



Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Aura Minerals Inc.

Consolidated Statements of Income

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except share and per share amounts

	Note	2023	2022
Net revenue	20	416,894	392,699
Cost of goods sold	21	(290,877)	(267,006)
Gross Margin		126,017	125,693
General and administrative expenses	22	(25,030)	(22,507)
Care-and-maintenance expenses		(2,181)	(2,491)
Exploration expenses	23	(11,781)	(12,464)
Operating income		87,025	88,231
Finance expense	24	(49,379)	(7,397)
Other income	25	660	1,157
Income before income taxes		38,306	81,991
Current income tax expense	15	(18,798)	(26,832)
Deferred income tax (recovery)	15	12,372	1,088
Income taxes		(6,426)	(25,744)
Profit from continued operation		31,880	56,247
Profit from discontinued operation	5	-	10,249
Income for the year		31,880	66,496
Weighted average numbers of common shares outstanding			
Basic	33	72,128,723	72,398,811
Diluted	33	72,605,064	72,646,599
Income per share for continued operation - Basic	33	0.44	0.78
Income per share for continued operation - Diluted	33	0.44	0.77
Income per share for discontinued operation - Basic	33	-	0.14
Income per share for discontinued operation - Diluted	33	-	0.14

The accompanying notes form an integral part of these consolidated financial statements.

Aura Minerals Inc.

Consolidated Statements of Comprehensive Income For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars

	2023	2022
Income for the year	31,880	66,496
Other comprehensive income:		
Items that may be reclassified to profit or loss		
Change in the fair value of cash flow hedge, net of tax	(737)	(995)
(Gain)/loss on foreign exchange translation of subsidiaries	180	2,298
Change in the fair value of equity investments	417	-
<i>Items that will not be reclassified to profit or loss</i>		
Actuarial gain (loss) on post-employment benefit, net of tax	580	(800)
Other comprehensive income, net of tax	440	503
Total comprehensive income	32,320	66,999

The accompanying notes form an integral part of these consolidated financial statements.

Aura Minerals Inc.

Consolidated Statements of Cash Flows

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars

For the year ended December 31,	Note	2023	2022
Cash flows from operating activities			Revised (Note 7)
Profit from continued operation		31,880	56,247
Profit from discontinued operations (a)	5	-	10,249
Items not affecting cash	26(a)	103,667	70,415
Changes in working capital	26(b)	2,612	541
Taxes paid		(13,442)	(41,273)
Other assets and liabilities	26(c)	228	184
Net cash generated by operating activities		124,946	96,363
Cash flows from investing activities			
Purchase of property, plant and equipment	10	(96,094)	(103,365)
Short term investment		600	221
Acquisition of investment – Altamira Gold Corp	9	(2,167)	-
Acquisition of investment in joint venture	11	-	(54,353)
Net cash used in investing activities		(97,661)	(157,497)
Cash flows from financing activities			
Proceeds received from loans and debentures	26(e)	179,550	125,389
Proceeds received from NSR Royalty agreement	14	21,000	-
Payment of dividends	29	(28,161)	(20,249)
Derivative settlement		13,430	4,079
Acquisition of treasury shares	19	-	(9,335)
Proceeds and (payments) from exercise of stock options		229	(34)
Repayment of short term loans and debentures	26(e)	(66,273)	(52,787)
Repayment of other liabilities	18(a)	(1,452)	(1,635)
Principal payments of lease liabilities	18(b)	(13,395)	(7,785)
Interest paid on loans and debentures	26(e)	(25,494)	(15,768)
Net cash generated by financing activities		79,434	21,875
Cash from acquired subsidiary included in the consolidation	11	3,727	-
Increase (Decrease) in cash and cash equivalents		110,446	(39,259)
Effect of foreign exchange gain (loss) on cash equivalents		(1,052)	5,670
Cash and cash equivalents, beginning of the year		127,901	161,490
Cash and cash equivalents, end of the year		237,295	127,901

(a) For cash flows of discontinued operations see note 5

The accompanying notes form an integral part of these consolidated financial statements.

Aura Minerals Inc.

Consolidated Statements of Financial Position

As of December 31, 2023 and 2022

Expressed in thousands of United States dollars

	Note	2023	2022 Revised (Note 7)
ASSETS			
Current			
Cash and cash equivalents		237,295	127,901
Restricted cash		-	600
Accounts receivables	6	17,625	11,707
Value added taxes and other recoverable taxes	7	42,800	30,659
Inventory	8	46,705	42,968
Derivative financial instruments	27	11,129	8,119
Other receivables and assets	9	23,386	13,525
Total current		378,940	235,479
Non-current			
Value added taxes and other recoverable taxes	7	16,296	12,144
Inventory	8	8,977	-
Other receivables and assets	9	4,233	15,696
Property, plant and equipment	10	488,733	378,532
Deferred income tax assets	15	26,646	31,104
Investment in joint venture	11	-	54,353
Total non-current		544,884	491,829
Total assets		923,824	727,308
LIABILITIES			
Current			
Trade and other payables	12	92,514	71,308
Loans and debentures	13	82,865	73,215
Liability measured at fair value	14	2,100	-
Current income tax liabilities		5,147	3,632
Current portion of other liabilities	18	14,771	12,978
Total current		197,397	161,133
Liabilities directly associated with assets classified as held for sale	5	4,087	-
Non-current			
Loans and debentures	13	250,724	140,827
Liability measured at fair value	14	18,900	-
Derivative financial instruments	27	43,134	-
Deferred income tax liabilities	15	8,708	26,508
Provision for mine closure and restoration	16	48,727	48,262
Other provisions	17	12,636	13,539
Other liabilities	18	24,709	26,912
Total non-current		411,625	256,048
SHAREHOLDERS' EQUITY			
Share capital	19	655,613	611,975
Contributed surplus		55,478	55,286
Accumulated other comprehensive income		5,179	4,739
Deficit		(401,468)	(361,873)
Total equity		314,802	310,127
Total liabilities and equity		923,824	727,308

Approved on behalf of the Board of Directors:

"Stephen Keith"

Stephen Keith, Director

"Rodrigo Barbosa"

Rodrigo Barbosa, President & CEO

The accompanying notes form an integral part of these consolidated financial statements.

Aura Minerals Inc.

Consolidated Statements of Changes in Equity

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except share amounts

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Equity
At December 31, 2022	71,946,975	611,975	55,286	4,739	(361,873)	310,127
Exercise of options	309,589	324	(95)	-	-	229
Shared based compensation	-	-	287	-	-	287
Change in fair value of cash flow hedge, net of tax	-	-	-	(737)	-	(737)
(Gain)/loss on foreign exchange translation of subsidiaries	-	-	-	180	-	180
Change in fair value of investment	-	-	-	417	-	417
Actuarial loss on severance liability, net of tax	-	-	-	580	-	580
Income for the year	-	-	-	-	31,880	31,880
Dividends (note 30)	-	-	-	-	(28,161)	(28,161)
Increase of capital stock in subsidiary from profit reserves	-	43,314	-	-	(43,314)	-
At December 31, 2023	72,256,564	655,613	55,478	5,179	(401,468)	314,802

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Equity
At December 31, 2021	72,627,529	621,115	55,044	4,236	(408,120)	272,275
Exercise of options	327,857	195	(229)	-	-	(34)
Shared based compensation	-	-	471	-	-	471
Repurchase Program (note 20)	(920,485)	(9,335)	-	-	-	(9,335)
Change in fair value of cash flow hedge, net of tax	-	-	-	(995)	-	(995)
(Gain)/loss on foreign exchange translation of subsidiaries	-	-	-	2,298	-	2,298
Actuarial loss on severance liability, net of tax	-	-	-	(800)	-	(800)
Income for the year	-	-	-	-	66,496	66,496
Dividends (note 30)	-	-	-	-	(20,249)	(20,249)
At December 31, 2022	72,034,901	611,975	55,286	4,739	(361,873)	310,127

The accompanying notes form an integral part of these consolidated financial statements.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

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1 NATURE OF OPERATIONS

Aura Minerals Inc. (“Aura Minerals”, “Aura”, or the “Company”) is a mid-tier gold and copper production company focused on the operation and development of gold and base metal projects in the Americas.

Aura Minerals Inc. is a public company whose common shares are listed on the Toronto Stock Exchange (Symbol: ORA), its Brazilian Depositary Receipts, each representing one common share, are listed on the B3 – Brasil, Bolsa Balcão (Symbol: AURA33) and its common shares trade on OTCQX Best Market (Symbol: ORAAF). Aura is incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands). Aura’s registered office is located at Craigmuir Chambers, Road Town, Tortola, VG1110, British Virgin Islands. Aura maintains a head office through its wholly owned subsidiary Aura Technical Services Inc., at 225 Giralda Ave, Suite 6W102, Coral Gables, FL, 33134, United States of America.

Aura’s controlling party is Northwestern Enterprises Ltd (“Northwestern”), a company beneficially owned by the Chairman of the board of directors of Aura (the “Board”).

These consolidated financial statements (the “financial statements”) were approved by the Board of Directors on February 20, 2024.

2 BASIS OF PREPARATION AND PRESENTATION

The consolidated financial statements of the Company have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). The financial statements comply with IFRS Accounting Standards..

The Consolidated Financial Statements have been prepared on a going concern basis using historical cost except for those assets and liabilities that are measured at fair value at the end of each reporting period as explained in Note 3 – Summary of Material Accounting Policies. Additionally, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The functional currency of Aura and majority of its subsidiaries is the United States Dollar (“US Dollar”) except for a non material service company in Mexico which has a functional currency of Mexican Pesos (“MXN Pesos”) and certain non material Brazilian subsidiaries in Brazilian Reais (“BRL Reais”). All values in the consolidated financial statements are rounded to the nearest thousand.

3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These accounting policies have been consistently applied to all periods presented unless otherwise stated.

(a) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries over which it has control. All intercompany balances, transactions, income, expenses, profits and losses, including unrealized gains and losses have been eliminated on consolidation. The Company consolidates subsidiaries where it has the ability to exercise control.

Control of a subsidiary is defined to exist when the Company is exposed to variable returns from the involvement with the subsidiary and has the ability to affect those returns through the power over the subsidiary. Specifically, the Company controls a subsidiary if, and only if, all of the following is present: 1) power over the subsidiary (i.e., existing rights that give the Company the current ability to direct the relevant activities of the subsidiary); 2) exposure, or rights, to variable returns from the involvement with the subsidiary; 3) and the ability to use the power over the subsidiary to affect its returns. For non-wholly owned, controlled subsidiaries, the net assets attributable to outside equity shareholders are presented as “non-controlling interests”. Additionally, any profit or loss for the period that is attributable to non-controlling interests is calculated based on the ownership of the minority shareholders in the subsidiary.

The Company’s principal subsidiaries with the corresponding mining operations or in care & maintenance and projects are:

- Minerales de Occidente, S.A. (Honduras) (“Minosa”)
 - The San Andres open-pit gold mine in Honduras (the “Minosa Mine”)
- Mineracao Apoena Limitada (Brazil) (“Apoena” or “EPP”)
 - The Ernesto open-pit gold mine (the “Ernesto mine”)
 - Pau-a-Pique underground gold mine (the “Pau-a-Pique mine”) – under care & maintenance
 - The Japonês open-pit gold mine in Brazil (the “Japonês Mine”)
 - The Lavrinha open-pit gold mine in Brazil (the “Lavrinha Mine”)
 - The Nosde open-pit gold mine in Brazil (the “Nosde Mine”)
- Aranzazu Holding S.A. de C.V. (Mexico) (“Aranzazu”)
 - The Aranzazu underground mine in Mexico (the “Aranzazu Mine”), which produces copper concentrate
- Aura Almas Mineração S.A. (“Almas”)
 - The Almas Gold Project (“Almas”). Open-pit gold mine located in the state of Tocantins, Brazil

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- **Projects**
 - The Matupa Gold Project (“Matupa”). Gold project located in the state of Mato Grosso, Brazil
 - The Tolda Fria Gold Project (“Tolda Fria”). Located in Caldas State, Colombia
 - The Carajás Project Copper Project (“Carajás Project”). Copper project located in the state of Pará, Brazil
 - The Borborema Gold Project (“Borborema”). Gold project located in the state of Rio Grande do Norte, Brazil

Although the Company only has 49% of the voting rights in Apoena, the Company has determined that it has the full beneficial ownership over the entity as the Company is exposed to variable returns from its involvement with the entity and has the ability to affect those returns through its power to control the activities of the entity. Accordingly, Apoena is fully consolidated in these consolidated financial statements.

(b) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Company has a joint venture in an entity acquired during the current year (see Note 11 for further details). Interests in joint ventures are accounted for using the equity method (see below), after initially being recognized at cost in the consolidated statement of financial position.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Company’s share of the post-acquisition profits or losses of the investee in profit or loss, and the Company’s share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.

Where the Company’s share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Company and its joint ventures are eliminated to the extent of the group’s interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Company.

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The carrying amount of equity-accounted investments is tested for impairment in accordance with the Company policy.

(c) Segment reporting

An operating segment is a component of an entity (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), (ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and (iii) for which discrete financial information is available. The Company's operating segments are identified as: The Minosa Mine, the Apoena, the Aranzazu Mine, the Almas MI; and projects (Matupá, Tolda Fría, Borborema and Serra de Estrela Projects, and Corporate.

(d) Foreign currency translation

Functional and presentation currency

Items included in the accounts of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). These consolidated financial statements are presented in United States dollars, which is also the functional currency of the subsidiaries with mine operations and corporate.

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of income.

Translation of subsidiary results into the presentation currency

The results and financial position of all the Company's subsidiaries with functional currencies different from the presentation currency (none of which has the currency of a hyperinflationary economy), mainly service subsidiaries and other non-operating entities, are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
- Income and expenses for each statement of income are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and
- All resulting exchange differences are recognized in other comprehensive income.

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On consolidation, exchange differences arising from the translation of the net investment in foreign entities are recognized in other comprehensive income. When a foreign operation is sold, such exchange differences are recognized in the statement of income as part of the gain or loss on sale of investments.

(e) Revenue recognition

The Company applies the following five-step approach in recognizing revenue from contracts with customers:

- Identify the enforceable contract with the customer;
- Identify the separate performance obligations in the contract from transferring the distinct good or service;
- Determine the transaction price for consideration of transferring the good or service;
- Allocate the transaction price to the separate performance obligations identified;
- Recognize revenue when each separate performance obligation is satisfied;

The Company's gold sales are recognized at the date that title passes to the buyer, which is generally when gold is settled from the refinery. However, title could pass at any stage during the refining process for certain of the Company's gold sales. Gold revenues are shown net of local taxes calculated on gross revenues.

Under the terms of concentrate sales contracts with independent smelting companies, copper and gold concentrate sales prices are provisionally set on a specified future date after shipment based on market prices. We record revenues under these contracts at the time of shipment, which is also when the risk and rewards of ownership pass to the smelting companies, using forward market gold and copper concentrate prices on the expected date that final sales prices will be determined. Variations between the price recorded at the shipment date and the actual final price set under the smelting contracts are classified as provisional price adjustments and included in revenue in the consolidated statement of income and presented separately in note 20 of these consolidated financial statements.

(f) Taxation

Tax expense comprises both current and deferred tax expense for the period. Tax expense is recognized in the consolidated statements of income, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Current income tax expense is the tax expected to be payable on the taxable income for the year calculated using rates (and laws) that have been enacted or substantively enacted at the consolidated statements of financial position date in the countries where the Company operates. It includes adjustments for tax expected to be payable or recoverable in respect of previous periods. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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Income tax expense includes the cost of special mining taxes payable to governments that are calculated based on a percentage of adjusted taxable profit whereby taxable profit represents net income adjusted for certain items defined in the applicable legislation.

Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the consolidated statements of financial position date and are expected to apply when the related deferred income tax liability is settled. Deferred income tax assets are recognized only to the extent that it is probable that they will be realized in the future. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority. Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to recognize those temporary differences and losses.

(g) Leases arrangements

Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is amortized over the shorter of the asset's useful life or the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the arrangement. If that rate cannot be determined, the company's incremental borrowing rate is used, being the rate that the company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. Right-of-use assets are measured at cost comprising the following:

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- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

(h) Impairment and reversal of impairment of long-lived assets

Long-lived assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(i) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(j) Inventory

Finished product inventory and work-in-process inventory, which includes leach pad and ore stockpile inventory, are valued at the lower of average cost and net realizable value. Finished product inventory consists of finished gold products and metals in concentrate. Work-in-process inventory represents inventory in-circuit at the Company's process plants and leach pads. Stockpile inventory represents ore stacked on leach pads and in stockpiles. The cost of work-in-process and finished product inventories includes mining costs, direct labor, operating materials and supplies, applicable haulage and transportation charges, and an applicable portion of operating overhead, including amortization and depletion. Net realizable value is the expected selling price for the finished product less the estimated costs to get the product into salable form and to the selling location.

Parts and supplies inventory consist of consumables and is valued at weighted average cost after provision for slow moving and obsolete items.

For inventory which has been written down to net realizable value, if subsequent assessments conclude that the circumstances causing the write down no longer exist or when there is clear evidence of an increase in net realizable value due to a change in economic circumstances, the write down is reversed appropriately.

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(k) Discontinued operations

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the consolidated statement of income.

(l) Property, plant and equipment

Property, plant and equipment items are initially recognized at cost at the time of construction, purchase, or acquisition, and are subsequently measured at cost less accumulated amortization and impairment. Cost includes all costs required to bring the item into its intended use by the Company.

Costs incurred for major overhauls of existing equipment are capitalized as plant and equipment and are subject to amortization once they are commissioned. The costs of routine maintenance and repairs are expensed as incurred.

Assets under construction are capitalized until the asset is available for its intended use. The cost of the asset under construction comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Assets under construction amounts are presented as a separate asset within Property, Plant and Equipment. Assets under construction are not amortized and the amortization commences once the asset is complete and available for use.

Amortization and depletion

Plant and equipment is amortized using the straight line or units of production (UOP) methods over the life of the mine, or over the remaining useful life of the asset, if shorter. Land is not amortized. The following amortization rates are used by the Company:

Major class of assets	Amortization Method	Depreciation Rate
Vehicles	Straight-Line	3-5 years
Machinery and equipment	Straight-Line/UOP	2-10 years
Mobile mining equipment	Straight-Line/UOP	4-8 years
Furniture and fixtures	Straight-Line	4-10 years
Building	Straight-Line/UOP	4-10 years
Plant	Straight-Line/UOP	4-10 years

Residual values and useful lives are reviewed on an annual basis and adjusted, if necessary, on a prospective basis.

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Once a mining operation has achieved commercial production, capitalized mineral property expenditures are depreciated on a UOP basis whereby the denominator is the proven and probable mineral reserves and a portion of measured and indicated mineral resources that are reasonably expected to be converted into proven and probable mineral reserves.

Mining interests

Mining interests represent capitalized expenditures related to the development of mining properties, expenditures arising from property acquisitions and related plant and equipment. Upon disposal or abandonment, the carrying amounts of mining interests are derecognized and any associated gains or losses are recognized in the consolidated statement of income.

Exploration and Evaluation

Exploration expenditures are the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration expenditures typically include costs associated with prospecting, sampling, mapping, drilling and other work involved in searching for ore.

Evaluation expenditures are the costs incurred to establish the technical and commercial viability of developing mineral deposits identified through exploration activities or by acquisition.

Exploration and evaluation expenditures are expensed as incurred unless management determines that probable future economic benefits will be generated as a result of the expenditures. Once the technical feasibility and commercial viability of a project has been demonstrated with a prefeasibility study, the Company accounts for future expenditures incurred in the development of that project in accordance with the policy for Mineral Properties.

Commercial Production stage

A mine that is under construction is determined to enter the commercial production stage when the project is in the location and condition necessary for it to be capable of operating in the manner intended by management. We use the following factors to assess whether these criteria have been met: (1) the level of capital expenditures compared to construction cost estimates; (2) the completion of a reasonable period of testing of mine plant and equipment; (3) the ability to produce minerals in saleable form (within specifications); and (4) the ability to sustain ongoing production of minerals.

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When a mine construction project moves into the commercial production stage, the capitalization of certain mine construction costs ceases and costs are either capitalized to inventory or expensed, except for capitalizable costs related to property, plant and equipment additions or improvements, open pit stripping activities that provide a future benefit, underground mine development or expenditures that meet the criteria for capitalization in accordance with IAS 16 Property, Plant and Equipment. The Company recognizes the proceeds from the sale of minerals sold during the development phase of their mines and the cost of producing it in the consolidated statement of income.

Mineral properties

Mineral properties generally consist of the following: the fair value attributable to mineral reserves and resources acquired in a business combination or asset acquisition; capitalized exploration and evaluation costs; underground mine development costs; open pit mine development costs; and capitalized interest.

Mineral properties acquired through business combinations are recognized at fair value on the acquisition date. The fair value is an estimate of the proven and probable mineral reserves, mineral resources, and exploration potential attributable to the property. The estimated fair value attributable to the mineral reserves and the portion of mineral resources considered to be probable of economic extraction at the time of the acquisition is amortized on a UOP basis whereby the denominator is the proven and probable reserves and the portion of mineral resources considered to be probable of economic extraction. The estimated fair value attributable to mineral resources that are not considered to be probable of economic extraction at the time of the acquisition is not subject to amortization until the resources become probable of economic extraction in the future.

At the Company's underground mining operations, development costs are incurred to build new shafts, drifts, and ramps that will enable the Company to physically access ore underground. The time over which we will continue to incur these costs depends on the mine life. These underground development costs are capitalized as incurred. Capitalized underground development costs are amortized on a UOP basis, whereby the denominator is the estimated ounces/pounds of gold/copper in proven and probable reserves and the portion of resources considered probable of economic extraction based on the current life of mine ("LOM") plan that benefit from the development and are considered probable of economic extraction.

At the Company's open pit mining operations, it is necessary to remove overburden and other waste materials to access ore bodies from which minerals can be extracted economically. The process of mining overburden and waste materials is referred to as "stripping". Stripping costs which are incurred to provide initial access to the ore body (referred to as pre-production stripping) are capitalized as open pit mine development costs. Stripping costs incurred during the production stage of a pit are accounted for as costs of the inventory produced during the relevant period. Such costs are capitalized to the extent that these costs relate to anticipated future benefits and represent a betterment. Waste removal which relates to current production activities and does not give rise to a future benefit is accounted for as a production cost in the period in which it is incurred and is included in the cost of inventory.

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Capitalized open pit mine development costs are amortized on a UOP basis whereby the denominator is the estimated ounces/pounds of gold/copper in proven and probable reserves and the portion of resources considered probable of economic extraction based on the current LOM plan that benefit from the development and are considered probable of economic extraction.

(m) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset (i.e. an asset that necessarily takes a substantial period of time to become ready for its intended use) are capitalized as part of the cost of the asset. Capitalization of borrowing costs begins when costs are incurred, and activities are undertaken to prepare the asset for its intended use and ceases when the asset is substantially complete or commissioned for use. Once the identified asset is substantially complete, the attributable borrowing costs are amortized over the useful life of the related asset that are usually classified as plant, property & equipment. All other borrowing costs are expensed in the period they occur.

(n) Royalties

Certain of the Company properties are subject to royalty arrangements based on mineral production at the properties. The primary type of royalty is a net smelter return (NSR) royalty. Under this type of royalty the Company pays the holder an amount calculated as the royalty percentage multiplied by the value of gold production at market gold prices (otherwise known as Gross Proceeds) less third-party smelting, refining, brokerage and transportation costs. Royalty expense is recorded on completion of sales process in cost of sales.

(o) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Financial assets are classified, at initial recognition, and subsequently measured at amortized cost, fair value through OCI, or fair value through profit or loss.

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The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient for contracts that have a maturity of one year or less, are measured at the transaction price.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are "solely payments of principal and interest (SPPI)" on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognized as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognized in the consolidated statement of income when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost include:

- Cash and cash equivalents;
- trade receivables, and
- other receivables.

Trade and other receivables are amounts due from customers and others in the normal course of business. If collection is expected in one year or less, they are classified as current assets; if not, they are presented as noncurrent assets and discounted, accordingly. Additionally, trade and other receivables are valued, per IFRS 9, at amortized cost.

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Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. The Company notes that such receivables arise when ore that has been produced has been shipped to the buyer in accordance to the applicable agreement. The Company does not recognize any receivables related to ore that is estimated or has not yet been produced.

Financial assets at fair value through profit or loss include financial assets held for trading (e.g., derivative instruments), financial assets designated upon initial recognition at fair value through profit or loss (e.g., debt or equity instruments), or financial assets mandatory required to be measured at fair value (i.e., where they fail the SPPI test). The Company does not have financial assets classified as held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Rather, the Company's financial assets at fair value through profit or loss include:

- Derivatives financial instruments, and
- other long-term assets (Deposits and other receivables)

The SPPI test for financial assets is applicable to the Company's trade receivables (subject to provisional pricing). These receivables relate to sales contracts where the selling price is determined after delivery to the customer, based on the market price at the relevant quoted price stipulated in the contract. This exposure to the commodity price causes such trade receivables to fail the SPPI test. As a result, these receivables are measured at fair value through profit or loss from the date of recognition of the corresponding sale, with subsequent movements being recognized in "fair value gains/losses on provisionally priced trade receivables" in the consolidated statement of income and other comprehensive income.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognized in profit or loss.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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For impairment of the financial assets, the Company, in the case for trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Company applies the simplified approach in calculating expected credit losses (ECLs), as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognizes a loss allowance based on the financial asset's lifetime ECL at each reporting date. For any other financial assets carried at amortized cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment including forward-looking information.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ii. **Financial Liabilities**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include:

- Trade and other payables
- Loans and debentures
- Liability measured at fair value
- Derivative financial instruments and,
- Other liabilities

Trade payables represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

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Loans and debentures are initially recognized at fair value, net of transaction costs incurred. Loans and debenture are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Loans and debenture are de-recognized when the obligation specified in the agreement is discharged, canceled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any noncash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Liabilities measured at fair value that contains an embedded derivative that is initially recognized as at fair value through profit or loss.

The component of fair value changes relating to the Company's own credit risk is recognized in other comprehensive income. Amounts recorded in OCI related to credit risk are not subject to recycling in profit or loss and will be transferred to retained earnings when realized. Fair value changes relating to market risk are recognized in profit or loss.

The Company determines the amount of fair value changes which are attributable to credit risk by first determining the changes due to market conditions which give rise to market risk, and then deducting those changes from the total change in fair value of the instrument.

iii. Derivative financial instruments and hedging activities

Derivatives are recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method for recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument in cases where hedge accounting is adopted. If this is the case, the method depends on the nature of the item/object that is being hedged. The Company adopts hedge accounting and designates certain derivatives as:

- hedging the fair value of recognized assets or liabilities or a firm commitment (fair value hedge);
- hedge of a specific risk associated with a recognized asset or liability or a highly probable forecasted transaction (cash flow hedge); or
- hedge of a net investment in a foreign operation (net investment hedge).

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In these consolidated financial statements, the Company has adopted hedge accounting for cash flow hedge, with the other types of hedge accounting not existing.

The fair values of the various derivative instruments used for hedging purposes are disclosed in Note 28(a).

(a) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity within "Other comprehensive income". The gain or loss relating to the ineffective portion is recognized immediately in the consolidated statements of Income as "Other losses".

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss as follows:

- Gains or losses related to the effective portion of interest rate swaps hedging variable rate borrowings are recognized in the consolidated statement of income as interest expense at the same time as interest expense on the hedged borrowings.

iv. **Hedge ineffectiveness**

Hedge ineffectiveness is determined at the inception of the hedging relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

Therefore, the Company performs a qualitative effectiveness assessment. If there are changes in circumstances that affect the terms of the hedged item such that the essential terms no longer exactly match the essential terms of the hedging instrument, the Company will use the hypothetical derivative method to assess effectiveness.

The Company enters into interest rate swaps with critical terms that are similar to the hedged item, such as reference rate, reset dates, payment dates, maturities and reference value.

The ineffectiveness of the interest rate swap hedge may occur due to:

- the credit value/debit value adjustment on interest rate swaps that is not matched by the loan; and
- differences in the essential terms between the interest rate swaps and the loans.

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(p) Provisions

Provisions are recognized when the Company or its subsidiaries has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are recognized in the consolidated financial statements, if estimable and probable, and are disclosed in notes to the financial information unless their occurrence is remote.

Contingent assets are not recognized in the consolidated financial statements, unless the inflow of the economic benefit is virtually certain, but are disclosed in the notes if their recovery is probable.

(q) Mine closure and restoration

Provisions for mine closure and restoration are made in respect of the estimated future costs of closure and restoration and for environmental rehabilitation costs (which include such costs as dismantling and demolition of infrastructure, removal of residual materials and remediation of disturbed areas) in the accounting period when the related environmental disturbance occurs. The provision is discounted using a pre-tax rate and the accretion is included in finance costs. At the time of establishing the provision, the net present value of the obligation is capitalized as part of the cost of mineral properties. The provision is reviewed on an annual basis for changes in cost estimates, discount rates, inflation and operating lives. The net present value of changes in cost estimates of the mine closure and restoration obligations are capitalized to mineral properties.

Restoration activities will occur primarily upon closure of a mine but can occur from time to time throughout the life of the mine. As restoration projects are undertaken, their costs are charged against the provision as the costs are incurred.

(r) Long-term employee benefits

Certain long-term employee benefits are specifically payable when employment is terminated. The expected costs of these benefits are accrued in the period of employment. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income (loss) in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

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(s) Share-based payments

The fair value of the employee services received in exchange for the grant of stock options or other share-based payments plans is recognized as an expense over the vesting period. The total amount to be expensed over the vesting period is determined by calculating the fair value of the options or other share-based payment plans at the date of grant. The Company uses the Black-Scholes option pricing model to calculate the fair value of options granted.

The total amount to be expensed is determined with reference to the fair value of the options granted:

- Including any market performance conditions; and
- Excluding the impact of any service and non-market performance vesting conditions, such as profitability, sales growth targets, and remaining an employee of the entity over a specific time period.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. This estimate is revised at each statement of financial position date and the difference is charged or credited to the consolidated statements of income (loss) with the corresponding adjustment to equity.

When the options are duly exercised, the Company issues common shares from treasury. The fair value and any proceeds received, net of any directly attributable transaction costs, are credited to equity.

(t) Share capital

Common shares issued by the Company are classified as equity. Incremental costs directly attributable to the issuance of common from treasury shares are recognized in equity, net of tax, as a deduction from the share proceeds.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.
- By the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

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(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(v) New standards and interpretations not yet adopted

Certain amendments to accounting standards have been published that are not mandatory for December 31, 2023 reporting periods and have not been early adopted by the group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

(w) New standards and interpretations adopted by the Company

Certain new accounting standards, amendments to accounting standards and interpretations have been published and adopted for the year ended in December 31, 2023 by the Company. These standards, amendments to accounting standards and interpretations did not have a material impact on the entity in the current reporting period.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the consolidated financial statements requires management to make estimates and judgements and to form assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities. Management's estimates and judgements 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 policy under which significant judgments, estimates and assumptions are made and where actual results could differ from these estimates under different assumptions and conditions and could materially affect the Company's financial results or statements of financial position reported in future periods.

