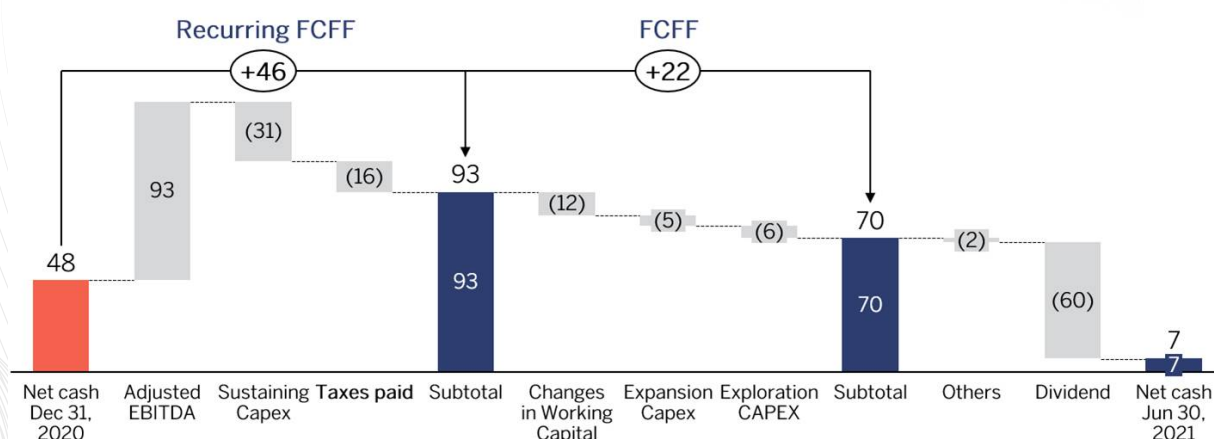
Adjusted EBITDA and Accumulated Adjusted EBITDA over the Last Twelve Months ("LTM") has increased for the sixth consecutive quarter as shown in the chart below:

Adjusted EBITDA by Quarter and LTM (US\$ Million)



## Net Debt<sup>1</sup>

Net Debt<sup>1</sup> in the second quarter of 2021 was \$(7,062), compared to \$(47,693) in the fourth quarter of 2020. The main reason for the change in Net Debt<sup>1</sup> was the \$60,224 dividend paid in April 2021 as the operations generated cash in the quarter, as detailed below:



- Sustaining Capex includes some nonrecurring expenses in the semester, such as: Tailing Dams expansion in Aranzazu \$(2,800), a new leach pad in Honduras \$(2,800) and Gold Road ramp-up \$(5,673)
- Increase in working capital is mainly related to deferred revenues from December 2020 shipments which were accounted in January 2021 and increase in work-in-progress inventory at EPP.

## Revenue components and highlights

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Gold revenue, gross	\$ 77,608	\$ 44,355	\$ 159,948	\$ 77,198
Copper & Gold Concentrate Revenue	34,975	17,649	71,119	35,002
<b>Gross Revenue</b>	<b>\$ 112,583</b>	<b>\$ 62,004</b>	<b>\$ 231,067</b>	<b>\$ 112,200</b>
<b>Ounces sold (GEO)<sup>(1)</sup></b>				
San Andres	24,324	8,831	47,195	21,679
EPP Mines	14,935	16,471	34,422	24,667
Aranzazu	23,909	14,442	48,462	28,614
Gold Road	3,674	-	8,038	-
<b>Total ounces sold</b>	<b>66,842</b>	<b>39,744</b>	<b>138,117</b>	<b>74,961</b>
Gold sales revenues, net of local sales taxes	\$ 76,694	\$ 43,185	\$ 156,576	\$ 74,458
Average gold market price per oz (London PM Fix)	\$ 1,816	\$ 1,705	\$ 1,805	\$ 1,644
Realized average gold price per ounce sold, gross	\$ 1,808	\$ 1,753	\$ 1,784	\$ 1,666

(1) Does not consider pre-commercial sale from capitalized ounces.

## Additional events for the second quarter 2021

### Partial recognition of the Serrote sale Promissory Note Receivable

On December 1, 2017, the Company entered into a purchase and sale agreement to sell MVV which owns the Serrote Project for aggregate consideration of \$40,000. The aggregate consideration of \$40,000 was made up of a cash payment of \$30,000 (paid), as well the delivery by the purchasers of a subordinated unsecured promissory note in the principal amount of \$10,000, payable from 75% of excess cash from the project after the project has repaid project financing and operating cash requirements. The determination of the probability of payment and the timing of payment, significantly impact the fair value of the promissory note. Considering the recent developments related to the Serrote Project, the Company estimated the fair value of the promissory note to be \$4,590 as of June 30, 2021 (included as other long-term receivables and deposits). In June 2021, MVV announced the completion of the construction of the mine and the processing plant and confirmed the target of November 2021 for the first shipment of high grade copper-gold-silver concentrate. The Company will continue to monitor the project, which keeps advancing, with special attention to when commercial production will be declared, and when positive cash flows will start to be generated, in order to reassess the fair value at each reporting date.

## Subsequent events for the second quarter of 2021

### Temporary Suspension of Activities in Honduras due to Illegal Blockades

On July 8, the Company announced that it had decided to temporarily suspend operations at its San Andres Mine in Honduras as the result of illegal blockades by a small group of individuals from the local community.

On July 29, Aura announced that operations at the San Andres gold mine in Honduras had resumed.

### Issuing of BRL 400 million Senior Notes and swap agreement

On July 13, the Company issued Senior Notes by its Brazilian subsidiary, Aura Almas Mineração S.A., on a total of R\$ 400 million. The Notes will bear interest at a rate equal to the Brazilian Interbank Deposit Rate plus 4.35% per annum and will mature in up to 5 years from Notes Issue Date, that is, until July 13, 2026.

On the same date, the Company entered into a swap agreement ("Swap") with BTG Bank. The Swap operation has a principal and interest amortization schedule identical to the Notes' principal and interest amortization schedule. As result of the Swap, Aura Almas will have no debt exposure in Brazilian Reais and will pay a 5.84% fixed rate per year, in USD.

The security package of the Notes includes a corporate guarantee from Aura Minerals, Inc and financial covenants for Aura Group.

## 6 OUTLOOK AND KEY FACTORS

The Company expects improvements at its operations in the second half of 2021, as indicated below:

- **EPP:** Ernesto pit is expected to be the main source of ore feed for the second semester of 2021 and until 2022, increasing the average grades compared to the first semester of 2021. Japones will also be important source of production for the rest of year and, together with Lavrinha and Nosde pits, it is expected to provide flexibility to EPP with 4 operational pits.
- **San Andres:** Interruptions in the operations in July will have a negative impact on the projected production for the year, although limited. Esperanza is expected to remain as the main source of ore for the rest of 2021. Improvements in the plant should reduce the leaching cycle and reduce DMT in the mine to increase efficiency.
- **Aranzazu:** Over the first half of the year, implementation of improvements in the milling and flotation circuit increased throughput, with production reaching close to 100,000 tons on average per month during the second quarter. Higher production capacity throughout the entire second half of the year, combined with more favorable copper prices, is expected to have a positive impact on production and cash costs for the rest of 2021.
- **Gold Road:** The mine faced several challenges in the first semester of 2021, including high employee turn-over, maintenance issues and other typical ramp-up challenges, all of which had a negative impact on production and cash costs when compared to the Company's expectation. Aura expects Gold Road to be more stable in the second semester and to benefit from cost reduction initiatives and will focus on continuing increasing its geological knowledge of the mine.

The Company's updated gold equivalent production, cash cost per gold equivalent produced and Capex guidance for 2021, and a comparison with the previous guidance, are detailed below.

The table below details the Company's updated GEO production guidance for 2021 by business unit:

	Gold equivalent thousand ounces ('000 GEO) production - 2021	
	Updated	Previous
San Andrés	78 - 86	80 - 93
EPP Mines	67 - 74	64 - 73
Aranzazu	101 - 112	81 - 93
Gold Road	18 - 23	25 - 31
<b>Total</b>	<b>264 - 295</b>	<b>250 - 290</b>

For the updated GEO calculation in Aranzazu, the Company used realized metal prices for January to June 2021 period and the following assumptions, based on market projection, on metal prices for July to December 2021 period: gold: \$ 1,801/ounce; silver: \$ 26.11/ounce; copper: \$ 4.22/pound.