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Determination of Life of Mine (LOM) Plans and ore reserves and resources

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.

Impairment of assets

In accordance with the Company's accounting policy, at each reporting date management assesses whether there are any indicators of impairment of the Company's PP&E. Internal and external factors evaluated for indicators of impairment include: (i) whether the carrying amount of net assets of the Company exceeded its market capitalization; (ii) changes in estimated quantities of mineral reserves and resources and the Company's ability to convert resources to reserves, (iii) a significant deterioration in expected future metal prices; (iv) changes in expected future production costs and capital expenditures; and (v) changes in interest rates. The identification of impairment indicators requires significant judgement.

If any such indicator 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 statements of income (loss).

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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.

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 tones 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).

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.

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.

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Judgement 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.

Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in active markets is determined using valuation techniques. The Company uses its judgment in selecting various methods and making assumptions that are based primarily on market conditions existing at the balance sheet date. The Company has used mark-to-market analysis to calculate the fair value of various financial assets at fair value through other comprehensive income, which are not traded in active markets.

Declaration of Commercial Production in Almas

In September 2023 the Company announced that Almas Project reached commercial production during August. This conclusion was based on management's analysis on several factors, such as: (1) the level of capital expenditures compared to construction cost estimates; (2) the completion of a reasonable period of testing of mine plant and equipment; (3) the ability to produce minerals in saleable form (within specifications); and (4) the ability to sustain ongoing production of minerals.

When a mine construction project moves into the commercial production stage, the capitalization of certain mine construction costs ceases and costs are either capitalized to inventory or expensed, except for capitalizable costs related to property, plant and equipment additions or improvements, open pit stripping activities that provide a future benefit, underground mine development or expenditures that meet the criteria for capitalization in accordance with IAS 16 Property, Plant and Equipment. The Company recognizes the proceeds from the sale of minerals sold during the development phase of their mines and the cost of producing it in the consolidated statement of income.

5 DISCONTINUED OPERATION AND ASSET HELD FOR SALE

(a) Discontinued operations - Gold Road

During the year ended on December 31, 2021, the Company decided to transition Gold Road into care and maintenance and the Board of Directors of Gold Road started to evaluate together with the Gold Road's lender, alternatives to dispose of the assets of Gold Road.

On February 28, 2022 PPG, Aura Technical Services ("ATS"), Z79 and Gold Road executed a settlement and wind-down agreement with Pandion (PPG) to evaluate the possibilities to transfer the shares of Z79 (shareholder of Gold Road Mine) to PPG. On May 20, 2022, Aura completed all the conditions set in the agreement and transferred the control over management and decisions of Gold Road's operations to PPG. As a result of the loss of control, the Company reports the financial statements of Gold Road as a discontinued operation for the year ended December 31, 2022. The transfer of the shares was completed on 26 July 2022.

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The financial performance and cash flow information of Gold Road for the year ended December 31, 2022 is summarized below:

	December 31, 2022
Care-and-maintenance expenses	(2,502)
Operating expense	(2,502)
Finance costs	(2)
Other gain	2,623
Income before income taxes	119
Gain on loss of control of subsidiary	10,130
Profit from discontinued operation	10,249
Income per share	0.14

	2022
Net cash inflow from operating activities	(3,343)
Net cash (outflow) from investing activities	-
Net cash (outflow) from financing activities	3,362
Net increase in cash generated by the subsidiary	19

As a result of the loss of control, the Company de-recognized the carrying amounts of the Gold Road's assets and liabilities for \$16,810 and \$26,940, respectively, and recognized the shares retained in the subsidiary at the value assigned in the contract share purchase agreement signed with PPG of \$1. As a result the Company recognized a gain of \$10.130 in the consolidated statement of income in the year ended December 31, 2022.

(b) Asset held for sale - São Francisco Mine

In August 24, 2023, the Company entered into an Asset Purchase and Sale Agreement (the "Purchase and Sale Agreement") with a potential buyer to sell all mineral rights, assets and liabilities related to São Francisco Mine (part of the Apoena segment). The mine was in care and maintenance, and the assets were fully depreciated. The acquisition price was set at \$9,000 of which \$1,000 has already been received. The agreement includes different precedent conditions to be met in order to complete the sale of the asset. As of December 31, 2023 such conditions have not been met.

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The following assets and liabilities were reclassified as held for sale in relation to the transaction described above at December 31, 2023:

	December 31, 2023
Assets classified as held for sale	
Other assets	-
Total assets of disposal group held for sale	-
Liabilities directly associated with assets classified as held for sale	
Asset retirement obligation	4,087
Total liabilities of disposal group held for sale	4,087

6 ACCOUNTS RECEIVABLES

	2023	2022
Trade receivables	5,263	8,773
Other receivables (a)	12,362	2,934
Accounts receivables	17,625	11,707

- (a) The Company has an unsecured promissory note with Mineração Vale Verde (MVV) in the principal amount of \$10,000 (plus interest at 7.3%), payable from 75% of excess cash from the project after the project has repaid their financing and operating cash requirements. The note becomes payable immediately in the case Appian Capital Advisory LLP, the current owner of MVV decides to sell its investment in MVV.

7 VALUE ADDED TAX AND OTHER RECOVERABLE TAXES

	2023	2022 (Revised)
Sales taxes and value added taxes		
Apoena, Almas and other Brazilian Projects	26,368	12,733
Aranzazu	2,090	2,240
Minosa	21,743	19,981
Other taxes		
Income taxes and social contribution	8,895	7,849
Total Value added tax and other recoverable taxes	59,096	42,803
Current	42,800	30,659
Non-Current (a)	16,296	12,144

Value added tax receivables are expected to be recovered, taking into consideration the different alternatives available to the Company, including: (1) Reimbursement from government authorities and/or; (2) Used as credit for income tax payments; and/or sales in the domestic market. The Company and their tax advisors are constantly reviewing the options available to ensure the recoverability of these balances.

Aura Minerals Inc.

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- (a) During last quarter of 2023, management concluded an analysis regarding the expected way of recovery for the ICMS tax credits in Brazil. As a result of this analysis an amount of \$16,115 was reclassified to non-current assets as it is expected to be recovered in more than 12 months from the date of the financial statements. As a result of the analysis management also concluded that \$12,144 should be also reclassified as long term on the comparative period.

8 INVENTORY

	2023	2022
Finished product	5,853	4,107
Work-in-process	25,096	15,610
Parts and supplies	24,954	24,514
Provision for inventory obsolescence	(221)	(1,263)
Total inventory	55,682	42,968
Current	46,705	42,968
Non-current	8,977	-

Inventories for \$11,826 were recognized as part of the cost of production during the year ended December 31, 2023 (\$7,162 for December 31, 2022).

As of December 31, 2023, the non-current inventory is related to Almas low grade stockpile.

9 OTHER RECEIVABLES AND ASSETS

	2023	2022
Prepays expenses (a)	3,998	5,837
Advances to vendors (b)	4,036	7,215
Deposits	3,226	474
Employees receivables (Note 30)	3,192	3,192
Premium receivable (d)	10,453	-
Other receivables and assets (e)	2,714	12,503
Total receivables and assets	27,619	29,221
Current	23,386	13,525
Non-current	4,233	15,696

- (a) Prepaid expenses are prepayments made for general working capital needs such as advances to suppliers and general prepayment of general and administrative expenses.
- (b) Advance to vendors in the year ended December 31, 2022 is mostly related to advances made to Almas suppliers due to the progress of the construction. The decrease in the amount is due to the conclusion of the construction of the mine.

Aura Minerals Inc.

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- (c) The Company has paid on behalf of certain key management personnel, certain withholding taxes associated with the exercise of stock options in the amount of \$3,192 included as current other receivables (see Note 30 for further details).
- (d) Also, the Company entered into derivative collars for the Borborema project and has an outstanding premium to be received in the amount of \$10,452, recorded as current other receivables (see Note 28 (a)).
- (e) On November 7, 2023, the Company entered into a subscription agreement with Altamira Gold Corp. pursuant to which it acquired 24,000,000 units of Altamira at a price of C\$0.125 (Canadian Dollars) per unit for an aggregate purchase price of C\$3,000 (Canadian Dollars) (\$2,167). Each unit consists of one common share and one common share purchase warrant of Altamira. Each warrant is exercisable to acquire one share of Altamira at an exercise price of C\$0.20 (Canadian Dollars) per share for a period of two years from the date hereof. This investment is being recorded at fair value through OCI.

10 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment movements for the year ended December 31, 2023 and for the year ended December 31, 2022 are as follows:

	Mineral properties	Land and buildings	Furniture, fixtures and equipment	Plant and machinery	Right of use assets	Assets under construction	Total
Net book value at December 31, 2022	242,858	43,667	13,292	20,267	44,437	14,011	378,532
Additions	45,261	5,027	717	4,465	3,584	46,345	105,399
Borborema Inc acquisition	54,054	-	-	-	-	-	54,054
Reclassifications	1,637	11,239	(1,777)	43,707	-	(54,806)	-
Depletion and amortization	(24,895)	(5,868)	(1,433)	(6,301)	(10,031)	-	(48,528)
Disposals	(264)	(204)	(80)	-	(176)	-	(724)
Net book value at December 31, 2023	318,651	53,861	10,719	62,138	37,814	5,550	488,733
Consisting of:							
Cost	546,878	130,003	25,697	184,417	52,241	5,550	944,786
Accumulated depletion and amortization	(228,227)	(76,142)	(14,978)	(122,279)	(14,427)	-	(456,053)
Net book value at December 31, 2023	318,651	53,861	10,719	62,138	37,814	5,550	488,733

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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	Mineral properties	Land and buildings	Furniture, fixtures and equipment	Plant and machinery	Right of use assets	Assets under construction	Total
Net book value at December 31, 2021	190,344	47,431	7,417	23,611	688	16,344	285,835
Additions	89,908	7,304	3,387	6,704	45,067	3,136	155,506
Reclassifications	693	1,717	3,150	(91)	-	(5,469)	-
Depletion and amortization	(25,550)	(10,873)	(662)	(7,474)	(808)	-	(45,367)
Disposals	-	(67)	-	(1,171)	(505)	-	(1,743)
Discontinued operations	(12,537)	(1,845)	-	(1,312)	(5)	-	(15,699)
Net book value at December 31, 2022	242,858	43,667	13,292	20,267	44,437	14,011	378,532
Consisting of:							
Cost	446,190	113,941	26,837	136,245	48,833	14,011	786,057
Accumulated depletion and amortization	(203,332)	(70,274)	(13,545)	(115,978)	(4,396)	-	(407,525)
Net book value at December 31, 2022	242,858	43,667	13,292	20,267	44,437	14,011	378,532

The right of use assets corresponds to the lease liability obligations disclosed in Note 18(b) below. The additions of \$45,067 in “right of use assets” in 2022 included the new lease agreement for machinery use in operational mine activity in Apoena.

For the year ended December 31, 2023, the total amount of \$2,902 (\$1,248 in 2022) was capitalized as part of the construction cost at Almas project. The Company capitalized the interests until the mine reached commercial production in August of that year. Also, due to the start of the construction of Borborema project during the year of 2023, the total amount of \$3,220 of interest in debt, was capitalized.

11 INVESTMENT IN JOINT VENTURE

The carrying amount of equity-accounted investment in the Joint Venture in Borborema Inc has changed as follows in the year ended December 31, 2023.

	December 31, 2023
Balance at the beginning of the year	54,353
Loss for the year (Note 25)	(1,894)
Joint Venture acquisition (a)	(52,459)
Balance at the end of the year	-

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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(a) Joint Venture acquisition

On September 21, 2022, the Company concluded the acquisition of Big River. After the conclusion on the acquisition, Aura and Dundee Resources Limited (“Dundee”) were the only shareholders of 80% and 20%, respectively of the issued and outstanding shares of the joint venture Borborema Inc (“Borborema” or “JV Company”), which is the indirect owner of all of the rights, titles and interests in and to the project.

On August 29, 2023, the Company and Dundee Resources Limited entered a Transfer of interest and Borborema shareholder agreement termination agreement (“Borborema agreement”). The Borborema agreement states that Dundee desired to exit the Borborema joint venture and agreed to sell, transfer and otherwise convey all of their shares in the capital of the JV Company to Aura in exchange for the granting of a net smelter returns royalty under a Royalty agreement.

Once the agreement was signed by both parties, Dundee transferred to Aura all of Dundee’ rights, titles and interests in consideration of Aura causing the JV Company and Aura to grant the Royalty Agreement that will be applicable, as follows: (i) 1.5% of the Net Smelter Returns for each such calendar quarter in respect of the first 1,500,000 ounces of gold produced and sold; and (ii) 1% of the Net Smelter Returns for each such calendar quarter in respect of which an additional 500,000 ounces of gold are produced and sold after the initial 1,500,000 ounces of gold has been produced and sold. Once 2,000,000 ounces of gold are produced and sold, the Royalty shall be extinguished and be of no further force or effect.

Management has treated this transaction as an asset acquisition, given that Borborema has a high concentration (more than 95%) in the mineral properties asset, and also concluded that there was a change in the fair value of the asset since its initial acquisition mainly related to the completion of the feasibility study of the project and the advancement in permits required to the execution of the project, and therefore a gain of \$5,505 was recognized as “Other income” (Note 25).

The \$52,459 on the table above only includes the carrying value of the JV investment as of the date of the transaction without considering the FV gain.

From the agreement date, Borborema Inc. became a subsidiary of Aura and now is being consolidated in the financial statements in accordance with IFRS 10 – Consolidated Financial Statements.

Aura Minerals Inc.