The table below shows the Company's updated cash costs per gold equivalent produced guidance for 2021 by Business Unit:

	Cash Cost per equivalent ounce of gold produced - 2021	
	Updated	Previous
San Andrés	815 - 899	800 - 950
EPP Mines	701 - 774	685 - 810
Aranzazu	643 - 709	615 - 725
Gold Road	1,216 - 1,486	970 - 1,180
<b>Total</b>	<b>751 - 840</b>	<b>728 - 867</b>

#### Capex:

The table below shows the breakdown of estimated capital expenditures by type of investment for the updated guidance:

	Capex (US\$ million) - 2021	
	Updated	Previous
Sustaining	45 - 50	45 - 50
Exploration	9 - 11	6 - 8
New projects + Expansion	28 - 30	42 - 46
<b>Total</b>	<b>82 - 91</b>	<b>93 - 104</b>



- The decrease of the Expansion Capex is mainly due to delays in the start date of construction of Almas
- The increase in Exploration Capex is due to the shift from Exploration Expenses to Exploration Capex, as explained below.

Aura believes its properties have strong geological potential and management's objective is to expand LOM across its business units. Therefore, in 2021, Aura plans to invest a total of US\$24 million to US\$28 million (*previously: US\$ 24 million to US\$ 28 million*) which includes:

- US\$ 9 million to US\$ 11 million (*previously: US\$ 6 million to US\$ 8 million*) in capital expenditures (included in the table above); and,
- US\$15 million to US\$ 17 million (*previously: US\$ 18 million to US\$ 20 million*) in exploration expenses, not capitalized (not included in the table above).

As noted above, the Company has kept its total exploration guidance unchanged compared to the previous indication but will capitalize more expenses than previously expected. The reason is that the Company has increased its knowledge of its mineral resources and has shifted efforts to near mine exploration in some of its properties.

#### Key Factors

- The Company's future profitability, operating cash flows, and financial position will be closely related to the prevailing prices of gold and copper. Key factors influencing the price of gold and copper include, but are not limited to, the supply of and demand for gold and copper, the relative strength of currencies (particularly the United States dollar), and macroeconomic factors such as current and future expectations for inflation and interest rates. Management believes that the short-to-medium term economic environment is likely to remain relatively supportive for commodity prices but with continued volatility.
- To decrease risks associated with commodity prices and currency volatility, the Company will continue to evaluate and, if deemed appropriate, implement available protection programs. For additional information on this, please refer to the AIF.
- Other key factors influencing profitability and operating cash flows are production levels (impacted by grades, ore quantities, process recoveries, labor, country stability, plant, and equipment availabilities), production and processing costs (impacted by production levels, prices, and usage of key consumables, labor, inflation, and exchange rates), among other factors.

## 7 REVIEW OF MINING OPERATIONS AND EXPLORATION

### San Andres, Honduras

The San Andres Gold mine belongs to Minerales de Occidente (MINOSA), a wholly owned subsidiary of Aura and located 360 km from Honduras' capital of Tegucigalpa in the western highlands of the country. Exploration and artisanal mining have been conducted in the area since the 1930s with modernization beginning in 1983. Aura acquired the property and infrastructure in 2009 and currently operates the open-pit, heap-leach complex.

#### Operating performance:

The table below sets out selected operating information for San Andres for the three and six months ended June 30, 2021 and 2020:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Ore mined (tonnes)	1,619,889	413,321	3,059,021	1,522,678
Waste mined (tonnes)	558,428	223,875	1,701,140	1,193,919
Total mined (tonnes)	2,178,318	637,196	4,760,161	2,716,597
Waste to ore ratio	0.34	0.54	0.56	0.78
Ore plant feed (tonnes)	1,636,068	408,293	3,018,232	1,532,109
Grade (g/tonne)	0.52	0.47	0.53	0.44
Recovery (%)	84%	143%	85%	107%
Production (ounces)	23,124	8,835	44,206	23,199
Sales (ounces)	24,324	8,831	47,195	21,679
Average cash cost per ounce of gold produced	\$ 818	\$ 946	\$ 825	\$ 1,058

Results for San Andres during the second quarter of 2021 as compared to the same period of 2020 are as follow:

- Production was in accordance with expectations during second quarter of 2021 and higher than the same period of 2020, when operations were interrupted by order of the government of Honduras due to the COVID 19 pandemic.
- Higher grades mainly from Esperanza, with better grades compared to other areas and lower waste to ore ratio, when compared to the same period of 2020.
- Increased plant productivity as a result of continuous improvement initiatives carried out onsite.
- Recovery during the second quarter of 2020 exceeded 100% of recovery due to interruptions in operations in March, 2020 due to the COVID-19 pandemic, depleting the contents of the PLS and ILS solution inventories, in addition to drainage of the Pad.
- Sales during the second quarter of 2021 were 174% above same period of 2020 due to interruptions in operations in 2020 as a result of the COVID-19 pandemic.

### Strategic developments and geology

During the second quarter of 2021 a total of 50 holes were executed (5,577 meters drilled), consisting of 19 diamond drill holes (4,318 m) and 31 reverse circulation holes (1,259 m).

The program was focused on Infill drilling with the aim of replacing depletion from production and increasing the certainty of the mineral in tonnage and grade in the mine area for Esperanza and Falla A.

The exploration drilling to evaluate the conceptual potential of the sulfide mineralization started during the first quarter of 2021 and continued during the second quarter of 2021. The holes were executed to test the structures underneath the current exploitation pit.

District early-stage exploration continued along the second quarter within exploration concessions and new areas, with the objective to generate new drill-ready targets for 2022.

### Quality Assurance and Quality Control – San Andres

The samples are sent to the internal laboratory in the Minosa mine, where they are weighed, pulverized, and homogenized. Two percent of CRM and two percent of Blank samples are inserted into the sample streams sent to the laboratory to verify accuracy, precision, and contamination. Five Gold Certified Reference Material with ranging value from 0.32 ppm to 1.41 ppm and one type of blank rock from the region have been used. The samples are analyzed for Gold using the Au\_FA30 (Fire assay/AAS, 30g) and Au\_CN10 (Hot cyanide/AAS, 10g) methods, both with 0.01ppm in the lower detection limit.

### Ernesto and Pau-a-Pique (EPP):

## Introduction

EPP is located in Mato Grosso, Brazil, approximately 450 km west of Cuiabá, the state capital and 12 km from the town of Pontes e Lacerda. The complex consists of a processing plant fed by satellites mines such as Lavrinha, Japonês, Ernesto, Nosde and Pau-a-Pique underground deposit, all of which are under operation.

After reaching a production record during fourth quarter of 2020 of 26,332 ounces, mainly from Ernesto mine, in 2021, the Company is executing a push back at Ernesto mine primarily during the first half of 2021, following which the Company expects Ernesto to produce in higher grades areas during the second semester of 2021 and during 2022.

Moreover, the Company believes EPP has important exploration upside in near mine area, mainly the Ernesto, Lavrinha and Nosde extensions and other promising targets within a 25km distance radius of existing operations, with the potential to become new mines, such as the Bananal North and Bananal South. The Company is currently conducting exploration / development on all those target areas, but based on recent positive drill holes results, is prioritizing near mine targets that can possibly generate new reserves faster and closer to the plant.

## Operating performance

Production at EPP for the three and six months ended June 30, 2021 and 2020, for the different mine stages is summarized below:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Production for mines at commercial stage	14,119	12,954	28,894	24,558
Production for mines not at the commercial stage	0	771	1,583	1,270
<b>Total Production (gold ounces)</b>	<b>14,119</b>	<b>13,725</b>	<b>30,477</b>	<b>25,828</b>

\* Sales and expenses reflected in revenues and COGS

\*\* Sales and expenses capitalized until commercial production is declared

Nosde was not at commercial stage during the first quarter of the year and declared commercial production on April 1, 2021.

The table below sets out selected operating information for the mines at commercial stage at EPP, consolidated for the three and six months ended June 30, 2021 and 2020.

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Ore mined (tonnes)	502,021	585,750	814,858	956,856
Waste mined (tonnes)	7,679,494	6,410,733	11,581,469	9,683,926
Total mined (tonnes)	8,181,515	6,996,483	12,396,327	10,640,782
Waste to ore ratio	15.30	10.94	14.21	10.12
Ore plant feed (tonnes)	411,596	416,685	759,447	825,880
Grade (g/tonne)	1.16	1.09	1.27	1.01
Recovery (%)	92.0%	102.2%	93.4%	98.1%
Production (ounces) <sup>1</sup>	14,119	12,954	28,894	24,558
Sales (ounces) <sup>1</sup>	14,935	16,471	34,422	24,667
Average cash cost per ounce of gold produced	\$ 997	\$ 832	\$ 869	\$ 1,016

(1) EPP Mines do not consider pre-commercial production, capitalized.