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The table below summarizes the consolidated financial information of Borborema Inc. as of the date of acquisition:

Assets acquired	Cash and cash equivalents	3,727
	Trade and other receivables	1,089
	Mineral Properties (Note 10)	54,054
Liabilities assumed	Trade and other payables	719
	Other liabilities	187
Net assets		<u>57,964</u>

12 TRADE AND OTHER PAYABLES

	2023	2022
Trade accounts payable	57,402	46,863
Other taxes payables and other	17,146	13,163
Accrued liabilities from suppliers	13,088	11,282
Deferred revenue (a)	4,878	-
Total accounts payable	<u>92,514</u>	<u>71,308</u>

- (a) In March 2023, Auramet International Inc. (“Auramet”) agreed to make an advance payment of \$10,000 to Aura Almas Mineração S.A. (“Aura Almas”) for 5,538 troy ounces of gold bullion, which was recorded as deferred revenue in connection with the Master Purchase and Sale agreement entered between the parties in March 2023. The advance settlement by the Aura Almas started on a weekly basis in September 2023 and will be completely satisfied by February 2024.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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13 DEBTS

The list of debt held by the Company, on a consolidated basis, as of December 31, 2023 and 2022 are as follows:

Financial debt	Maturity Date	Interest Rate	Outstanding 12/31/2023	Outstanding 12/31/2022
Bank Occidente				
Q2 2022 Promissory Note ("5 ^o Promissory Note")	May 2026	6.25%	6,390	8,702
Q3 2022 Promissory Note ("6 ^o Promissory Note")	August 2026	6.25%	7,153	9,259
Q2 2023 Promissory Note ("7 ^o Promissory Note")	June 2026	7,50%	3,819	-
Bank Atlántida				
Q2 2017 Loan Agreement ("1 ^o Loan")	July 2023	7.30%	-	1,306
Q4 2021 Loan Agreement ("5 ^o Loan")	November 2023	7.00%	-	1,440
Q1 2022 Loan Agreement ("6 ^o Loan")	March 2023	6.00%	-	500
Q2 2022 Loan Agreement ("7 ^o Loan")	March 2023	6.50%	8,125	10,000
Q2 2023 Loan Agreement ("8 ^o Loan")	April 2024	6.50%	600	-
Bank ABC Brasil S.A.				
Q4 2022 Loan Agreement ("5 ^o Loan")	January 2026	5.38%	17,549	17,301
Bank Santander Mexico				
Q2 2022 Loan Agreement ("1 ^o Loan")	January 2025	SOFR + 4.0%	9,675	20,161
Q2 2022 Loan Agreement ("2 ^o Loan")	December 2024	SOFR + 4.0%	10,000	10,000
Q2 2023 Loan Agreement ("3 ^o Loan")	December 2024	SOFR + 4.0%	7,579	-
Bank Santander Brasil				
Q1 2019 Loan Agreement ("1 ^o Loan")	October 2023	5.29%	-	2,951
Q4 2020 Loan Agreement ("2 ^o Loan")	December 2023	4.95%	-	1,686
Q3 2023 Loan Agreement ("4 ^o Loan")	November 2028	9,51%	103,972	-
Bank Itau				
Q1 2020 Loan Agreement ("1 ^o Loan")	March 2023	7.00%	-	1,600
Q1 2021 Loan Agreement ("2 ^o Loan")	March 2024	4.65%	1,500	7,500
Q4 2023 Loan Agreement ("3 ^o Loan")	May 2028	7,48%	30,193	-
Bank Safra				
Q1 2022 Loan Agreement ("2 ^o Loan")	March 2024	3.70%	3,354	10,283
Other banks				
Bradesco S.A.	February 2025	4.99%	7,797	9,627
BTG Pactual	June 2026	6.73%	20,116	20,000
Citi Bank	June 2025	7.70%	20,000	-
Debentures payable				
Debentures	July 2026	CDI + 4.35%	65,767	81,726
Gold Royalty Corp (a)				
Gold linked loan	December 2029	9.51%	10,000	-
Total			333,589	214,042
Current			82,865	73,215
Non-Current			250,724	140,827

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As of December 31, 2023, the outstanding balance for Almas's debentures was \$65,767, of which \$25,023 is recorded as current. On July 13, 2023, the Company paid the first installment of principal, in the approximate amount of \$20,817 (R\$ 100,000 thousand Brazilian Reais).

During the year ended December 31, 2023, the Company entered in \$139,550 of new loans agreements across the operations to reinforce its working capital, fund the Borborema project and other investments.

Almas entered into a debt agreement with Citibank S.A. in June, 2023, for the principal amount of \$ 20,000 with interest rate of 7.7% per year with a original due date June 14, 2024 that was renegotiated and amended for an additional year establishing a new maturity date June 14, 2025.

Aranzazu entered into a debt agreement with Santander Mexico S.A. in May, 2023, for the principal amount of \$ 12,000 with interest rate of SOFR + 4% per year with due date December 20, 2024. The agreement has two financial covenants where Aranzazu's Net Debt should be lower than 1.5x over Aranzazu's last 12 months EBITDA and EBITDA should be greater or equal than 5x Aranzazu's financial expense.

Cascar Brasil Mineração Ltda. ("Cascar"), a subsidiary of Borborema Inc. entered into a debt agreement with Santander Brasil S.A. in September 2023, for the principal amount of \$100,750 with interest rate of 9.51% per year with due date September 6, 2028. The agreement has a 24-month grace period and the interest will be paid every three month period starting March 6, 2024. The agreement has a financial covenants where the consolidated Net Debt of Cascar should be lower than 1.5x over the last 12 months EBITDA and the first calculation should be done after the grace period.

(a) Borborema Inc has entered into a Gold-Linked Loan Agreement (the "Gold-Linked Loan") in the amount of \$10,000 with a Gold Royalty Corp. ("Gold Royalty") to fund the Borborema project along with the Santander loan mentioned above and the agreement mentioned in Note 14.

The loan has a maturity of 6 years from the closing date of the transaction and the interest will be paid on a quarterly basis corresponding to 110 ounces of gold (440 ounces per year). Upon maturity, Gold Royalty has the option to be paid either \$10,000 in cash; or \$5,000 in cash plus receive a 0.5% net smelter return royalty over the Borborema Project. Management has bifurcated the instrument to recognize a separate derivative embedded in the loan considering an market interest rate of 9.51%. As a result, the Company should recognize the Loan at amortized costs and the derivative measured at Fair Value through profit and loss. There were no significant effects for the period ended December 31, 2023.

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Financial Covenants

Mineração Apoena S.A. ("Apoena") – subsidiary of the Company

- Bank BTG Pactual.: Principal of US\$ 20,000 entered in June 2022

The agreement has financial covenants where Net Debt should be lower than 2.75x over the last 12 months EBITDA. The covenant is measured on a quarterly basis at Aura Mineral Inc.

Aranzazu Holdings SA de CV ("Aranzazu") – subsidiary of the Company

- Bank Santander México S.A.: Principal of US\$ 25,000 entered in June 2022

The agreement has financial covenants where: Net Debt should be lower than 2.0x over the last 12 months EBITDA; and last 12 months EBITDA overpaid interest should be over or equal 5.0x. The covenant is measured on a quarterly basis at the subsidiary.

Mineração Apoena S.A. ("Apoena") – subsidiary of the Company

- Bank Itaú Unibanco S.A.: Principal of US\$ 12,000 entered in March 2020

The agreement has a financial covenant where Net Debt should be lower than 1.5x over the last 12 months EBITDA. The covenant is measured at the subsidiary.

- Bank Itaú Unibanco S.A.: Principal of US\$ 30,000 entered in October 2023

The agreement has a financial covenant where Net Debt should be lower than 1.5x over the last 12 months EBITDA. The covenant is measured at the subsidiary.

Aura Almas Mineração S.A. ("Almas") – subsidiary of the Company

- Debentures: Principal of R\$ 400,000 (approximately US\$ 78,000) entered on July 2021

The debentures were issued for the purposes of developing the mine. Along with the debenture, there is a corresponding interest rate and currency swap hedge in US\$ at 5.84% flat rate per year (Note 29a) and a corporate guarantee from Aura Minerals, Inc.

The agreement also includes a financial covenant where the Company's last 12 months EBITDA should be equal or higher than 1/2.75 times the net debt to be measured on quarterly basis. The covenant is measured based on Aura Minerals consolidated financial statements.

Cascar Brasil Mineração Ltda. ("Cascar") – subsidiary of the Company (Borborema Project)

- Santander Brasil S.A., principal of \$100,750 entered in September, 2023

The loan was taken for the purposes of developing the mine. The agreement has one financial covenant where Cascar's Net Debt should be lower than 1.5x over Cascar's last 12 months EBITDA. The company should comply with the covenant after the grace period that ends in September, 2025, with first covenant measurement in 2026.

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For the year ended December 31, 2023 and 2022, the Company and its subsidiaries are in compliance with all the financial covenants stated above.

14 LIABILITY MEASURED AT FAIR VALUE

At December 19, 2023, the Company entered in a Net Smelter Return Royalty Agreement (the “NSR Royalty”) for \$21,000 with Gold Royalty Corp. The agreement secures a 2.0% net smelter return royalty on the first 725,000 ounces produced from the Borborema project. During the pre-production phase, the company will make quarterly payments to Gold Royalty of 250 ounces of gold (1,000 ounces per year) and the payments will cease upon the earlier of (i) the date of commencement of commercial production of the Borborema Project; and (ii) the tenth (10th) year anniversary of the closing date of the transaction.

This agreement is being accounted as fair value through profit & loss. As the agreement contains an embedded derivative, it has been designated as at fair value through profit or loss on initial recognition and as such the embedded conversion feature is not separated. The component of fair value changes relating to the Company’s own credit risk is recognized in other comprehensive income. Amounts recorded in OCI related to credit risk are not subject to recycling in profit or loss and will be transferred to retained earnings when realized. Fair value changes relating to market risk are recognized in profit or loss.

The Company determines the amount of fair value changes which are attributable to credit risk by first determining the changes due to market conditions which give rise to market risk, and then deducting those changes from the total change in fair value of the royalty gold agreement. For the year ended December 31, 2023, there was no significant variation in the liability fair value.

15 INCOME TAXES

a) Income tax expenses

Income tax expenses included in the consolidated statements of income for the year ended December 31, 2023 and 2022 are as follows:

	2023	2022
Current income tax expense	(18,798)	(26,832)
Deferred income tax recovery	12,372	1,088
Total income/deferred taxes expense	(6,426)	(25,744)

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The increase in deferred income taxes is mainly due to Almas. The mine reached commercial production in August of 2023 and the Company recognized deferred tax assets from losses carried forward in the amount of \$2,867. Also, the increase in provisions for supply payments generating \$900; and the reversal of hedge results generating a positive movement of \$4,000 of deferred tax assets. In addition to that, Apoena recognized an additional \$2,695 of deferred tax assets from losses carried forward.

b) Deferred income tax assets and liabilities

Deferred tax liabilities on the consolidated statements of financial position consist of:

Net deferred income tax assets (liabilities) are classified as follows:	2023	2022
Deferred income tax assets	26,646	31,104
Deferred income tax liabilities	(8,708)	(26,508)
Total deferred taxes, net	17,938	4,596

During the year ended December 31, 2023, Almas recognized the amount of \$2,867 of deferred tax assets from tax losses carried forward based on their future income expectation and Apoena derecognized the amount of \$0.7 of deferred tax assets from losses carried forward.

The movement in the net deferred income tax asset (liability) account was as follows:

Balance, December 31, 2021	3,746
Recovered from the statement of income	1,088
Recorded through other comprehensive income	(894)
Exchange differences	656
Balance, December 31, 2022	4,596
(Charged to) the statement of income	12,372
Recorded through other comprehensive income	374
Exchange differences	596
Balance, December 31, 2023	17,938

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b) Effective tax rate

	2023	2022
Profit before Income taxes	38,306	81,991
Adjustments for calculating the effective rate		
Tax calculated at the domestic rates applicable to profits in the country concerned	(20,480)	(25,898)
Non-deductible expenses/non-taxable (income)	5,918	3,700
Deferred tax assets from losses carried forward	10,251	90
Unrecognized deferred tax asset	(3,387)	(3,082)
Tax exemptions	910	4,433
Withholding taxes on distribution	-	(3,880)
Others	362	(444)
Income tax expense	(6,426)	(25,744)
Effective tax rate	16.78%	31.40%

16 PROVISION FOR MINE CLOSURE AND RESTORATION

	2023	2022
Balance, beginning of year	48,262	41,456
Accretion expense (note 24)	4,954	4,332
Change in estimate	(402)	2,608
Asset held for sale (Note 5(b))	(4,087)	-
Discontinued operations	-	(134)
Balance, end of year	48,727	48,262

Provision for mine closure and restoration is related to the closure costs and environmental restoration associated with mining operations. The provisions have been recorded at their net present values, using long term discount rates based upon the country treasury bill rates of 11.75 %, 8.94%, and 13.65% (13.75%, 8.94%, and 14.64% in 2022) for, Brazil, Mexico, and Honduras, respectively. The provisions have been re-measured at each reporting date, with the accretion expense being recorded as a finance cost.

The change in estimate during the year ended December 31, 2023 was primarily due to change in inflation.

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17 OTHER PROVISIONS

	Long-term employee benefits	Provision for judicial contingencies	Total
At December 31, 2021	11,339	584	11,923
Periodic service and finance cost (Note 24)	536	-	536
Change in provision for the year	622	(60)	562
Actuarial changes	800	-	800
Settlement during the year	(282)	-	(282)
At December 31, 2022	13,015	524	13,539
Periodic service and finance cost (Note 24)	1,032	-	1,032
Change in provision for the year	841	148	989
Actuarial changes	(774)	-	(774)
Settlement during the year	(2,150)	-	(2,150)
At December 31, 2023	11,964	672	12,636

Long-term employee benefits liability exists as a result of a legal requirement in Honduras pursuant to which the Company is obligated to pay a severance payment based on the years of service provided by an employee without regard to the cause of termination.

The main assumptions used on the long term employee benefit calculation for the years ended December 31, 2023 and 2022 is as follows:

	2023	2022
Discount Rates	6.50%	4.70%
Salary Increase Rate	7.50%	7.50%
Long Term Inflation	5.00%	5.00%

18 OTHER LIABILITIES

	2023	2022
NSR royalty (note 18 (a))	826	638
Lease payment obligation (note 18 (b))	38,654	39,252
Total other liabilities	39,480	39,890
Current	20,164	12,978
Non-current	19,316	26,912

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a) NSR Royalty

The movements of the NSR Royalty is as follows:

	2023	2022
Balance, beginning of year	638	1,518
Royalty payments	(1,452)	(1,635)
Increase in NSR obligations	1,640	1,152
Discontinued operations	-	(397)
Balance, end of year	826	638

b) Lease Payment Obligation

The movements of the lease liability obligation is as follows:

	2023	2022
Balance, beginning of year	39,252	1,110
Additions to lease obligation	3,585	45,191
Accretion expense (Note 24)	7,120	879
Lease payments	(13,395)	(7,785)
Foreign exchange	2,092	-
Discontinued operations	-	(143)
Balance, end of year	38,654	39,252
Current	13,945	12,340
Non-current	24,709	26,912

The weighted average discount rate applied to the new lease liabilities within the year ended December 31, 2023 was 13.15% and 9% (13.75% and 7% on December 31, 2022).

Lease liabilities are reflected within the current and long-term liabilities in the consolidated statements of financial position. The finance cost or amortization of the discount on the lease liabilities are charged to the consolidated statements of income and comprehensive income using the effective interest method.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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19 SHARE CAPITAL

a) Authorized

The Company has authorized an unlimited number of common shares.

b) Stock options

A continuity of the Company's stock options issued and outstanding are as follows:

	Number of options	Weighted average price C\$
Balance, December 31, 2021	1,999,011	6.78
Granted	42,500	8.28
Exercised	(327,857)	1.57
Forfeited	(13,500)	15.33
Balance, December 31, 2022	1,700,154	7.75
Granted	-	-
Exercised	(311,695)	1.57
Forfeited	(36,000)	14.88
Balance, December 31, 2023	1,352,459	8.99

As of December 31, 2023, the Company had 1,352,459 options issued and outstanding as follows:

Exercise price C\$	Options outstanding	Options Exercisable	Remaining contractual life (years)	Expiry dates
1.57	83,005	-	3.76	October 2, 2027
1.57	55	55	3.76	October 2, 2027
1.57	216,860	-	3.76	October 2, 2027
1.57	216,860	-	3.76	October 2, 2027
15.33	13,500	4,500	6.79	October 12, 2030
15.33	36,000	-	5.18	March 3, 2029
13.75	707,679	471,786	7.18	March 4, 2031
14.09	36,000	-	5.15	February 22, 2029
8.70	22,500	-	6.37	May 12, 2030
7.80	20,000	-	6.92	December 1, 2030
8.99	1,352,459	476,341	5.74	

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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c) Share-based payment expense

Share-based payment expense is measured at fair value and recognized over the vesting period from the date of grant. For the year ended December 31, 2023 and 2022, share-based payment expense recognized in general and administrative expenses (note 22) was \$287 and \$471 respectively.

During the year ended December 31, 2023, the Company did not grant new stock options (42,500 stock options were granted in 2022).

d) Hedge Accounting

The cash flow hedge reserve is used to recognize the effective portion of gains or losses on derivatives that are designated and qualify as cash flow hedges, as described in Note 14. For the year ended December 31, 2023, the effect of the hedge accounting was (\$726) recognized in OCI.

e) Repurchase of shares

In December 2021, the Company approved a normal course issuer bid (“NCIB”) and a buyback program for its Brazilian Depositary Receipts (“BDRs” listed in the Brazilian Stock Exchange (“B3”). The limit for purchases under the NCIB and the BDR Buyback Program was a combined aggregate limit, representing, altogether, 2,677,611 Common Shares, or 10% of the public float (within the meaning of the rules of the TSX). The NCIB program expired in December, 2022.

For the year ended December 31, 2022 the Company has repurchased 1,116,918 common shares of its Brazilian Depositary Receipts and 412,416 under the NCIB (total of 1,529,334), for the total amounts of \$5,551 and \$3,784, respectively, for a total of \$9,335 recorded directly on share capital. Until December 31, 2022, the Company has canceled 920,485 shares from the total repurchased.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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Expressed in thousands of United States dollars, except where otherwise noted.

20 NET REVENUE

	2023	2022
Gold	249,103	236,836
Copper & Gold concentrate	178,662	181,529
Total revenue from contracts with customers	427,765	418,365
Provisional prices	(1,848)	(17,721)
Other	(9,023)	(7,945)
Total net revenue	416,894	392,699

Revenues for the Minosa mine, Apoena and Almas relate to the sale of refined gold and for the Aranzazu mine relates to the sale of copper concentrate. The Company's revenues are concentrated in 4 clients and management continuously monitors the relationship with them.

21 COST OF GOODS SOLD BY NATURE

	2023	2022
Direct mine and mill costs	(155,311)	(158,229)
Direct mine and mill costs - Contractors	(63,242)	(44,407)
Direct mine and mill costs - Salaries	(25,508)	(19,002)
Depletion and amortization	(46,816)	(45,368)
Total	(290,877)	(267,006)

22 GENERAL AND ADMINISTRATIVE EXPENSES

	2023	2022
Salaries, wages, benefits and bonus	(10,548)	(9,006)
Professional and consulting fees	(5,984)	(5,350)
Legal, filing, listing and transfer agent fees	(541)	(982)
Insurance	(1,306)	(1,001)
Directors' fees	(408)	(32)
Travel expenses	(628)	(833)
Share-based payment expense (Note 20c)	(287)	(471)
Depreciation and amortization	(266)	(84)
Lease depreciation expense	-	(96)
Other	(5,062)	(4,652)
Total	(25,030)	(22,507)

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

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Salaries, wages and benefits categories for the year ended December 31, 2023 and 2022 include employee compensation such as salaries and benefits. The increase in the total amount of salaries, wages, benefits and bonus refers mostly to Almas that declared commercial production in August of 2023 and ceased the capitalization of expenses.

"Other" includes general expenses, such as energy, software and licenses and membership and subscriptions expenses.

23 EXPLORATION EXPENSES

	2023	2022
Minosa	(289)	(180)
Matupa, Tolda Fria and Carajás	(4,338)	(3,335)
Almas	-	(1,199)
Apoena	(238)	(1,599)
Aranzazu	(6,916)	(6,151)
Total	(11,781)	(12,464)

24 FINANCE EXPENSE

	2023	2022
Accretion expense (note 16)	(4,954)	(4,332)
Lease interest expense (note 18(b))	(7,120)	(879)
Interest expense on debts (a)	(12,464)	(6,413)
Finance cost on post-employment benefit (Note 17)	(1,032)	(536)
Borborema, Almas and other Gold Hedges (b)	(28,571)	922
Interest income	4,625	1,235
Foreign exchange	(56)	2,967
Other interest and finance costs	193	(361)
Total	(49,379)	(7,397)

- (a) The increase in interest expense in debt is partially related to Almas debentures. Since the Mine declared commercial production, the capitalization of expenses was ceased and it was recorded \$1,915 of interest expense as a finance expense from the period of September 1 to December of 2023. In addition, the Company increased its gross debt in its other subsidiaries during 2023.
- (b) The loss on derivative transactions is mostly related to the market to market adjustment from the Borborema and Almas derivative gold collars (see Note 27 (a) ii) b).

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except where otherwise noted.

25 OTHER INCOME (LOSSES)

	2023	2022
Gain on FV change of MVV Promissory note receivable (Note 6)	1,505	3,707
Gain on acquisition of investment (Note 11)	5,505	-
Equity pick-up (Note 11)	(1,894)	-
Disposal of assets gain'	21	-
Other	(4,477)	(2,550)
Total	660	1,157

26 CASH FLOW INFORMATION

a) Items not affecting cash

For the year ended December 31,	2023	2022
Deferred and current income tax expense	6,426	25,744
Gain on discontinued operations (Note 5)	-	(10,249)
Depletion and amortization (note 10)	48,528	45,367
Accretion expense (note 24)	4,954	4,332
(Gain)/Loss on derivatives	(403)	-
Lease Interest expense (Note 24)	7,120	879
Periodic service, past service and finance costs on post-employment benefit	1,873	1,158
Share-based payment expense (note 22)	287	471
Foreign exchange (gain) loss (note 24)	56	(2,967)
(Gain)/Loss on FV change of Serrote Promissory Note	(3,468)	(3,707)
(Gain) on Join Venture acquisition (Note 11)	(5,505)	-
(Gain)/Loss on Borborema, Almas and other gold hedges (note 24)	28,571	-
Loss on disposal of assets	724	1,743
Interest expense on debt	12,464	6,413
Other non-cash items	2,040	1,231
Total	103,667	70,415

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

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b) Changes in working capital

For the year ended December 31,	2023	2022
		Revised (Note 7)
Decrease (increase) in trade and other receivables	(9,190)	(13,011)
Decrease (Increase) in inventory	(12,714)	13,481
(decrease) Increase in trade and other payables	24,516	71
Total	2,612	541

c) Supplementary cash flow information

For the year ended December 31,	2023	2022
		Revised (Note 7)
<i>Changes in other assets and liabilities consists of:</i>		
Decrease in long term asset	9,717	3,698
(Increase) decrease in other current assets	1,628	(3,232)
Other items	(11,116)	(282)
Total	228	184

d) Non-cash investing and financing activities consist of:

For the year ended December 31,	2023	2022
Non-cash addition to property, plant and equipment	(6,108)	(2,594)
Total	(6,108)	(2,594)

e) Debt reconciliation

	Loans	Derivatives
Balance as of December 31, 2021	158,031	2,779
<i>Changes from Financing cash flows:</i>		
Loan repayments	(60,504)	-
Loan proceeds	125,199	-
Interest paid on debts	(7,473)	-
Interest paid on debentures	(9,747)	-
Derivative settlement	-	4,079
<i>Other Changes:</i>		
Interest expenses on debts	15,721	-
Interest expenses on debentures	13,070	-
Derivative result	-	(8,539)
FX adjustments	4,745	(4,881)
Derivative settlement (withholding taxes)	-	1,072
MTM adjustment	-	(2,629)
Balance as of December 31, 2022	239,042	(8,119)
Discontinued operations	(25,000)	-

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except where otherwise noted.

Balance as of December 31, 2022 (continued operations)	214,042	(8,119)
Balance as of December 31, 2022 (continued operations)	214,042	(8,119)
Changes from Financing cash flows:		
Loan repayments	(66,273)	-
Loan proceeds	179,550	-
Interest paid on debts	(10,937)	-
Interest paid on debentures	(14,557)	-
Derivative settlement	-	9,353
Other Changes:		
Interest expenses on debts	13,767	-
Interest expenses on debentures	12,599	-
Derivative result	-	(8,184)
FX adjustments	5,398	(7,019)
Derivative settlement (withholding taxes)	-	1,742
MTM adjustment	-	1,098
Balance as of December 31, 2023	333,589	(11,129)

27 FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENT

a) Financial 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 derivatives characterized as hedge accounting, the gain on loss is recorded through other comprehensive income.

For the fixed price contracts and put/call options on the gold derivatives, these derivatives are significantly driven by the market price of gold. As noted below section b, these derivatives are considered as Level 2 investments.

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

i) Swap agreements:

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

Derivatives Contracts	Commodity/ index	Current/Non-Current	Asset/(Liability) at 12/31/2023	Asset/(Liability) at 12/31/2022
Swaps				
Aura Almas	CDI	Current	10,247	7,640
Apoena Mines	CDI	Current	882	479
Gold Derivatives	Gold	Non-current	(43,134)	-

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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Total	(32,005)	8,119
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ii) Derivative Options

ii) a - Derivative Zero Cost Collars

During the year ended December 31, 2022, the Company has entered into zero cost put/call collars, in a total of 100,200 ounces, most of the volume in connection with the risk management program for the Almas Project. The zero-cost put/calls collars have floor prices between \$1,558 and \$1,700 (average: \$ 1,626) and ceiling prices between \$1,915 and \$ 2,896 (average: \$ 2,350) per ounce of gold expiring between August 2022 and July 2025.

In addition to the above, during the nine-month period ended September 30, 2023, the Company entered into new agreements in the total of 4,000 ounces. Those agreements have floor prices at \$1,750 and ceiling prices were set at \$2,120 that will expire between December 2023 and March 2024.

For Apoena Mines, during the year ended December 31, 2022, Mineração Apoena entered in zero cost put/call collars, in a total of 10,400 ounces with floor price of \$1,400 and ceiling price of \$2,100 per ounce of gold expiring between March 2023 and December 2025.

ii) b – Derivative Collars Borborema Project

During the year ended December 31, 2023, the Company entered into put/call collars, in a total of 215,235 ounces, most of the volume in connection with the risk management program for the Borborema Project. The put/calls collars have floor prices of \$1,745 and ceiling prices at \$2,400 per ounce of gold expiring between July 2025 and June 2028.

The call options price had a premium set at \$14,530, recorded as a finance gain in derivatives transaction, of which \$4,077 was already collected by the company and the remaining to be received by June 2024.

The fair value effect of both the Derivative Zero Cost Collars and the Derivative Collars Borborema Project as of December 31, 2023 is (\$43,134), recorded as a finance income (expenses) loss in the financial statements.

b) Fair value of financial instruments

In accordance with IFRS 9, the Company measures certain of its financials assets and liabilities at fair value on a recurring basis and these are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value:

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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- 1) Level 1, which are inputs that are unadjusted quoted prices in active markets for identical assets or liabilities;
- 2) Level 2, which are inputs other than Level 1 quotes prices that are observable, either directly or indirectly, for the asset or liability; and,
- 3) Level 3, which are inputs for the asset or liability that are not based on observable market data.

The Company measures certain of its financial assets and liabilities at fair value on a recurring basis and these are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Additionally, the Company classifies derivative assets and liabilities in Level 2 of the fair value hierarchy as they are valued using pricing models which require a variety of inputs such as expected gold price.

The fair value of the Company's financial assets and liabilities measured at fair value on a recurring basis at December 31, 2023 and 2022 are summarized in the following table:

	Level	Financial instrument classification	Amount December 31, 2023	Amount December 31, 2022
Assets (Liabilities)				
Derivative financial instruments - assets	2	Fair Value	11,129	8,119
Derivative financial instruments - liabilities	2	Fair Value	(43,134)	-
Liability measured at fair value	2	Fair value	(21,000)	
Total			(53,005)	8,119

28 FINANCIAL RISK MANAGEMENT

a) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity risk through a rigorous planning and budgeting process, which is reviewed and updated on a regular basis, to help determine the funding requirements to support the Company's current operations and expansion and development plans and by managing its capital structure as described in *Note 30* below.

Aura's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. In the normal course of business, Aura enters into contracts that give rise to commitments for future payments as disclosed in the following table:

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2023	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	92,643	-	-	-	92,643
Short-term & Long-term debt	82,865	175,889	64,835	10,000	333,589
Provision for mine closure and restoration	2,891	1,880	9,300	34,656	48,727
Other liabilities and Leases	20,164	19,316	-	-	39,480
	198,563	197,085	74,135	44,656	514,439

2022	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	71,308	-	-	-	71,308
Short-term & Long-term debt	73,214	112,002	28,826	-	214,042
Provision for mine closure and restoration	2,403	1,986	10,540	33,333	48,262
Other liabilities and Leases	12,978	26,912	-	-	39,890
	159,903	140,900	39,366	33,333	373,502

As of December 31, 2023, Aura has cash and cash equivalents of 236,895 and working capital of 166,642 (assets, excluding restricted cash, less current liabilities)

b) Currency risk

Aura's operations are located in Honduras, Brazil and Mexico, therefore, foreign exchange risk exposures arise from transactions denominated in foreign currencies. Although Aura's sales are denominated in United States dollars, certain operating expenses of Aura are denominated in foreign currencies, primarily the Honduran lempira, Brazilian real, Mexican peso, Canadian dollar and Colombian peso.

Financial instruments that impact Aura's net losses or other comprehensive losses due to currency fluctuations include cash and cash equivalents, accounts receivable, other long-term assets, accounts payable and accrued liabilities, short term loans and other provisions denominated in foreign currency.

At December 31, 2023 and 2022, the Company had cash and cash equivalents of \$236,895 and \$127,901, respectively, of which, \$117,351 (\$82,492 in 2022) were in United States dollars, \$63 (\$78 in 2022) in Canadian dollars, \$114,969 (\$41,399 in 2022) in Brazilian reais, \$4,427 (\$3,819 in 2022) in Honduran lempiras, \$58 (\$95 in 2022) in Mexican pesos and \$27 (\$18 in 2022) in Colombian Pesos. An increase or decrease of 10% in the United States dollar exchange rate to the currencies listed above could have increased or decreased the Company's income for the year by \$11,954.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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29 CAPITAL MANAGEMENT

Aura's objectives in managing capital are to ensure sufficient liquidity is maintained in order to properly develop and operate its current projects and pursue strategic growth initiatives, to ensure that externally imposed capital requirements related to any debt obligations are complied with, and to provide returns for shareholders and benefits to other stakeholders. In assessing the capital structure of the Company, management includes in its assessment the components of shareholders' equity and long-term debt. The Company manages its capital structure considering changes in economic conditions, the risk characteristics of the underlying assets, and the Company's liquidity requirements. To maintain or adjust the capital structure, the Company may be required to issue common shares or debt, repay existing debt, acquire or dispose of assets, or adjust amounts of certain investments.

In order to facilitate management of capital, the Company prepares annual budgets which are updated periodically if changes in the Company's business are considered to be significant. The Board reviews and approves all operating and capital budgets as well as the entering into of any material debt obligations, and any material transactions out of the ordinary course of business, including dispositions, acquisitions and other investments or divestitures. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares to reduce debt.

On June 13, 2022, Aura's Board of Directors approved a distribution and payment of dividends of US\$ 0.14 per common share, as an anticipation of the expected dividends based on Aura's expected financial results for the six months ending on December 31, 2022, that was paid in the second quarter of 2022.

On December 6, 2022, Aura's Board of Directors approved the distribution and payment of dividends of US\$ 0.14 per common share in the total amount of \$10.100, The dividend was paid out on December 30, 2022.

On June 7, 2023, Aura's Board of Directors has declared and approved the payment of dividends of US\$ 0.14 per common share for a total of \$10.102. The dividend was in respect of and based on Aura's expected financial result for the six months ending June 30, 2023, in accordance with the Company's dividend policy. The dividend was paid on June 28, 2023.