A discussion of the above results is set out below:

- Ore mined during the second quarter of 2021 represented a 60% increase compared to the first quarter of 2021 as a result of the declaration of commercial production at the Nosde mine, and greater movement of ore at the Nosde, Ernesto and Japonês mines, but also represented a 14% decrease compared to the same period in 2020.

- Total mined during the second quarter of 2021 represented an 194% increase compared to the first quarter of 2021 and a 17% increase compared to the same period in 2020. This increase was due to better waste to ore ratio as a result of the Ernesto and Lavrinha extensions and the commencement of commercial operations at the Nosde mine. During the first quarter of 2020, Ernesto was under development and the Company had not yet opened the Nosde mine.
- Grade during the second quarter of 2021 was above the grade for the same period in 2020 due to more ore feed from Ernesto and better results from Japonês mine.

### Strategic developments and geology

During the second quarter of 2021, a total of 67 drill holes were completed, totaling 13,146 meters focusing mine/near-mine area and Bananal. In the first, the drilling activities were concentrated on testing Nosde, Lavrinha and Ernesto extensions. Extension drilling are also programmed for Japonês deposits and planned to start on third quarter.

Near mine exploration efforts are programmed for all mines for the second half of 2021 (Ernesto, Nosde, Lavrinha and Japonês).

In Bananal, a total of 16 holes totaling 6,492 meters were drilled during the quarter focusing the infill of Bananal Norte Target area.

Regional exploration activities (surface sampling and mapping) further south of Bananal and north of Pau-a-Pique initiated last year also continues and are still on progress with the objective to generate new drill targets for fourth quarter 2021 and first quarter 2022.

### Quality Assurance and Quality Control – EPP

Analytical work was carried out by SGS Geosol Lab (“SGS”), in Belo Horizonte, Brazil. Drill core samples were shipped to SGS's Lab. All samples were analyzed for gold values determined by fire assay method with atomic absorption spectrometry finish on 50g aliquots. SGS has routine quality control procedures which are independent from the Company's. The Company has established a standard quality assurance and quality control procedure for the drilling programs at Apoená as below.

Each batch of samples sent to the lab is composed approximately by 40 core samples and 4 quality assurance and quality control samples (2 blanks and 2 standards). The number of control standards should reflect the size of the analytical batch used by the laboratory. These QAQC samples are randomly spaced into each batch. The bags are labeled with these numbers are filled with 50 grams of one of the control standards and the sample tag is inserted in the bag. Records of which control standard was put in each bag in the sample log or sample cards are kept.

### Aranzazu

#### Introduction

Aranzazu is an underground copper mine 100% owned by Aura, located in Zacatecas, Mexico approximately 250 km from Monterrey. Documented evidence of mining in the area dates back almost 500 years. The current mine has been in operation since 1962, with Aura assuming ownership in 2010. After being put in care in maintenance in 2014, new management re-analyzed the business and the operation was restarted in 2018 after a detailed 5-year feasibility study was completed, governance was redesigned, a new incentive program was introduced, and new tailings dam was built.

Aranzazu declared commercial production in December 2018. Since that time, Aranzazu has performed above the expectations set out in its feasibility study, operated at less than half of cash cost and twice the production, compared to 2014. During the second quarter 2021, Aranzazu achieved 30% expansion as planned, reaching production close to 100,000 tons/month at the plant.



As part of the feasibility study, management focused on having a detailed 5-year LOM plan to be able to restart and expand operations, once generating positive cash flows. Since early 2019, Aranzazu has invested in geological studies, consolidating its information with a new geophysical data and reports from external consultants. Results have already materialized; since the restart, despite the depletion due to production and the increase in production capacity, Aranzazu increased its Life of Mine by converting resources into new reserves.

The Company continues executing geological studies in Aranzazu, and believes they are promising, as further described below:

- GH Area is currently Aranzazu's main deposit. It is currently being drilled to seek to significantly expand LOM. A 2019 Airborne Magnetic Survey indicated that the GH Area Skarn (low magnetic signature) is still open down dip for further 500 to 700m from currently known inferred resources, also down plunge to southeast towards Cabrestante, which may represent a significant increase of LOM. The Company intends to further explore this possibility with its recent infill drilling campaign.
- The Company believes El Cobre is a significant deposit and is conducting a drilling campaign that has potential to significantly increase LOM. The El Cobre area shows a higher-level exposure and occurs as vertically oriented chimneys and breccia pipes with skarn cores. They are likely to continue down into laterally more extensive skarns similar to those in the Aranzazu area and indicating that Aranzazu style skarn mineralization may underlie the El Cobre workings (corroborating the high potential in down dip evidenced by the aeromagnetic survey). In addition, the strong retrograde pyrite-hematite alteration is very similar between the two areas.
- Concepcion del Oro / Peñasquito / Tayahua is a polymetallic world class district where Aura controls approximately 11,000 hectares of mineral rights. Geological mapping and sampling, together with geophysical data are generating a significant amount of new early-stage targets in the district, where new copper-gold skarns, manto type polymetallic mineralization and high-grade veins gold /silver veins were found. Low grade Au-Cu porphyry mineralization could possibly occur as well.

## Operational performance

The table below sets out additional selected operating information for Aranzazu for the three and six months ended June 30, 2021 and 2020:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Ore mined (tonnes)	298,459	188,112	574,125	405,672
Ore processed (tonnes)	292,712	211,319	566,526	408,552
Copper grade (%)	1.16%	1.46%	1.30%	1.45%
Gold grade (g/tonne)	0.69	0.99	0.80	0.91
Silver grade (g/tonne)	16.18	22.39	17.87	22.56
Copper recovery	90.4%	90.6%	90.7%	90.8%
Gold recovery	78.4%	75.5%	79.2%	75.9%
Silver recovery	55.2%	60.2%	57.9%	60.5%
Concentrate production:				
Copper concentrate produced (DMT)	13,869	13,033	30,461	25,154
Copper contained in concentrate (%)	22.2%	21.5%	21.9%	17.6%
Gold contained in concentrate (g/DMT)	11.5	12.1	11.8	9.2
Silver contained in concentrate (g/DMT)	189.0	218.7	193.4	183.1
Copper pounds produced ('000 Lb)	6,786	6,045	14,732	11,713
Total production (Gold Equivalent Oz - GEO)	22,590	14,748	47,603	28,516
Cash costs (\$/GEO)	\$ 795	\$ 933	\$ 737	\$ 950
Copper equivalent pounds produced ('000 Lb)	9,460	10,129	21,189	18,917
Cash Cost per Copper equivalent pound produced	\$ 1.90	\$ 1.36	\$ 1.65	\$ 1.43

For the second quarter of 2021:

- Ore was processed at a rate that represented a 39% increase to the same period in 2020, in line with the Company's plan to increase by at least 30% ore mined and feed.



- Copper, gold and silver grades were 21%, 30% and 28%, respectively, each below the same period in 2020, due to mine sequence of lower grade areas.
- Recovery was in line with the same period in 2020 and relatively stable even for higher tonnage processed periods, despite challenges from higher ore feed.
- Copper concentrate was higher than the same period in 2020, which was in line with increase of tons processed.

### Strategic developments and geology

During this second quarter of 2021, the infill drilling program focused on converting Inferred Resources to Measured and Indicated in GH Area started in 2020 continues where 4,835 meters were completed in seven holes.

Exploration drilling for GH downdip extension also continued during second quarter 2021 where a second hole was started and is still underway with the aim of reaching 1,000 meters. In Cabrestante, two drillholes were completed during the period, totaling 987 meters. Exploration drilling is also underway in El Cobre where 8 holes totaling 2,370 meters were completed.

The strategy for 2021 is similar to 2020, but with increased exploration activities in El Cobre and Cabrestante, and the restarting of a district exploration program, which is expected to be focused on mapping and surface sampling.

### Quality Assurance and Quality Control – Aranzazu

The Company is using Bureau Veritas S.A. via their branch offices located in: 1) 9050 Shaughnessy St, Vancouver BC V6P-6E5, Canada; and, 2) 428 Panamá St, Unión de los Ladrilleros, Hermosillo Sonora, México for analytical works.