On November 29, 2023, Aura announced that the Company's Board of Directors has declared and approved the payment of a dividend of US\$0.25 per common share, in the approximately amount of US\$18,059. The Dividend is in respect of and is based on Aura's expected financial results for the six months ending on December 31, 2023 and was paid to shareholders on December 19, 2023.

Dividends were approved and paid in line with the Company's dividend's policy.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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30 RELATED PARTY TRANSACTIONS

Key Management Compensation

Total compensation paid to key management personnel (including based salaries, bonuses and other benefits), remuneration of directors and other members of key executive management personnel for the year ended December 31, 2023 and 2022 were \$3,000 and \$2,957 respectively.

Director's fees

Management had issued 189,795 deferred stock units (DSUs) to certain directors and former directors of the Company in 2016. The DSUs are recognized at the market value of the Company shares based on the provisions of the agreements. The balance of the DSUs as of December 31, 2023 is \$408 (\$32 in December 31, 2022) and is included as part of Trade and other payables.

Iraja Royalty Payments

As part of the Apoena Mines transaction with Yamana Gold Inc. ("Yamana"), Mineracao Apoena S.A. ("Apoena") entered into a royalty agreement (the "EPP Royalty Agreement"), dated June 21, 2016, with Serra da Borda Mineracao 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 benefited 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 Iraja Mineracao Ltda., a company beneficially owned or controlled by Paulo de Brito, third-party company, 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 \$1,532 in the year ended December 31, 2022.

Royalty Agreement for Aura Almas

The Company, through its wholly owned subsidiaries Almas and Matupá, maintains a royalty agreement with Mineração Santa Elina Ind. e Com. S.A., a company beneficially owned or controlled by the same controlling group from Aura, whereby the subsidiary pays 1.2% of the Net Smelter Returns on all gold mined or sold, since the moment that was declared commercial production.

Aura Minerals Inc.

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Royalty Agreement for Matupá

The Company, through its wholly owned subsidiaries Matupá, maintains a royalty agreement with Mineração Santa Elina Ind. e Com. S.A., a company beneficially owned or controlled by the same controlling group from Aura, whereby the subsidiary will pay 1.2% of the Net Smelter Returns on all gold mined or sold, from the moment that is declared commercial production. The subsidiary is currently in care and maintenance.

Dividends payable to Northwestern

Northwestern, a company beneficially owned by the Chairman of the Board, is the majority shareholder of Aura with approximately 53.3% ownership as of December 31, 2023.

In June and in December of 2022 the Company paid the additional \$10,200 and \$10,000, respectively, of which the amount owed to Northwestern was about \$5,200 and \$5,000, respectively.

In June and in December of 2023 the Company paid the additional \$10.2 and \$18,000, respectively, of which the amount owed to Northwestern was about \$5,500 and \$9,900, respectively.

Employee withholding taxes payable to the Company

In March 2021, certain key executives of the Company exercised their stock options in return for shares of the Company. Although the executives received shares of the Company instead of a cash payment at the time of the exercise, the Company, following local tax regulation, had the obligation to immediately retain withholding taxes calculated on the expected gain at the time of the exercise, in favor of the local tax authorities. The Board of Directors of the Company authorized such employees to reimburse the Company of such withholding taxes in a maximum period of 18 months with bearing an interest rate of equal or higher of the Applicable Federal Rates (“AFR”) of the month when the withholding tax was retained. Such outstanding balance is guaranteed by shares of the Company owned by such executives in a proportion of 150% of the outstanding balance, and the Company has the right to demand additional shares as collateral in case of reduction of the market price of the shares. Additionally, the receivable becomes immediately due by the employees in case of employment termination. The agreement was amended, and the due date was postponed for additional 12 months. As of December 31, 2023, the total outstanding balance to be received by the Company is \$3.129 million (\$3.129 million as of December 31, 2022).

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

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31 SEGMENTED INFORMATION

The reportable operating segments have been identified as the Minosa Mine, Apoena Mines, the Aranzazu Mine, Corporate, Almas and Projects. The Company manages its business, including the allocation of resources and assessment of performance, on a project-by-project basis, except where the Company's projects are substantially connected and share resources and administrative functions. The segments presented reflect the way in which the Company's management reviews its business performance. Operating segments are reported in a manner consistent with the internal reporting provided to executive management who act as the chief operating decision makers. Executive management is responsible for allocating resources and assessing performance of the operating segments.

For the years ended December 31, 2023 and 2022, segmented information is as follows:

For the year ended December 31, 2023	Minosa	Apoena	Aranzazu Mine	Almas	Projects ⁽¹⁾	Corporate	Total
Net revenue	122,046	83,784	176,814	34,250	-	-	416,894
Cost of goods sold	(82,893)	(51,865)	(87,168)	(22,135)	-	-	(244,061)
Depletion and amortization	(5,325)	(17,554)	(20,391)	(3,546)	-	-	(46,816)
Gross margin	33,828	14,365	69,255	8,569	-	-	126,017
General and administrative expenses	(4,543)	(2,933)	(3,860)	(2,084)	(1,146)	(10,464)	(25,030)
Care-and-maintenance expenses	-	(1,902)	-	-	(279)	-	(2,181)
Exploration expenses	(289)	(238)	(6,916)	-	(4,338)	-	(11,781)
Operating income/(loss)	28,996	9,292	58,479	6,485	(5,763)	(10,464)	87,025
Finance income/(loss)	(6,717)	(13,991)	(3,692)	(3,098)	973	(22,854)	(49,379)
Other items	(1,043)	(24)	(944)	(1,599)	(125)	4,395	660
Income/ (Loss) before income taxes	21,236	(4,723)	53,843	1,788	(4,915)	(28,923)	38,306
Current income tax (expense)	(7,048)	(705)	(10,533)	(512)	-	-	(18,798)
Deferred income tax (expense) recovery	860	1,040	(234)	9,615	1,091	-	12,372
Income taxes	(6,188)	335	(10,767)	9,103	1,091	-	(6,426)
Income (loss) for the period	15,048	(4,388)	43,076	10,891	(3,824)	(28,923)	31,880
Property, plant and equipment	55,362	83,095	121,445	145,316	79,123	4,392	488,733
Total assets	58,905	186,537	286,344	157,382	248,623	(13,967)	923,824
Capital expenditures	1,903	19,035	28,200	46,100	8,795	1,366	105,399

⁽¹⁾ Borborema, Matupá, Tolda Fria and Carajás Projects are not operating projects and are not generating revenues. Corporate handles the maintenance of the asset as it is under care and maintenance.

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except where otherwise noted.

For the year ended December 31, 2022	Minosa	Apoena Mine	Aranzazu Mine	Almas	Projects ⁽¹⁾	Corporate	Total
Net revenue	108,628	120,263	163,808	-	-	-	392,699
Cost of goods sold	(77,541)	(65,717)	(78,380)	-	-	-	(221,638)
Depletion and amortization	(6,000)	(17,157)	(22,211)	-	-	-	(45,368)
Gross margin	25,087	37,389	63,217	-	-	-	125,693
General and administrative expenses	(4,634)	(2,061)	(1,567)	(737)	(95)	(13,413)	(22,507)
Care-and-maintenance expenses	-	(1,738)	-	(587)	(166)	-	(2,491)
Exploration expenses	(180)	(1,599)	(6,151)	(1,199)	(3,335)	-	(12,464)
Operating income/(loss)	20,273	31,991	55,499	(2,523)	(3,596)	(13,413)	88,231
Finance income/(loss)	(4,415)	(5,318)	(2,787)	5,434	1	(312)	(7,397)
Other items	(540)	(556)	(997)	(302)	(31)	3,583	1,157
Income/ (Loss) before income taxes	15,318	26,117	51,715	2,609	(3,626)	(10,142)	81,991
Current income tax (expense)	(5,869)	(3,010)	(14,073)	-	-	(3,880)	(26,832)
Deferred income tax (expense) recovery	8,593	(6,226)	6,967	(8,283)	37	-	1,088
Income taxes	2,724	(9,236)	(7,106)	(8,283)	37	(3,880)	(25,744)
Income (loss) for the year	18,042	16,881	44,609	(5,674)	(3,589)	(14,022)	56,247
Property, plant and equipment	60,424	81,566	113,784	102,762	16,537	3,459	378,532
Total assets	115,271	198,856	156,717	146,308	15,471	40,332	672,955
Capital expenditures	11,435	14,390	25,440	47,787	948	3,077	103,077

(1) Borborema, Matupá, Tolda Fria and Carajás Projects are not operating projects and are not generating revenues. Corporate handles the maintenance of the asset as it is under care and maintenance.

32 COMMITMENTS AND CONTINGENCIES

a) Operating leases commitments

The Company has the following commitments for future minimum payments under operating leases:

	2023	2022
Within one year	13,227	843
Two to four years	30,554	819
Total	43,781	1,662

Aura Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2023 and 2022

Expressed in thousands of United States dollars, except where otherwise noted.

b) Contingencies

Certain conditions may exist as of the date of these financial statements which may result in a loss to the Company in the future when certain events occur or fail to occur. The Company assesses at each reporting date its loss contingencies related to ongoing legal proceedings by evaluating the likelihood of such proceedings, as well as the amounts claimed or expected to be claimed. Included in other provisions as of December 31, 2023, is a provision of \$672 (2022: \$524) for loss contingencies related to ongoing legal claims.

33 INCOME PER SHARE

Basic income per share is calculated by dividing the income attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted income per share is calculated using the “if-converted method” in assessing the dilution impact of convertible instruments until maturity. The if-converted method assumes that all convertible instruments until maturity have been converted in determining fully diluted profit per share if they are in-the-money, except where such conversion would be anti-dilutive. In the event of a share consolidation or share division, the calculation of basic and diluted income (loss) per share is adjusted retrospectively for all periods presented.

The following table summarizes activity for the year ended December 31:

	2023	2022
Income for the year for continued operations	31,880	56,247
Income for the year for discontinued operations	-	10,249
Weighted average number of shares outstanding - basic	72,128,723	72,398,811
Weighted average number of shares outstanding - diluted	72,605,064	72,646,599
For continued operations		
Total net income per share – basic	0.44	0.78
Total net income per share – diluted	0.44	0.77
For discontinued operations		
Total net income per share – basic	-	0.14
Total net income per share – diluted	-	0.14

34 SUBSEQUENT EVENTS

The Company has evaluated subsequent events through the filing date of consolidated financial statements and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.



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 twelve months ended on December 31, 2023

Dated as of February 20, 2024

Summary

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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 Aura Minerals Inc. (the "Company", "Aura Minerals" or "Aura") and the results of operations and cash flows for the three and twelve months ended December 31, 2023.

Thus, this MD&A should be read in conjunction with the Company's annual condensed financial statements for the year ended December 31, 2023, and the related notes thereto (the "Financial Statements") which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (collectively, "IFRS"). In addition, this MD&A should be read in conjunction with both Financial Statements and the related annual MD&A and the Company's 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.sedarplus.ca.

Except for mineral prices and per-share amounts, which are presented in United States dollars, and unless otherwise noted, references herein to "\$" are to thousands of United States dollars. References to "C\$" are to thousands of Canadian dollars. References to "BRL" or "R\$" are to Brazilian reais and references to MXN are to Mexican pesos. Tables and dollar figures in the body of the document are expressed in United States dollars, except where otherwise noted. The rate of exchange for one United States dollar into Canadian dollars on December 31, 2023 was \$1.00 = C\$1.226 and the rate of exchange for one Brazilian real into U.S. dollars on December 31, 2023 was \$1.00 = BRL 4,8525, as reported by the Bank of Canada and Central Bank of Brazil, respectively.

The Company uses certain non-GAAP financial measures (and non-GAAP ratios) in this MD&A, which the Company believes, when supplementing measures determined in accordance with IFRS, provide investors with an improved ability to evaluate the underlying performance of the Company. The below non-GAAP financial measures do not have any standardized meaning prescribed under IFRS, and therefore may not be comparable to similar measures employed by other companies. These measures are 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, non-GAAP ratios and supplementary financial measures included in this MD&A are:

- EBITDA
- Adjusted EBITDA ("Adjusted EBITDA");
- Cash operating costs per gold equivalent ounce sold;
- All-in sustaining costs per gold equivalent ounce sold ("AISCs");
- Realized average gold price per ounce sold, gross;
- Net debt ("Net debt"); and
- Adjusted EBITDA margin ("Adjusted EBITDA margin").

Further information and reconciliations associated with the certain non-GAAP financial measures used by the Company in this MD&A, including the non-GAAP financial measures listed above, 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 of this MD&A.

All mineral resource and mineral reserve estimates included in the 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 other 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.sedarplus.ca.

1. BACKGROUND AND CORE BUSINESS

Aura is a high-growth, multi-jurisdiction, gold and copper producer focused on the operation and development of gold and base metal projects in the Americas. The common shares of the Company (the "Common Share") are listed on the TSX under the symbol "ORA", the Brazilian Depositary Receipts ("BDRs") of the Company, each representing one Common Share, are listed on the B3 - Brasil, Bolsa Balcão under the symbol "AURA33" and the Common Shares trade on OTCQX Best Market under the symbol "ORAAF". In 2022, for the second year in a row, the Toronto Stock Exchange ("TSX"), ranked Aura first among 30-top performing TSX stocks over a three-year period based on the dividend-adjusted share price appreciation, through inclusion in the TSX30™ program.¹

Aura owns operating gold and copper projects in Brazil, Mexico and Honduras, and owns five other projects that are at different stages of development in Brazil and Colombia. The Company's main objective is to grow its business responsibly, sustainably, and profitably while also adhering to the highest environmental and safety standards, aligned with the Aura 360° Mining Culture.

Aura expects annualized production of up to 450,000 gold equivalent ounces ("GEO")² through its current portfolio by 2025. Aura has a history of sector leading dividends, returning approximately \$143.0 million to shareholders between dividends and buybacks since 2021. This includes \$28.0 million in dividends and yield of 6%³ in 2023, \$30.0 million in dividends and a yield of 6%⁴ in 2022, and \$85.0 million and yield of 13.5% in 2021.

The Company has the following mineral properties:

Assets in Commercial Production:

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.

Apoena (EPP) – 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 Japonês open pit mine, the Nosde open pit mine, and the near mine open-pit prospects Japonês Oeste, Pombinhas and few other potential prospects.

Minosa (San Andres) – 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.

Almas - an open pit gold mine located in the state of Tocantins, Brazil, and is wholly-owned by Aura, that consists of three deposits (Paiol, Vira Saia and Cata Funda) and several exploration targets, including Nova Prata/Espinheiro, Jacobina and Morro do Carneiro, a total area of 101,000 hectares of minerals rights.

Projects in Development:

Borborema Project ("Borborema") – a greenfield open pit gold project, located in the municipality of Currais Novos, Rio Grande do Norte state, in the northeast of Brazil. Aura completed a Feasibility Study in August 2023 which indicated anticipated production of 748,000 ounces of gold over an 11.3-year mine life, with possibilities for even greater output. The project also showcases a strong mineral reserve base, with probable mineral reserves of 812,000 oz gold, and an extensive mineral resource profile with strong growth potential that consists of 2,077 koz of indicated mineral resources and 393 koz

¹ According to the Toronto Stock Exchange. See <https://money.tmx.com/en/quote/X/news/6619777431219994>

² Gold equivalent ounces, or GEO, is calculated by converting the production of silver, copper and gold 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 gold, silver and copper realized from sales at the Aranzazu project during the relevant period.