Currently, there are four types of quality assurance and quality control samples that are used to verify laboratory accuracy, precision, and contamination within each batch in labs: i) Standard (5% insertion), ii) Blank (5% insertion), iii) Duplicate (2.5% insertion), and iv) Twin (2.5% insertion). The core samples are cut in half looking for the main structures to be of equal proportion to reduce the bias of the results. They are, then, packed in transparent bags, labeled and sealed. Subsequently, the samples are sent to the preparation laboratory in Durango, Mexico, where they are weighed, broken, pulverized, and homogenized for their subsequent shipment to the laboratories of Hermosillo and Vancouver. Three standard CDN types are inserted, high (2.033% Cu), medium (1.37% Cu) and low (0.529% Cu) grade, and three types of rock blanks from the region; marble, intrusive, and limestone. For gold testing, they are sent to the Hermosillo Sonora laboratory where they are analyzed by the FA430 method with a detection limit of 0.005 ppm and 10 ppm and if it exceeds the detection limit, they are analyzed by the FA530 method. For the assay of 44 elements, they are analyzed in the laboratory in Vancouver, Canada by the MA300 method. The check sample must comply with a minimum of 5% of samples, which are sent to the SGS laboratory in Durango and be analyzed using the GE\_ICP40B and GE\_FAA313 method.

## Gold Road

### Introduction

Gold Road mine is located in the Oatman Mining District in Arizona, USA, a prolific zone with more than 2 million ounces of gold produced in the past.

After acquiring Gold Road in March 2020, Aura initiated a phased drilling campaign to further delineate and confirm current mineral resources and to expand the minable resource footprint of the property. Aura has developed the property's first 3-D model of the ore body and a mine plan based on above inferred mineral resources.

Gold Road completed a two-phased diamond drilling campaign during 2020 totaling 23,203 ft in 53 holes from underground and 13,372 ft in 8 holes from surface for a total cost of \$ 2.0million. The main objective of the 2020 underground drilling campaign was to upgrade inferred mineral resources to the indicated category. Underground drilling was partially

successful in delineating existing inferred resources and provided a robust interim model for short-term mine planning.

During the first and second quarters 2021, the areas of focus for the underground drilling program included supporting the 2021 mine plan and, to better define the long-term model, drilling from underground in the East Zone plus the 840 Zone and drilling from the surface in the West Gold Road area, west of shaft N°1. During the second quarter of 2021, Gold Road also began exploration drilling in the TR-UE Vein area between the United Western and United Eastern historical mines.

In addition, during the first quarter of 2021, Gold Road concluded drilling in Gold Ore target which is in close vicinity of Gold Road Mine. Gold Ore is an abandoned mine which was partially mined in 1940s. Seven exploration drill holes was completed during 2020 for total of 10,535 ft. The result was encouraging, and company will consider following up with more drilling in the near future.

Gold Road's plan is to develop an updated 43-101 in 2021 with the results of the drilling.

### Operational Performance

For the second quarter of 2021, Gold Road continued with a heavy development focus to access the mining areas planned for the year. Production from the mine was impacted by a need to transition from mining the west side to the east side of the 840 Zone, delaying longhole stoping from the zone. Additionally, the plant was idled for 8 days due to failure of the electrical substation and averaged 296 tons per day or 78% of rated throughput for the quarter compared to the December 2020 production rate of 378 tons per day. Exploration of the Gold Road vein focused on in-fill drilling of scheduled mining areas, with intent to increase confidence in the LOM plan. During the second quarter, Gold Road continued the process of transitioning away from contractor-based mining with extensive focus on training and onboarding employees.

### Quality Assurance and Quality Control – Gold Road

Currently, analytical work is being carried out by ALS Geochemistry Lab ("ALS") in Reno, Nevada, USA. Drill core samples were crushed, pulverized, and homogenized in the mine's laboratory at Gold Road, then pulp samples were shipped to ALS's lab in Reno. All samples were analyzed for gold values determined by fire assay method (code Au-AA25) with atomic absorption spectrometry finish on 30g aliquots. ALS has routine quality control procedures which ensure that every batch of 20 prepared samples includes one sample repeats, two commercial standards and blanks. ALS's quality assurance and quality control measures are independent from the Company's. The Company has established a standard quality assurance and quality control procedure for the drilling programs at Gold Road by inserting one blank, two standards, and one duplicate for each 20 samples.

### Exploration Projects

- At Sao Francisco, exploration drilling started at former mine targets, where 20 holes totaling 3,566 meters of diamond drilling were performed during the second quarter of 2021.
- In Matupá, the Company's activities during the second quarter of 2021 remained focussing on project development studies, such as a detailed topographic survey, hydrogeological studies and metallurgical sampling for additional testing and acid drainage studies. Nevertheless, during the second quarter of 2021, exploration activities were restarted with exploration drilling on Target 47 (Cu-Mo porphyry target), Alto Alegre and Guarantã Ridge, where a total of 14 holes of reverse circulation and diamond totaling 2,930 meters were drilled.
- In Almas, exploration and delineation diamond drilling was initiated late in the second quarter of 2021 in Morro do Carneiro with the first hole in progress at 69 meters at the end of the second quarter of 2021. Surface exploration activities continues aiming to generate new exploration targets within the district and improve the exploration pipeline of the project.
- Aura has significantly increased its mineral rights in Matupá, from 28,674 to 56,209 hectares and in Almas from 119,796 to 224,141 hectares by attending a Brazilian Mining Agency (ANM) bidding undertaken on second quarter.

- In Tolda Fria, Colombia, a surface exploration program in the district started in the third quarter of 2020 continued during second quarter of 2021. Aura controls 6,624 hectares in mineral rights and expects to generate significant early-stage targets in Tolda Fria district during 2021. The Tolda Fria district is part of greater prolific Middle Cauca district where several world class porphyry and epithermal gold deposits exists.

### Quality Assurance and Quality Control – Exploration Projects

At Matupá, Aura implemented QA/QC program for drilling, trenching and channel sampling which includes one high grade standard, one low grade standard, and one Blanks in each batch (mainly after mineralized zones) and 1/20 core duplicate (5%); Blank sample are fragments of regional barren granodiorite without any hydrothermal alteration or sulfides.

Currently Aura uses the Certified Reference ITAK 528 and ITAK 529 for Gold samples, which was prepared by Itak lab following Rio Novo's request to prepare a certified reference material from a sample collected from the reject of drilling performed by Rio Novo (separated by range of levels: low grade 0.315 and high grade 2.76) and forwarded to the Itak. A sample of approximately 100 kg of material was dried at a temperature of 105 °C and homogenized. After homogenization, the material was fourth in aliquots of approximately 60g. Then they were evaluated on the degree of homogeneity for Au. Finally, a group of specialized laboratories was invited to perform the certification tests of the parameter Au.

For Copper samples Aura uses Certified Reference SG-091, SG-092 and SG-093 which was prepared by SGS Geosol lab following their internal standards. The reference material was prepared using copper ore samples from Bahia, Brazil and the raw material was dried in an oven at 105°C for over twelve hours, pulverized down to 75 microns, homogenized and split into 372 aliquots of 120 grams, which were individually packed in airtight plastic jars. A subset of twenty-four aliquots of 10 grams selected at random was then subjected to XRF analysis at SGS GEOSOL, followed by consensus testing to ensure homogeneity.

Aura is not implanting any QA/QC samples for surface sampling (including soil, stream sediment or chip samples) in exploration projects.

## 8 RESULTS OF OPERATIONS

Details of net revenues, cost of production, depletion and amortization and gross margin are presented below:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
<b>Net Revenues:</b>				
San Andres	\$ 43,280	\$ 14,228	\$ 82,315	\$ 33,138
EPP Mines	26,843	28,957	59,664	41,320
Aranzazu	34,975	17,649	71,119	35,002
Gold Road	6,571	-	14,597	-
	\$ 111,669	\$ 60,834	\$ 227,695	\$ 109,460
<b>Cost of Production:</b>				
San Andres	\$ 20,684	\$ 8,104	\$ 40,314	\$ 22,026
EPP Mines	14,473	16,176	26,724	26,134
Aranzazu	18,803	13,411	35,348	27,035
Gold Road	7,867	-	14,714	-
	\$ 61,827	\$ 37,691	\$ 117,100	\$ 75,195
<b>Depletion and Amortization:</b>				
San Andres	\$ 2,003	\$ 898	\$ 3,798	\$ 2,343
EPP Mines	2,329	1,958	5,714	2,989
Aranzazu	4,068	2,400	7,267	4,356
Gold Road	1,097	-	2,370	-
	\$ 9,497	\$ 5,256	\$ 19,149	\$ 9,688
<b>Gross Margin:</b>				
San Andres	\$ 20,593	\$ 5,226	\$ 38,203	\$ 8,769
EPP Mines	10,041	10,823	27,226	12,197
Aranzazu	12,104	1,838	28,504	3,611
Gold Road	(2,393)	-	(2,487)	-
	\$ 40,345	\$ 17,887	\$ 91,446	\$ 24,577

## Exploration expenses

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
San Andres mine	\$ 416	\$ 42	\$ 701	\$ 237
EPP projects	1,875	826	3,159	1,433
Aranzazu mine	166	34	201	62
Gold Road	1	-	303	8
<b>Total</b>	\$ 2,458	\$ 902	\$ 4,364	\$ 1,740

## Care and maintenance expenses

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Almas, Matupa and Tolda Fria	\$ 582	\$ 107	\$ 919	\$ 273
EPP Mines	240	107	456	270
Gold Road	29	-	29	107
Aranzazu	3	-	5	-
<b>Total</b>	854	214	1,409	650

The care and maintenance expense for Almas, Matupá and Tolda Fria projects mainly represents costs with respect to maintaining adequate provisions for security, contracts, environmental licenses and adequate maintenance of the assets.

## General and administrative ("G&A") costs



	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Salaries, wages and benefits	\$ 1,379	\$ 1,021	\$ 3,535	\$ 1,909
Bonus	811	274	1,360	632
Severance	318	4	358	4
Professional and consulting fees	1,123	483	2,213	1,530
Legal, Filing, listing and transfer agent fees	124	(3)	494	786
Insurance	597	370	955	649
Directors' fees	337	60	281	92
Occupancy cost	(6)	45	(5)	97
Merger and acquisition	-	-	-	28
Travel expenses	89	27	168	172
Share-based payment expense	413	132	913	257
Depreciation and amortization	15	3	23	13
Lease depreciation expense	24	27	48	52
Other	1,146	632	1,949	923
<b>Total</b>	<b>\$ 6,370</b>	<b>\$ 3,075</b>	<b>\$ 12,292</b>	<b>\$ 7,144</b>

Salaries, wages and benefits categories for the six months period ended June 30, 2021 include employee compensation. The increase is due to mainly to the addition of Gold Road personnel and growth of the Company over the last twelve months.

Increasing in professional and consulting fees are related to increase in audit and consulting fees related with the IPO in Brazil in July 2020, few non recurring expenses incurred in the first semester of 2021 and timing / accrual effects between the quarters.

The director's fees include the revaluation of the outstanding in-the-money DSUs based upon the Company's share price ended June 30, 2021. For the six months ended June 30, 2021, the market price for the Company's share increase from December 31, 2020, thus resulting in an increase in director's fees.

Share based expense is associated with the issuance of stock options in 2021.

"Other" includes general expenses, such as expenses incurred related to COVID-19 prevention materials and supplies.

## Finance Costs

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Accretion expense	\$ 608	\$ 553	\$ 1,239	\$ 1,102
Lease interest expense	82	18	173	39
Interest expense on debts	2,274	1,739	4,085	2,596
Finance cost on post-employment benefit	107	213	267	376
Other interest and finance costs	151	(23)	305	109
<b>Total</b>	<b>\$ 3,222</b>	<b>\$ 2,500</b>	<b>\$ 6,069</b>	<b>\$ 4,222</b>

The increase in interest expense on debts on the second quarter of 2021 includes new loans in Brazil associated with the development of Almas Project.

## Other (losses) income

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Net loss on call options and fixed price contracts - Gold	\$ -	\$ (2,988)	\$ 328	\$ (4,433)
Net gain (loss) on call options - Copper	(127)	(1,679)	(601)	148
Net gain (loss) on foreign currency derivatives	\$ -	\$ (2,875)	\$ -	\$ (6,040)
Gain (loss) on FV Option of Pandion Debt	-	1,400	(8,268)	1,400
Foreign exchange (loss) gain	\$ 3,073	\$ (336)	\$ 2,237	\$ (3,990)
Gain (loss) on FV change of MVV Promissory note receivable	2,110	-	2,110	-
Other items	\$ (44)	\$ (371)	\$ (457)	\$ (427)
<b>Total</b>	<b>\$ 5,012</b>	<b>\$ (6,849)</b>	<b>\$ (4,651)</b>	<b>\$ (13,342)</b>

Foreign exchange gain is associated with the strong appreciation of the Brazilian Real in the second quarter of 2021.

Gain on FV change of MVV Promissory note receivable is associated with the partial recognition of a Promissory Note the Company has in its favor related to the sale of the Serrote Asset (see Section 5 – Financial Highlights - Additional events for the second quarter 2021).

## 9 SUMMARY OF QUARTERLY RESULTS

The following table sets selected unaudited interim consolidated financial information for each of the eight most recently completed quarters.

<i>Fiscal quarter ended</i>	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Net Revenue	\$ 111,669	\$ 116,026	\$ 100,606	\$ 89,808	\$ 60,834	\$ 48,626	\$ 69,653	\$ 69,919
Net current assets (liability)	70,536	64,202	96,643	66,235	7,409	19,233	22,820	9,528
Property, plant and equipment	294,698	284,349	271,159	259,236	244,225	243,402	212,496	214,361
Impairment recovery	-	-	-	-	-	-	-	-
(Loss) Income for the period	21,543	13,959	57,567	24,589	3,985	(17,664)	29,725	3,799
(Loss) Income per share								
Basic	\$ 0.30	\$ 0.20	\$ 0.81	\$ 0.34	\$ 0.92	\$ (4.06)	\$ 6.83	\$ 0.87
Diluted	\$ 0.30	\$ 0.20	\$ 0.80	\$ 0.34	\$ 0.92	\$ (4.02)	\$ 6.80	\$ 0.87

## 10 LIQUIDITY AND CAPITAL RESOURCES

Management of the Company believes that our ongoing operations and associated cash flows will provide sufficient liquidity to continue financing our planned growth in the near term and that we will have access to additional debt as we grow to support further expansion.

The Company will, from time to time, repay balances outstanding on its revolving credit with operating cash flow and cash flow from other sources.

The changes in the Company's cash position during the six months of 2021 are detailed as follows:

	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Net cash generated by (used in) operating activities	\$ 64,107	\$ 14,344
Net cash generated by (used in) investing activities	(41,866)	(21,306)
Net cash generated by (used in) financing activities	(44,479)	(3,283)
	\$ (22,238)	\$ (10,245)

For analysis on changes in the cash position, see Chapter 5 – Financial Highlights (*Net debt changes, cash inflows and outflows*).

### Financial debt

Financial debt	Total	Less than	1 - 3	4 - 5
Banco Occidente	\$ 5,000	\$ 5,000	\$ -	-
Banco Atlântida	7,127	4,949	2,178	-
Banco ABC Brasil S.A.	16,593	3,196	13,397	-
Banco Santander Brasil	9,451	3,205	6,246	-
Banco Votorantim	6,925	6,409	516	-
FIFOMI Credit Facility	2,996	877	1,754	365
Pandion	24,305	11,181	13,124	-
Itau	18,544	4,844	13,700	-
<b>Total</b>	<b>90,941</b>	<b>39,661</b>	<b>50,915</b>	<b>365</b>

For a detailed discussion of the above noted debts, please see Note 11 in the Financial Statements. In the ordinary course of business, the Company has trade and other payables owing and for mine closure and restoration which are discussed in the Financial Statements.

## 11 CONTRACTUAL OBLIGATIONS

Except as set forth in this MD&A, for the quarter ended June 30, 2021 and as at the date of this MD&A, the Company has not entered into any contractual obligations that are outside of the ordinary course of business.

The Company has the following future liabilities and payables:

Financial instrument	Total	Less than 1 year	1 - 3 years	4 - 5 years	Over 5 years
Trade and other payables	\$ 73,854	\$ 73,854	\$ -	\$ -	-
Derivative financial liabilities	-	-	-	-	-
Short-term & Long-term debt	90,941	39,662	50,914	365	-
Provision for mine closure and restoration	40,580	2,954	6,092	9,283	22,251
Other liabilities and Leases	3,518	2,948	570	-	-
<b>Total</b>	<b>\$ 208,893</b>	<b>\$ 119,418</b>	<b>\$ 57,576</b>	<b>\$ 9,648</b>	<b>\$ 22,251</b>

## 12 RELATED PARTY TRANSACTIONS

### Irajá Royalty Payments

As part of the EPP transaction with Yamana Gold Inc. ("Yamana"), Mineração Apoená S.A. ("Apoena") entered into a royalty agreement (the "EPP Royalty Agreement"), dated June 21, 2016, with Serra da Borda Mineração e Metalurgia S.A. ("SBMM"), Yamana's wholly-controlled subsidiary. Commencing on and from June 21, 2016, Apoena would pay to SBMM a royalty (the "Royalty") that is equal to 2.0% of Net Smelter Returns on all gold mined or beneficiated from Apoena (the "Subject Metals") sold or deemed to have been sold by or for Apoena. Effective as at such time as Apoena has paid the Royalty on up to 1,000,000 troy ounces of the Subject Metals, the Royalty shall without the requirement for any further act or formality, reduce to 1.0% of Net Smelter Returns on all Subject Metals sold or deemed to have been sold by or for Apoena.