³ Yield is a supplementary financial measure, calculated as total dividend amount paid per share, divided by closing share price on the previous day from the press release declaring such dividends.

of inferred mineral resources. Initial measures have already been undertaken to start obtaining the permits to move the road, and upon its successful relocation, there exists the potential to convert in Mineral Reserves 1,265 koz of indicated mineral resources into mineral reserves (exclusive of the current mineral reserves), depending on future set of modifying factors, such as gold price, exchange rate and others. Aura now holds 100% of the shares of Borborema Inc., which indirectly owns Borborema, and envisions the project to be economically strong and also a testament to its strategic growth in Brazil's mining landscape.

Matupá Project ("Matupa") – a gold project located in the northern part of the state of Mato Grosso, Brazil consists of three deposits: X1, Serrinhas (gold), and Garantã Ridge (base metal). The main focus for exploration was the X1 deposit, a 350-meter-long target which resulted 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. The Matupá Project's claims consist of multiple exploration targets, including a copper porphyry target, in a total area of 62,500 hectares of mineral rights.

Other Projects and Mines:

Aura Carajás ("Serra da Estrela Project") – a permitted exploration target of 9,805 hectares, located in the State of Para, Brazil, Carajás area. The area includes iron oxide copper gold ("IOCG") mineralization targets along a 6 km strike with copper surface anomalies of up to 500ppm Cu and has nine historical exploration holes totaling 2,552 meters with positive intercepts showing mineralization. Aura acquired exploration rights and options to test for continuity and economic grades in the target area.

São Francisco Gold Mine ("São Francisco") – part of Apoena (EPP), is an open-pit heap leach gold mine located in the southwest of the state of Mato Grosso, Brazil, approximately 560 km west of Cuiaba, the state capital. Currently, the mine is under care and maintenance.

Tolda Fria Gold Project ("Tolda Fria") – a gold project located in Caldas State, Colombia. The project has a total of 6,624 hectares in mineral rights and the Company is generating potential targets through early-stage exploration. The project is under care and maintenance.

2. FOURTH QUARTER AND 2023 SUMMARY

Responsible Mining Underpinned by Aura360 Culture:

- Aura reached ZERO lost time incidents ("LTIs") across all its operating business units and projects by the end of 2023 and credits its strong safety culture and robust management systems under its Aura360 values.
- The Company was recognized with the Socially Responsible Company seal by the Honduran Foundation for Social Responsibility (FUNHDARSE), reflecting its commitment to good operational management and communication practices.
- The Foundation of San Andres, the social foundation of Minosa, launched an innovative venture called Seeds of Hope aimed at fostering social and economic progress through the cultivation of grapes and wine production at the Minosa Mine (San Andrés).

Q4 2023 Financial and Operational Highlights:

- In Q4 2023, production reached 69,194 GEO, a notable increase of 7% in comparison to Q3 2023 and the best quarterly production for the year. The increase was a result of improved operating performance at Apoena (EPP), Minosa (San Andrés) and Almas. When compared to the same period last year, production increased by 2% mainly due to Almas achieving commercial production in August 2023.
 - Aranzazu: Production of 26,532 GEO, was 2% lower compared to Q3 2023 and 1% above Q4 2022 at constant prices, due to mine sequencing.
 - Apoena (EPP): Production of 15,217 GEO, was 36% higher in Q4 2023 compared to the previous quarter as the high-grade Ernesto pit was accessed and a lower volume of existing low-grade stockpiles were processed. Despite this increase, production was still influenced by the adverse impact of rains during Q3

2023. Aura anticipates mining to continue in Ernesto during Q1 2024 with improving production rates. Compared to Q4 2022, production decreased 43% when record production was achieved as a result of initial access to phase II in the Ernesto pit.

- Minosa (San Andres): Production of 17,854 GEO for the quarter, representing a 2% increase compared to the previous quarter and an increase of 47% over Q4 2022. This represents the fourth quarterly increase in production in a row, due to the higher stacked tonnage resulting from the upgrade in the stacking system in Q3 2023.
- Almas: Production of 9,591 GEO, representing the first full quarter of production. Despite the lower volume than expected in the quarter, mine performance improved by 93% between October and December, with 584 thousand tons moved in October, 731 thousand tons in November and 1,128 thousand tons in December, achieving stable performance levels as expected in 2024.
- Revenues were \$124,322 in Q4 2023, represented an increase of 12% compared to Q3 2023 and 17% compared to the same period in 2022.
 - Sales volumes were 8% higher than Q3 2023, mainly due to higher production in Apoena, Minosa, and Almas.
 - Average gold sale prices increased 2% compared to Q3 2023, with an average of \$1,991/oz in the quarter.
- Compared to same period last year:
 - Sales volumes were 1% higher, mainly due to higher production in Minosa and the commencement of commercial production in Almas, despite Apoena's decrease.
 - Average gold sale prices increased 15% in Q4 2023 in comparison to Q4 2022.
- Adjusted EBITDA⁴ was \$40,893 in Q4 2023, an improvement of 37% compared to \$30,020 in Q3 2023, as a result of higher production and sales volume from Apoena, Minosa and Almas. Compared to Q4 2022, Adjusted EBITDA showed an improvement of 13%, also mainly due to higher production, and sales volumes.
- AISCs⁵ during Q4 2023 were \$1,311/GEO, representing a decrease of \$126/GEO when compared to Q3 2023 (\$1,437/GEO) mainly due to higher volumes in Minosa and Almas and higher-grade production from the Ernesto pit and lower processing stockpile inventory at Apoena. In 2023, AISC of \$1,324/GEO was in line with the Company's guidance.
- By the end of Q4 2023, the Company's Net Debt⁶ position was \$85,165, a reduction compared to \$112,110 reported in the previous quarter. Recurring Free Cash Flow was strong and approximately \$38,000, of which \$9,000 was invested in growth activities and \$18,000 was returned to shareholders through a dividend payment.

Strategic Investment in Altamira Gold Corp. through a Private Placement:

- In November 2023, Aura entered into a subscription agreement, pursuant to which it acquired, in a non-brokered private placement 24,000,000 units of Altamira Gold Corp. ("Altamira") at a price of C\$0.125 per unit, totaling an aggregate purchase price of C\$3.0 million (the "Altamira Offering"). Each unit consisted of one common share and one common share purchase warrant of Altamira. Each warrant is exercisable to acquire one share of Altamira at an exercise price of C\$0.20 per Share for a period of two years from the date thereof.

⁴ Adjusted EBITDA is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A

⁵ AISC is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

⁶ Net Debt is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

- Upon closing of the Altamira Offering, Aura's ownership in Altamira represents approximately 11.35% of the issued and outstanding shares of Altamira on a non-diluted basis and approximately 17.00% of the issued and outstanding shares on a fully diluted basis.
- Aura participated in the Altamira Offering for investment purposes given Altamira's exploration potential, and recent success at the Maria Bonita intrusive-hosted gold discovery which forms part of the Cajueiro gold project in the states of Mato Grosso and Para, northern Brazil.

2023 Financial and Operational Highlights:

- Total production for 2023 reached 235,856 GEO at current prices, within the range of the Q3 2023 MD&A Consolidated Production Guidance of between 231,000 – 253,000 GEO for 2023.
 - Aranzazu: Production of 106,119 GEO, 2% below 2022 at constant prices⁷ and in line with the Company's Guidance. Throughout the year, Aranzazu's production was stable and aligned with expectations, showing growth during the second semester thanks to increased ore tonnage and higher ore grades, along with the introduction of advanced drilling equipment.
 - Aipoena (EPP): Production of 46,006 GEO in 2023, a 33% decrease when compared to 2022, mainly due to mine sequencing and varying ore grades, with significant growth in the second half of the year as high-grade areas were accessed, despite challenges from adverse weather conditions.
 - Minosa: Production of 65,927 GEO, 7.3% above 2022 and reflecting consistent quarterly production increases throughout the year, aided by improvements in the stacking system and ongoing productivity initiatives.
 - Almas: Production of 17,805 GEO during its five months of operation, from August to December. Ramp-up exceeded industry benchmarks and mine performance demonstrated significant month-to-month improvements towards the end of the year.
- Revenues reached \$416,894, a 6% increase compared to 2022. Revenues improved significantly in the second semester, reflecting a recovery in production and the commencement of operations in Almas.
 - Sales volumes decreased 5% when compared to the previous year. During the year, sales volumes fluctuated, and consistently increased as a result of higher production.
 - Average gold sale prices increased 13% compared to 2022, with an average of \$1,946/oz in 2023.
- Adjusted EBITDA reached \$134,107, stable when compared to 2022. This was mainly due to the decrease in Aipoena's production in 2023, and partially offset by an increase in Minosa and the ramp-up of Almas.
- AISC in 2023 was \$1,324, in line with the Company guidance and 18% above 2022 AISC, partially due to metal prices and the appreciation of the United States Dollar against the Brazilian real and the Mexican peso, and lower grades at Aipoena mines. At constant metal prices and FX rates, AISC would have increased 11% in 2023 vs. 2022.

Achievement of Commercial Production at Almas:

- In April 2023, Aura announced the completion of construction and commencement of the ramp-up phase for the Almas project. Almas was built mostly on budget and on time and, in just 16 months, it was among the fastest mines in the industry to be built and start production.
- In August 2023, Almas reached commercial production and, in fewer than five months, exceeded industry benchmarks, as the plant processing roughly 8,214 tons of ore by end of Q3 2023.
- In 2023, Almas produced 17,805 GEO during its initial five months of commercial production, from August to December 2023, and demonstrated significant month-to-month improvements in mine performance towards the end of the year.

⁷ Applies the metal sale prices in Aranzazu realized during Q4 2023 to the previous quarters in all operations, being: Copper price = US\$3.71/lb; Gold Price = US\$1,991.07/oz; Silver Price = US\$23.27/oz

- By December 2023, Almas was operating above its nominal capacity and began investing to increase the facility's capacity from 1,300,000 to 1,500,000 tons, with the goal of increasing annual gold production by 15% by the end of 2024.

Construction Underway at the Borborema Project:

2023 was a year of significant advances and milestones at the Borborema project:

- In August 2023, Dundee Resources Limited converted its 20% stake in Borborema into a net smelter royalty. Aura then became owner of 100% of the Borborema project.
- On August 30, 2023, the Company announced the completion of Borborema Feasibility Study NI 43-101, anticipating production of 748,000 ounces of gold over an initial 11.3-year LOM, with potential to increase production. The main expected results of the project included:
 - Robust Economics: Net present value ("NPV") of US\$182.0 million and 21.9% internal rate of return ("IRR") at gold price of US\$1,712/oz; 51.9% IRR and NPV of US\$262.0 million at US\$1,900/oz with US\$100.0 million in debt.
 - Competitive Costs: Life of mine ("LOM") AISC averages of \$949/oz and average AISC is \$875/oz over the first 3 years.
 - Capex: US\$188.0 million investment with expected payback in 3.2 years.
 - Production: 65 koz average annual gold produced and 83 koz average annual gold produced over the first 3 years.
 - Mineral Resource Profile: Borborema has 2,077 koz of indicated mineral resources and 393 koz of inferred mineral resources with the potential to convert up to 1,265 koz of indicated mineral resources into probable mineral reserves after a road relocation on the property is completed.
- Following August 30, 2023, the Board of Directors approved the construction of the Borborema project and Aura secured over US\$145.0 million to fund construction through a combination of a term loan, gold collars, private royalties and a gold-linked loan, including:
 - In September 2023, Borborema raised US\$ 100,0 million from a term loan with a Santander Brazil Bank.
 - In October 2023, Aura announced the implementation of a hedging program for Aura through gold collars in order to de-risk the project and secure the return on capital invested during the first three years of production at Borborema. As part of the program, Aura was entitled to receive premium payments from the counterparties, totaling approximately US\$14.5 million which will also be invested to partially fund the construction of the Borborema project.
 - In December 2023, Borborema entered into an agreement with Gold Royalty Corp to secure US\$31.0 million in financing, composed of a US\$21.0 million net smelter return royalty over the Borborema project and a US\$10.0 million gold-linked loan.
- To date, 17% of the Borborema project is completed and remains on track for early 2025. Currently, earth works of the industrial area is completed and mobilization of the civil works is ongoing.
- In parallel, Aura has engaged POYRY to undertake Engineering, Procurement, and Construction Management ("EPCM") to advance the relocation of the road to unlock additional mineral resources and mineral reserves. Activities are progressing according to schedule, and hiring of the main service and material packages is currently underway.

3. EMPLOYEES, ENVIRONMENT AND SOCIAL

Aura discerns noteworthy advancements related to employees and cultural aspects. Firstly, a substantial reduction in turnover has been achieved in the last quarter, declining from 3.3% to 1.9%. Equally significant is the advancement in gender diversity, with the overall representation of women increasing from 17% (Q4 2022) to 20% (Q4 2023). Notably, women

hold 27% of leadership roles, surpassing industry benchmarks in the mining sector.

Central to these accomplishments is the successful implementation of 8 cultural initiatives across all organization units in 2023, impacting more than 600 employees directly. Simultaneously, a cultural training with 100% of leadership team was concluded in Q4. The dynamic approach ensures that our cultural foundation remains responsive to the evolving need of our workforce and organization.

Looking ahead to 2024, plans are underway to refine these pillars of cultural consolidation in alignment with emerging challenges.



3.1. SAFETY & ENVIRONMENT

Safety

The Company values safety and has robust management systems in place to ensure the prevention of all workplace incidents. Aura achieved ZERO lost time incidents ("LTIs") in 2023. The Health, Safety, and Environmental Committee (HSE) approved the Golden Rules review in September and now Aura is putting into place the Life Saving Rules, which are protocols that focus on critical controls of operational major risks. Senior leadership remains deeply involved, convening regular safety committee meetings. Field leadership continues to bolster safety interactions, and the emphasis of the Safety Training Program is on fostering a culture of prevention and enhanced risk perception among workers. Local leaders actively discuss and analyze performance to validate the effectiveness of Aura's Management System (SIGA). With the completion of our Golden Rules review, Aura is now poised to introduce the Life Saving Rules, which underscore the critical controls of major operational risks.

Aranzazu

In 2023, Aranzazu had no LTIs reported throughout the period, and the unit held approximately 14,500 hours of training. With a proactive approach towards risk development and prevention, the operational leadership conducted over 1,000 safety interventions, addressing and rectifying behavioral deviations. To strengthen the management of major risks, the Operational Unit not only facilitated team training sessions but also conducted an audit of its preventive processes.

On the environmental front, Aranzazu consistently maintained its operational and environmental licenses, ensuring adherence to both regional and federal guidelines. This diligence allowed them to obtain the necessary permissions and endorsements, ensuring uninterrupted operations.

Apoena (EPP)

In 2023, Apoena had no LTIs reported throughout the period, and the Company diligently invested in safety education, providing 2,669 hours of training to 130 direct and indirect employees. In addition to standard protocols, Apoena proactively conducted 33 focused inspections targeting higher-risk scenarios and initiated 1,259 behavioral approaches emphasizing health, safety, and environmental considerations. In addition, 531 employees were trained in Risk Perception.

The Apoena unit is also committed to environmental responsibility and has donated 807 seedlings and planted 4,111 seeds.

Minosa (San Andres)

In 2023, Minosa had no LTIs reported throughout the period, and in Q4 the unit held 14,477 hours of training. The management was proactive and took actions, reinforcing safety and environmental training programs, which cultivated a culture focused on safety and environmental conservation. The commitment was evident in the weekly managerial inspections that identified and addressed potential risks and deviations.

Minosa also showcased its commitment to the environment by adhering to authoritative guidelines for wastewater discharges and initiating reforestation and conservation activities. HSE subcommittees were meticulously organized and monitored by the management, ensuring the execution of safety and risk prevention plans. This effective leadership played an important role in engaging with employees, promoting safety-centric behaviors, and fostering a transformative shift in the perception of occupational health risks and leading to an environment awareness.