On October 27, 2017, SBMM entered into an agreement (the "Royalty Swap Agreement") with Irajá Mineração Ltda, a company beneficially owned or controlled by Paulo de Brito, for the swap of the EPP Royalty with the RDM Royalty (as defined in the Royalty Swap Agreement) with no change to the terms of the royalty calculation. Aura has incurred expenses of the related royalties of \$ 447 in the first six months of the 2021 year and has a liability outstanding of \$ 375 at June 30, 2021.

### Northwestern Stabilization Loan Payments

As disclosed by the Company in a material change report dated July 12, 2020 (the "MCR"), in connection with facilitating the stabilization procedures under the Initial Brazilian Offering, Northwestern Enterprises Ltd. ("Northwestern"), a company controlled by Mr. Paulo de Brito, the chairman of the board of the Company, agreed to loan to a Brazilian underwriter that acted as stabilization agent under the Initial Brazilian Offering 143,568 BDRs, representing 15% of the BDRs offered under

the base offering (the "Northwestern Stabilization Loan"). As consideration for entering into the Northwestern Stabilization Loan, Northwestern received a fee equal to 0.00001% per annum of the product obtained when the number of BDRs loaned by Northwestern was multiplied by the price per BDR set under the Initial Brazilian Offering, which was equal to R\$820.00 or C\$204.75, based on the daily average rate of exchange published by the Bank of Canada on June 30, 2020, calculated pro rata daily for the term of the loan, which amount was intended to be nominal. See the MCR on [www.sedar.com](http://www.sedar.com) for further details.

### Key Management Compensation

Total compensation paid to key management personnel, remuneration of directors and other members of key executive management personnel for the three and six months ended June 30, 2021 and 2020 are as follows:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Salaries and short-term employee benefits	\$ 628	\$ 1,091	\$ 3,037	\$1,573
Share-based payments	344	123	844	246
Directors' Fees	130	60	281	92
Termination benefits	310	4	358	4
	\$ 1,412	\$ 1,278	\$ 4,520	\$1,915

Salaries and short-term employee benefits include bonuses paid to Management in Q1 2021 based on 2020 results. In 2020, bonuses based on 2019 results were paid during Q2 2020.

## 13 PROPOSED TRANSACTION

Other than as disclosed in this MD&A, the Company has not entered into a binding agreement for an asset or business acquisition or disposition. Management is committed to further analyzing and where applicable, negotiating, one or more transactions to maximize the value of its assets and increasing shareholder value.

## 14 CRITICAL ACCOUNTING ESTIMATES

The preparation of consolidated financial statements requires management to make estimates, judgments and to form assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent liabilities. Management's estimates and judgments are continually evaluated and are based on historical experience and other factors that management believes to be reasonable under the circumstances. Actual results may differ from these estimates.

The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the Company's consolidated statements of financial position reported in future periods.

### a) Determination of Life of Mine (LOM) plans ore reserves and reserves

Estimates of the quantities of ore reserves and resources form the basis for our LOM plans, which are used for a number of important business and accounting purposes, including: the calculation of depletion expense; the capitalization of production phase stripping costs, for forecasting the timing of the payment of mine closure and restoration costs, and for the assessment of impairment charges and the carrying values of assets. In certain cases, these LOM plans have made assumptions about our ability to obtain the necessary permits required to complete the planned activities.

The Company determines mineral resources and reserves under the principles incorporated in the Canadian Institute of Mining, Metallurgy and Petroleum standards for mineral reserves and resources, known as the CIM Standards. The



information is regularly compiled by Qualified Persons and reported under National Instrument 43-101, Standards of Disclosure for Mineral Projects ("NI-43-101").

There are numerous uncertainties inherent in estimating mineral resources and reserves, and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in the forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of reserves and resources and may, ultimately, result in reserves and resources being restated.

#### **b) Impairment of assets**

In accordance with the Company's accounting policy, each asset or CGU is evaluated at each reporting date to determine whether there are any indications of impairment. Internal and external factors evaluated for indications of impairment include: (i) whether the carrying amount of net assets of the entity exceeded its market capitalization; (ii) changes in estimated quantities of mineral resources and the Company's ability to convert resources to reserves, (iii) a significant deterioration in expected future metal prices; (iii) changes in expected future production costs and capital expenditures; and (iv) changes in interest rates.

If any such indication exists, a formal estimate of recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset or CGU is measured at the higher of FVLCD or VIU.

The determination of FVLCD and VIU requires management to make estimates and assumptions about expected production and sales volumes, metals prices, reserves, operating costs, mine closure and restoration costs, future capital expenditures and appropriate discount rates for future cash flows. The estimates and assumptions are subject to risk and uncertainty, and as such there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances, some or all of the carrying value of the assets may be further impaired or the impairment charge reduced with the impact recorded in the consolidated statements of income (loss).

If, after the Company has previously recognized an impairment loss, circumstances indicate that the recoverable amount of the impaired assets is greater than the carrying amount, the Company reverses the impairment loss by the amount the revised fair value exceeds its carrying amount, to a maximum of the previous impairment loss. In no case shall the revised carrying amount exceed the original carrying amount, after depreciation or amortization, that would have been determined if no impairment loss had been recognized.

#### **c) Valuation of work-in-process inventory**

The measurement of inventory including the determination of its net realizable value, especially as it relates to ore in stockpiles, involves the use of estimates. Net realizable value is determined with reference to relevant market prices less applicable variable selling expenses. Estimation is also required in determining the tonnage, recoverable gold and copper contained therein, and in determining the remaining costs of completion to bring inventory into its saleable form. Judgment also exists in determining whether to recognize a provision for obsolescence on mine operating supplies, and estimates are required to determine salvage or scrap value of supplies.

Estimates of recoverable gold or copper on the leach pads are calculated from the quantities of ore placed on the leach pads (measured tonnes added to the leach pads), the grade of ore placed on the leach pads (based on assay data) and a recovery percentage (based on ore type).

#### **d) Provisions for mine closure and restoration**

The amounts recorded for mine closure and restoration obligations are based on estimates prepared by third party environmental specialists, if available, in the jurisdictions in which the Company operates or by environmental specialists within the Company. These estimates are based on remediation activities that are required by environmental laws, the expected timing of cash flows, and the pre-tax risk-free interest rates on which the estimated cash flows have been discounted. These estimates also include an assumption on the rate at which the costs may inflate in future periods. Actual results could differ from these estimates. The estimates on which these fair values are calculated require extensive judgment about the nature, cost and timing of the work to be completed, and may change with future changes to costs, environmental laws and regulations and remediation practices.

### e) Purchase price allocation

Business combinations require judgment and estimates to be made at the date of acquisition in relation to identifying the acquirer, determining assets and liability fair values. The estimate of reserves and resources is subject to assumptions relating to life of the mine and may change when new information becomes available.

Changes in reserves and resources as a result of factors such as production costs, recovery rates, grade or reserves or commodity prices could impact depreciation rates, asset carrying values and decommissioning provision. Changes in assumptions over long-term commodity prices, market demand and supply, and economic and regulatory climates could also impact the carrying value of assets.

The excess of the:

- Consideration transferred,
- Amount of any non-controlling interest in the acquired entity, and
- Acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly in profit or loss as a bargain purchase.

### f) Recoverability of deferred tax assets

Preparation of the consolidated financial statements requires an estimate of income taxes in each of the jurisdictions in which the Company operates. The process involves an estimate of the Company's current tax exposure and an assessment of temporary differences resulting from differing treatment of items, such as depletion and amortization, for tax and accounting purposes, and when they might reverse.

These differences result in deferred tax assets and liabilities that are included in the Company's consolidated statements of financial position. An assessment is also made to determine the likelihood that the Company's future tax assets will be recovered from future taxable income.

Judgment is required to continually assess changes in tax interpretations, regulations and legislation, and make estimates about future taxable profits, to ensure deferred tax assets are recoverable.

## 15 FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

In accordance with IFRS 9, the Company records the fair value of their derivative fixed price contracts and put/call options instruments at the end of the reporting period as an asset ("in-the-money") or liability ("out-of-the-money"). The fair value is calculated as the difference between a market-based price and the contracted price. At the end of the reporting period, a corresponding gain or loss is recorded in the Consolidated Statements of Income as Other (Gain) Loss.

For the fixed price contracts and put/call options on the gold derivatives, these derivatives are significantly driven by the market price of gold.

The Company has the following derivative financial instruments in the following line items in the balance sheet:

Derivatives contracts	Commodity	Current/non-current	(Asset)/Liability at 06/30/2021	(Asset)/Liability at 06/30/2020
Fixed price contracts				
Corporate	Gold	Current	\$ -	\$ 399
Put/call option contracts				
Corporate	Gold	Current	\$ -	\$ 1,052
Aranzazu	Gold	Current	\$ -	\$ 83
Aranzazu	Copper	Current	\$ -	\$ 268
Forward contracts				
Corporate	BRL	Current	\$ -	\$ 1,123
EPP Mines	BRL	Current	\$ -	\$ 968

The Company has the following outstanding derivative financial instrument positions as of June 30, 2021:

Derivatives contracts	Commodity	Average call strike price	Average put strike price	Ounces outstanding	Remaining term
Put/call options					
Corporate	Gold	\$ 1,658.33	\$ 1,910.42	6,000	July - December 2021

*Credit risk* is the risk that a third party might fail to discharge its obligations under the terms of a financial contract. The Company's credit risk is limited to trade receivables, derivative contracts, and the short-term investments in bonds in the ordinary course of business. As at March 31, 2021, the Company considers the credit risk with these financial contracts to be low.

*Interest rate risk* is generally associated with variable rate financial instruments and available market interest rates at the time financial instruments are acquired. Aura is exposed to interest rate risk on its cash, cash equivalents as it holds a portion of cash and cash equivalents and restricted cash in bank accounts that earn variable interest rates. One of the borrowings in Mexico has a variable interest rate based on the TIEE plus 4.2%. The Company monitors its exposure to interest rates and has not entered into any derivative contracts to manage this risk.

For the three and six months ended June 30, 2021, an increase or decrease in interest rates of 100 basis points (1 percent) would have increased consolidated income and comprehensive income for the year by \$1,343. A decrease in interest rates of 100 basis points (1 percent) would have decreased the income and comprehensive income for the year by \$1,343.

For the three and six months ended June 30, 2021, an increase or decrease in interest rates of 100 basis points (1 percent) for the Mexican borrowing with Mexican TIEE + 4.2% would have increased consolidated income and comprehensive income for the year by \$35. A decrease in interest rates of 100 basis points (1 percent) would have decreased the income and comprehensive income for the year by \$35.

*Foreign Currency Risk* is generally associated with transactions denominated in non-USD currencies. The Company is exposed to financial gain or loss as a result of foreign exchange movements against the USD. The Company has operations located in Honduras, Brazil, Mexico and the United States. The Company holds sufficient amounts of its currency to meet its estimated expenditure requirements for these currencies.

## 16 DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's management is responsible for designing and maintaining adequate internal controls over financial

reporting ("ICFR"), under the supervision of the CEO, CFO and Corporate Controller, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the consolidated financial statements in accordance with IFRS. Management is also responsible for the design and effectiveness of disclosure controls and procedures ("DC&P"), under the supervision of the CEO, CFO and Corporate Controller, to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. As at March 31, 2021, the Company's CEO, CFO and Corporate Controller have certified that DC&P and ICFR are effective and that, during the quarter ended March 31, 2021, the Company did not make any material changes in the ICFR that materially affected or are reasonably likely to materially affect the Company's ICFR.

## 17 NON-GAAP PERFORMANCE MEASURES

In this MD&A, the Company has included realized average gold price per ounce sold, gross; realized average gold price per ounce sold, net of sales taxes; cash operating cost per ounce of gold equivalent ounce produced; cash operating costs per copper pound produced; EBITDA; Adjusted EBITDA; and Net Debt, which are non-GAAP performance measures. These non-GAAP measures do not have any standardized meaning within IFRS and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide investors with additional information which is useful in evaluating the Company's performance and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

### A. Reconciliation from income for the quarter to EBITDA and Adjusted EBITDA:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Income (loss) for the year	\$ 21,543	\$ 3,984	\$ 35,502	\$ (13,679)
Income tax (expense) recovery	7,869	1,437	17,129	2,664
Deferred income tax (expense) recovery	\$ 3,041	\$ (1,074)	\$ 10,030	\$ 8,494
Finance costs	3,222	2,500	6,069	4,222
Other gains (losses)	\$ (5,012)	\$ 6,849	\$ 4,651	\$ 13,342
Depreciation	9,536	5,286	19,220	9,753
<b>EBITDA</b>	<b>\$ 40,199</b>	<b>\$ 18,982</b>	<b>\$ 92,601</b>	<b>\$ 24,796</b>
Impairment reversal	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ 40,199</b>	<b>\$ 18,982</b>	<b>\$ 92,601</b>	<b>\$ 24,796</b>

### B. Reconciliation from the consolidated financial statements to cash operating costs per gold equivalent ounce produced:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Cost of goods sold	\$ 71,324	\$ 42,947	\$ 136,249	\$ 84,883
Depreciation	(9,497)	(5,256)	(19,149)	(9,688)
<b>Cost of production</b>	<b>\$ 61,827</b>	<b>\$ 37,691</b>	<b>\$ 117,100</b>	<b>\$ 75,195</b>
Change in inventory <sup>(1)</sup>	(3,695)	(4,804)	(6,558)	1,393
<b>Total operating cost of production</b>	<b>\$ 58,132</b>	<b>\$ 32,887</b>	<b>\$ 110,542</b>	<b>\$ 76,588</b>
Gold Equivalent Ounces produced <sup>(2)</sup>	63,020	36,537	128,217	76,273
<b>Cash operating costs per gold equivalent ounce produced</b>	<b>\$ 922</b>	<b>\$ 900</b>	<b>\$ 862</b>	<b>\$ 1,004</b>

### C. Reconciliation from the consolidated financial statements to cash operating costs per copper equivalent pound produced:



	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Cost of goods sold	\$ 71,324	\$ 42,947	\$ 136,249	\$ 84,883
Cost of production related to gold operation	(48,453)	(27,136)	(93,634)	(53,492)
Depreciation related to copper	(4,068)	(2,400)	(7,267)	(4,356)
<b>Cost of production</b>	<b>\$ 18,803</b>	<b>\$ 13,411</b>	<b>\$ 35,348</b>	<b>\$ 27,035</b>
Change in inventory <sup>(1)</sup>	(849)	342	(285)	68
<b>Total operating cost of copper pounds produced</b>	<b>\$ 17,954</b>	<b>\$ 13,753</b>	<b>\$ 35,063</b>	<b>\$ 27,103</b>
Contained copper pounds produced	9,460,102	10,129,130	21,188,701	18,916,918
<b>Cash cost per pound of copper produced</b>	<b>\$ 1.90</b>	<b>\$ 1.36</b>	<b>\$ 1.65</b>	<b>\$ 1.43</b>

(1) Considers exclusively finished product

#### D. Reconciliation from the consolidated financial statements to realized average gold price per ounce sold, gross:

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Gross gold revenue	\$ 77,608	\$ 44,355	\$ 159,948	\$ 77,198
Local gold sales taxes	(914)	(1,170)	(3,372)	(2,740)
Gold revenue, net of sales taxes	\$ 76,694	\$ 43,185	\$ 156,576	\$ 74,458
Ounces of gold sold	42,933	25,302	89,654	46,346
<i>Realized average gold price per ounce sold, gross</i>	<i>\$ 1,808</i>	<i>\$ 1,753</i>	<i>\$ 1,784</i>	<i>\$ 1,666</i>
<i>Realized average gold price per ounce sold, net</i>	<i>\$ 1,786</i>	<i>\$ 1,707</i>	<i>\$ 1,746</i>	<i>\$ 1,607</i>

#### E. Net Debt:

	June 30, 2021	December 31, 2020
Short Term Loans	\$ 39,661	\$ 28,485
Long-Term Loans	51,280	41,941
Less: Cash and Cash Equivalents	(97,661)	(117,778)
Less: Restricted Cash	(342)	(341)
<b>Net Debt</b>	<b>\$ (7,062)</b>	<b>\$ (47,693)</b>

#### F. Adjusted EBITDA Margin (Adjusted EBITDA/Revenues):

	For the three months ended June 30, 2021	For the three months ended June 30, 2020	For the six months ended June 30, 2021	For the six months ended June 30, 2020
Net Revenue	\$ 111,669	\$ 60,834	\$ 227,695	\$ 109,460
Adjusted EBITDA	\$ 40,199	\$ 18,982	\$ 92,601	\$ 24,796
<b>Adjusted EBITDA Margin (Adjusted EBITDA/Revenues)</b>	<b>36%</b>	<b>31%</b>	<b>41%</b>	<b>23%</b>

## 18 RISK FACTORS

The operations of the Company contain significant risk due to the nature of mining, exploration, and development activities. For details of these risks, please refer to the risk factors set forth in the Company's AIF which could materially affect the Company's future operating results and could cause actual events to differ materially from those described in forward-looking statements relating to the Company. See Section 20: Cautionary Note Regarding Forward-Looking Information.

## 19 DISCLOSURE OF SHARE DATA

As of June 30, 2021, the Company had the following outstanding: 72,559,449 common shares, 2,116,016 stock options, and 189,795 deferred share units.

## 20 CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A, and the documents incorporated by reference herein, contain certain “forward-looking information” and “forward-looking statements” as defined in applicable securities laws (collectively, “forward-looking statements”). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements relate to future events or future performance and reflect the Company's current estimates, predictions, expectations or beliefs regarding future events and include, without limitation, statements with respect to: expected production from, and the further potential of the Company's properties; the ability of the Company to achieve its longer-term outlook and the anticipated timing and results thereof (including the guidance set forth herein); the ability to lower costs and increase production; the economic viability of a project; strategic plans, including the Company's plans with respect to its properties; the amount of mineral reserves and mineral resources; the amount of future production over any period; capital expenditure and mine production costs; the outcome of mine permitting; other required permitting; the outcome of legal proceedings which involve the Company; information with respect to the future price of copper, gold, silver and other minerals; estimated mineral reserves and mineral resources, the Company's exploration and development program; estimated future expenses; exploration and development capital requirements; the amount of waste tons mined; the amount of mining and haulage costs; cash operating costs per gold equivalent ounce produced; cash operating costs per copper pound produced; operating costs; strip ratios and mining rates; expected grades and ounces of metals and minerals; expected processing recoveries; expected time frames; prices of metals and minerals; mine life; gold hedge programs; the duration or extent of the restrictions and suspensions imposed by governmental authorities as a result of the Pandemic, and the effect that any such restrictions or suspensions may have on our operations and our financial and operational results; the ability of the Company to successfully maintain operations at its producing assets, or to restart these operations efficiently or economically, or at all; the impact of the Pandemic on our workforce, suppliers and other essential resources and what effect those impacts, if they occur, would have on our business; and the ability of the Company to continue as a going concern. Often, but not always, forward-looking statements may be identified by the use of words such as “expects”, “anticipates”, “plans”, “projects”, “estimates”, “assumes”, “intends”, “strategy”, “goals”, “objectives” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements in this MD&A are based upon, without limitation, the following estimates and assumptions: the ability of the Company to successfully achieve business objectives; the presence of and continuity of metals at the Company's projects at modeled grades; gold and copper price volatility; the capacities of various machinery and equipment; the availability of personnel, machinery and equipment at estimated prices; exchange rates; metals and minerals sales prices; appropriate discount rates; tax rates and royalty rates applicable to the mining operations; cash operating costs per gold equivalent ounce produced, cash operating costs per copper pound produced and other financial metrics; anticipated mining losses and dilution; metals recovery rates, reasonable contingency requirements; our expected ability to develop adequate infrastructure and that the cost of doing so will be reasonable; our expected ability to develop our projects including financing such projects; and receipt of regulatory approvals on acceptable terms.

Known and unknown risks, uncertainties and other factors, many of which are beyond the Company's ability to predict or control, including any changes to the conditions and limitations imposed by governmental authorities in response to the Pandemic and the duration of such conditions or limitations, could cause actual results to differ materially from those contained in the forward-looking statements. Specific reference is made to the Company's most recent AIF for a discussion of some of the factors underlying forward-looking statements, which include, without limitation, gold and copper or certain other commodity price volatility, changes in debt and equity markets, the uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, interest rate and exchange rate fluctuations, general economic conditions, political stability and other risks involved in the mineral exploration and development industry. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors

that may affect the forward-looking statements.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

## 21 TECHNICAL DISCLOSURE

Unless otherwise stated in this MD&A, the technical and scientific information included herein has been derived from the following reports:

- the technical report with an effective date of January 31, 2018, and entitled "Feasibility Study of the Re-Opening of the Aranzazú Mine, Zacatecas, Mexico," prepared for Aura Minerals by F. Ghazanfari, P.Geo. (Farshid Ghazanfari Consulting), A. Wheeler, C.Eng. (Independent Mining Consultant), C. Connors, RM-SME (Aura Minerals Inc.), B. Dowdell, C.Eng. (Dowdell Mining Limited), P. Cicchini P.E. (Call & Nicholas, Inc.), G. Holmes, P.Eng. (Jacobs Engineering), B. Byler, P.E. (Wood Environment and Infrastructure Solutions), C. Scott, P.Eng. (SRK Canada), D. Lister, P.Eng. (Altura Environmental Consulting), F. Cornejo, P.Eng. (Aura Minerals Inc);
- the technical report dated July 2, 2014, with an effective date of December 31, 2013, and entitled "Mineral Resource and Mineral Reserve Estimates on the San Andrés Mine in the Municipality of La Union, in the Department of Copan, Honduras" prepared for Aura Minerals by Bruce Butcher, P.Eng., former Vice President, Technical Services, Ben Bartlett, FAusiMM, former Manager Mineral Resources and Persio Rosario, P. Eng., former Principal Metallurgist;
- the technical report dated January 13, 2017, with an effective date of July 31, 2016, and entitled "Feasibility Study and Technical Report on the EPP Project, Mato Grosso, Brazil" prepared for Aura Minerals by a group of third-party consultants, including P&E Mining Consultants Inc., MCB Brazil and Knight Piesold Ltd.;
- the technical report dated March 10, 2021, with an effective date of December 31, 2020, and entitled "Updated Feasibility Study Technical Report For the Almas Gold Project, Almas Municipality, Tocantins, Brazil" prepared by Aura Minerals and authored by F. Ghazanfari, P.Geo. (Aura Minerals), B.T Hennessey, P.Geo. (Micon International, Canada), L. Pignatari, P.Eng. (EDEM, Brazil), T.R. Raponi, P.Eng. (Ausenco, Canada), I.Dymov, P.Eng. (Metallurgy consultant, Canada), P.C. Rodriguez, P.Eng. (GE21 Mineral Consultants Ltd, Brazil) and A. Wheeler, C. Eng. (A.Wheeler Mining Consultant Ltd., UK);
- the technical report dated May 3, 2018, titled "NI 43-101 Technical Report, Preliminary Economic Assessment of the Gold Road Mine, Arizona, USA" prepared for Soma Gold Corp. (formerly Para Resources Inc., the vendor of the Gold Road Project, or Para Resources) by RPM Global;
- the technical report dated September 30, 2011, authored by J.Britt Reid, P.Eng, Bruce Butcher, P.Eng, Chris Keech, P.Geo and titled "Resource and Reserve Estimates on The São Francisco Mine, in the municipality of Vila Bella De Santissima Trindade, State of Mato Grosso Brazil,";
- the technical report dated February 12, 2010, authored by Ronlad Simpson, P.Geo (GeoSim Service Inc.), Susan Poos, P.E and Micheal Ward C.P.G (Marston & Marston, Inc.) and Kathy Altman P.E, PhD, (Samuel Engineering Inc.) and titled Technical Report and Preliminary Resource Estimate on the Guaranta Gold Project, State of Mato Grosso, Brazil,"; and
- the technical report dated May 31, 2011, authored by W.J.Crowl, R.G, and Donald Hulse, P.Eng, and titled "NI 43-101 Report on The Tolda Fria Project, Manizales, Colombia".

The technical information in this MD&A has been approved and verified by Farshid Ghazanfari, P.Geo., who is the Qualified Person as that term is defined under NI 43-101 for Aura. All technical information related to Aura's properties and the Company's mineral reserves and resources is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Readers are reminded that certain results outlined in the technical reports for these projects are preliminary in nature and may include inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves.

There is no certainty that the mine plans and economic models contained in any of the reports will be realized. Readers are further cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability. Readers are also advised to refer to the latest annual information form and technical reports of the Company as well as other continuous disclosure documents filed by the Company available at [www.sedar.com](http://www.sedar.com), for detailed information (including qualifications, assumptions and notes set out accordingly) regarding the mineral reserve and mineral resource information contained in this MD&A.