Almas

Since the beginning of the operation in August 2023, there have been no LTIs reported in Almas. Training programs in Almas had approximately 9,900 hours, and 67% of the direct labor was hired locally. Almas, as Aura's newest operating unit already has an average of 747 employees, with 11% of positions held by women. Throughout the quarter, the company conducted 111 Health, Safety, and Environment inspections, all with active leadership involvement. The Company has also finalized the EIA/RIMA for the environmental licensing of the Cata Funda and Vira Saia deposits, engaged in environmental education activities in local schools to celebrate Tree Day, and ensured all geotechnical structures were monitored and maintained in safe conditions.

Environment

Aura's ESG strategy will sustainably support its growth strategy. Environmentally, in 2023 the Company achieved a 19% reduction in specific power consumption (MWh/kton) and a 7% decrease in solid waste generation (ton) in relation to 2022 totals. While there was a 3% increase in specific diesel consumption (L/kton) in 2023, efforts are in progress to improve this metric. Aura's ESG team is actively engaged in evaluating and refining ongoing initiatives, as well as monitoring key environmental performance indicators through the Health, Safety, and Environmental Committee, which includes senior management team members.

Aura's Geotechnical Compliance

All of Aura's tailings dams, waste dumps and heap leach pads that are currently in operation or that are in care and maintenance are satisfactorily stable and comply with all current legislation and international practices.

There are tailings dams at Aranzazu, Apoena and Almas a heap leach pad at Minosa, each of which follows safety and risk management standards. At Almas, a tailings dam was built with the downstream raising method, in accordance with applicable regulations and international best practices. Currently studies are in development for drystack tailings disposal in Matupa and Borborema Project, which will not require the construction of a tailings dam.

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 with the 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. This procedure meets the highest industry standards.

The Company continues to work on the closure plan for the non-operational Aranzazu dams, including an update on project developments and operational aspects. Aura has engaged various contractors for this initiative, including SRK Canada, Wood Environment and Infrastructure Solutions, Geoconsultoria and Fonntes Engenharia.

3.2. COMMUNITIES

Minosa (San Andres)

During the fourth quarter of 2023, Minosa initiated the process of creating individual property deeds for land plots donated to families as part of an agreement with the El Cedro Community, benefiting families from the outset. The company was also recognized with the Socially Responsible Company seal by the Honduran Foundation for Social Responsibility (FUNHDARSE), reflecting its commitment to good operational management and communication practices. In line with its social responsibility ethos, Minosa delivered a School Classroom and Warehouse Construction Project to the San Miguel community, enhancing educational facilities for children previously learning in suboptimal conditions. Moreover, a volunteer program was launched, engaging employees and corporate team members in direct community interaction and educational support.

Additionally, the Minosa Foundation has been running workshops for women from surrounding communities as part of the Aura Emprende Training Program, preparing them to set up sustainable small businesses and provide income for their families. This initiative includes the construction and equipping of a Bakery, serving as a knowledge-sharing hub and a lasting community legacy. Community relations have been further strengthened, particularly with the Azacualpa community, through collaborative activities and trust-building initiatives. In a gesture of goodwill during the end-of-year celebrations, Minosa distributed food baskets to the most economically challenged families in several communities and delighted children with the distribution of toys.

As a subsequent event, Aura announced an initiative to develop the Copán region into a notable wine-producing area, in line with its sustainable growth goals. This venture, focused on grape cultivation and wine production, already employs 30 individuals initially, with the potential to expand to 250 jobs, highlighting Aura's commitment to economic diversification and community engagement. The project, backed by an investment of approximately US\$ 1.0 million over the first five years, integrates the Aura 360 culture. This culture emphasizes a holistic approach to impacts on all stakeholders, prioritizing employees, communities, the environment, and the company. It represents a step forward in responsible mining and the sustainable development of the Aura Minosa region, aiming to enhance the local community's prosperity through this new economic activity.

Aranzazu

During Q4, Aranzazu intensified its community support through various initiatives. The Bethesda Clinic continued offering essential services like physical therapy, psychological support, and dental care. Simultaneously, the company sustained its program for vulnerable elderly adults, providing them with monthly basic food baskets. For younger generations, the Aranzazu Holding Sports Training Center offered football and baseball classes to children and teenagers from Concepción del Oro and neighboring areas. Additionally, Aranzazu contributed to the repair of community houses and donated materials like waterproofing supplies, paint, trash bins, and water storage containers. They also supported local education by providing diesel fuel for student transport and installing a seismograph in the community.

The quarter also saw Aranzazu's facility hosting three significant visits: a family visit involving employees' families, a training session for students from the Multiple Attention Center on making lemon desserts, and an educational visit to the mine by high school students from CBtis 221. In a broader community engagement, the company donated sports equipment,

distributed candy bags in five schools, and provided toys, food baskets, and blankets to over 2,000 people in vulnerable communities. Additionally, they contributed to the December festivities at the Mexican Social Security Institute, aided in community infrastructure with steel pipe donations, and improved local orchard paths. Overall, these initiatives positively impacted 7,055 individuals, reinforcing Aranzazu's commitment to community welfare and development.

Almas

During Q4, as part of our ongoing commitment to positive legacy and future vision, Almas successfully concluded the inaugural class of young apprentices. In collaboration with the municipality of Almas and SENAI, a recognized institution renowned for fostering professional development, the project provided young individuals from the local community with the opportunity to experience the day-to-day operations of the factory and immerse themselves in the essence of the Aura 360 culture over an 18-month period.

Additionally, a Christmas volunteer campaign was organized to collect basic food baskets for the local community. This initiative proved impactful, benefiting over 90 families in the local community.

Apoena (EPP)

During the fourth quarter of 2023, Apoena reaffirmed its commitment to the environment and community by donating fruit tree seedlings to Vale do Sol School. This contribution aims to support the "Environmental Education" project within the biology curriculum for high school students. The project's objective is to disseminate knowledge about the environment, emphasizing the importance of conservation and sustainable use of natural resources.

Furthermore, the second Apoena leaders' meeting featured a volunteer activity at a nursing home, where leaders planted the initial seedlings for the institution's garden. This initiative reflects Apoena's dedication to community engagement and environmental responsibility.

Woman In Mining

Aura has been actively involved in the Women in Mining forums, both in Brazil and Central America. Recently, an Aura Minosa employee, received the prestigious "Woman of Gold" award. This recognition celebrates outstanding women in Central America for their leadership, commitment, and significant contributions to the mining sector. In Apoena, the company organized the inaugural meeting of its Diversity Committee, underscoring its dedication to promoting inclusion and equity. Additionally, Aura's corporate structure remains actively engaged in the monthly Women in Mining meetings. The launch of the Women in Mining Indicator Report is a significant milestone that reflects Aura's proactive commitment to promoting diversity and equality in the industry. The company is steadfast in its dedication to contributing to a more inclusive and equal mining environment.

3.3. 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, two of whom are not considered independent of the Company and five of whom have been determined by the Board to be independent within the meaning of applicable Canadian securities laws.

The Board considers Stephen Keith, Pedro Zahran Turqueto, Fabio Ribeiro, Richmond Fenn and Bruno Mauad to be independent within the meaning of applicable Canadian securities laws. 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, Chairman of the Board, and therefore is not considered independent.

The audit committee of the Board (the "Audit Committee") is composed entirely of and chaired by independent directors

(Bruno Mauad, Stephen Keith, and Pedro Zahran Turqueto), each of whom meets 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 and 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, a copy of this MD&A shall be provided to anyone who may request it.

The Corporate Governance, Compensation and Nominating Committee currently has two members, one of whom is independent.

Ethics Committee

Aura's Ethics Committee is entrusted with discussing, analyzing, and recommending remedial and/or preventative actions, as applicable, to the business units' Director of Operations and/or the business units' human resources officer (except in cases where conflicts of interest exist, in which case the Ethics Committee is responsible for taking the appropriate actions) on all reports received via the whistleblower channel (canaldeetica.com.br/aura). The whistleblower channel is managed by an independent and specialized third party, currently ICTS Alliant, ensuring confidentiality and the appropriate treatment of each report without any conflicts of interest before forwarding to the Ethics Committee. Any stakeholder may submit an anonymous report through the whistleblower channel detailing conducts considered unethical and/or considered to violate existing legislation in the countries where we operate.

Aura's Ethics Committee is currently composed of six individuals: the Company's chief executive officer ("CEO") (chair), the corporate compliance officer and one representative from each of the operational business units.

4. OPERATIONAL HIGHLIGHTS

The table below summarizes the main operational indicators for 2023, for the Company's operating:

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
OPERATING DATA				
Gold ore processed (tonnes)	2,828,725	1,620,098	9,367,680	6,999,096
Gold bullion produced (ounces)	42,662	39,072	129,738	129,890
Gold bullion sold (ounces) ⁽¹⁾	42,062	39,099	128,230	131,860
Copper ore processed (tonnes)	301,819	297,117	1,210,462	1,219,703
Copper concentrate produced (dry metric tonnes "DMT")	18,970	20,384	72,973	75,625
Total Production (Gold Equivalent Ounces) ⁽¹⁾	69,194	67,663	235,856	241,421

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

Sales, Cash Cost and All in Sustaining Costs Highlights

For a reconciliation between cost of goods sold, cash operating costs per GEO sold and All in Sustaining costs per GEO sold, please see Section 17: Non-GAAP Financial Measures.

GEO sold, cash operating costs per GEO sold, and AISC per GEO sold for the Q4 2023, 2023 and 2022 were as follows:

Three months ended December 31, 2023	2023			2022		
	GEO Sold ⁽¹⁾	Cash operating costs per GEO sold	All In Sustaining costs per GEO sold	GEO Sold ⁽¹⁾	Cash operating costs per GEO sold	All In Sustaining costs per GEO sold
	Aranzazu	26,509	840	1,069	28,978	703
Apoena (EPP)	14,727	1,125	1,646	27,044	679	875
Minosa (San Andres)	17,744	1,197	1,284	12,055	1,454	1,603
Almas	9,591	1,487	1,515	N/A	N/A	N/A
Total / Average	68,571	1,084	1,311	68,077	826	1,005

Twelve months ended December 31, 2023	2023			2022		
	GEO Sold ⁽¹⁾	Cash operating costs per GEO sold	All In Sustaining costs per GEO sold	GEO Sold ⁽¹⁾	Cash operating costs per GEO sold	All In Sustaining costs per GEO sold
	Aranzazu	105,694	825	1,080	115,355	680
Apoena (EPP)	44,324	1,170	1,822	68,394	961	1,254
Minosa (San Andres)	66,101	1,254	1,357	63,466	1,222	1,342
Almas	17,805	1,243	1,419	N/A	N/A	N/A
Total / Average	233,923	1,043	1,324	247,215	897	1,118

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

The main reasons for the changes in the cash costs and all in sustaining costs per mine were:

- Aranzazu: In Q4 2023, Cash Cost was mostly stable comparing to Q3 2023 and in line with the Company's expectations. When compared to the previous year, both Cash Cost and AISC increased, mainly influenced by currency fluctuations. Specifically, the Mexican Peso appreciated more than the US Dollar, playing a significant role in this increase, and affecting AISC by around \$58/oz in the quarter. At constant FX and metal prices, Aranzazu's AISC would have increased only by around \$63/oz.
- Apoena (EPP): The increased production volume, driven by the higher ore feed from the Ernesto pit, and lower stockpiles inventory fed to the plant positively impacted the Cash Cost and AISC in Q4 2023 over Q3 2023, with a reduction of \$485/oz and \$902/oz respectively over the previous quarter. However, despite these improvements, the cost reductions in Q4 2023 were insufficient to drive Apoena's costs to the same level achieved in 2022, a year marked by the mine's historical record production. This was also partially attributable to the successful strategy of the Company to reduce the stockpiles at Apoena and release cash – more than US\$ 5 million was generated in 2023 as result of reduction of work-in-progress inventory at Apoena.
- Minosa (San Andres): The efforts to increase the plant productivity with the maintenance of plant equipment and grasshoppers, in addition to equipment rentals and the preparation of new areas for leaching occurred in Q3 2023, resulted in a Cash Cost and AISC reduction in Q4 2023. When compared to Q3 2023, Cash Cost was reduced by \$169 and AISC was reduced by \$174. In comparison to Q4 2022, Cash Cost was reduced by \$256 and AISC reduced by \$320, therefore also demonstrating positive trends.
- Almas: Cash cost reached \$1,487/oz and AISC reached \$1,515/oz in the quarter. The increase in relation to the previous quarter results from the mine's performance in the quarter, below the Company expectations. However, during the quarter, the mine's performance improved by 93% between October and December, achieving stable performance levels equivalent to what is expected in 2024.

5. FINANCIAL HIGHLIGHTS

Figures below are presented in \$ thousands:

FINANCIAL DATA	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
<i>IFRS Measures</i>				
Net revenue	124,322	105,850	416,894	392,699
Gross Margin	40,136	31,179	126,017	125,693
Income for the year/period	(5,908)	12,313	31,880	66,496
Shareholder Equity	314,802	310,127	314,802	310,127
Non IFRS Measures				
Adjusted EBITDA	40,893	36,584	134,107	133,779
Adjusted EBITDA Margin (Adjusted EBITDA/Revenues)	33%	35%	32%	34%
Net Debt	85,165	77,422	85,165	77,422

Net revenues

Net revenues were \$124,322 in Q4 2023, an increase of 17% when compared to the same period of 2022. The increase was mainly the result of:

- Sales Volume: Sales of 68,571 GEO in Q4 2023, an increase of 1% compared to same period of 2022, due to the higher production in Minosa and the ramp up of Almas production.
- Metal Prices:
 - An increase of 15% in average gold price per ounce sold in Q4 2023 compared to Q4 2022, from \$1,729/oz in Q4 2022 to \$1,991/oz in Q4 2023.
 - An increase of 1% in average copper sale price in Q4 2023 compared to Q4 2022, from \$3.68/lb in Q4 2022 to \$3.71/lb in Q4 2023
- Net revenues in 2023 reached \$416,894, an increase of 6% when compared to 2022. This increase was mainly the result of:
 - Sales Volumes: Sales in the year reached 233,923 GEO, a decrease of 5% when compared to the previous year. The decrease was mainly due to a decrease in sales in Apoena and Aranzazu, partially offset by an increase in Minosa and the initiation of commercial operation in Almas.
 - Metal Prices:
 - Average gold sale price increased 6% compared to 2022, with an average of \$1.944/oz in 2023.
 - Average copper sale price increased 2% compared to 2022, with an average of \$3.7 in 2023.

Gross margin

- Gross margin reached \$40,136 in Q4 2023, and \$126,017 during the full year 2023, representing a 29% and 1% increase respectively compared to 2022. These improvements were primarily driven by more favorable gold prices. For additional details, see Section 4: Operational Highlights.

Below is the breakdown in of gross margin in Q4 2023 and in 2023 full year, respectively, by business unit:

- Aranzazu: \$20,864; \$69,255
- Apoena (EPP): \$5,231; \$14,365
- Minosa (San Andres): \$12,193; \$33,828

- Almas: \$1,848; \$8,569

Operating Income

Operating income achieved \$31,592 in Q4 2023 compared to \$18,104 in Q4 2022, mainly as result of increased Gross Margins and the reduction of G&A, C&M expenses and exploration expenses when comparing to Q4 2022. In 2023, the Operating Income was \$87,025, stable when compared to 2022. For additional details and G&A and exploration expenses, see section 8. Results of Operations.

Net Income (loss)

Net loss in Q4 2023 was \$5,908, a decrease compared to a Net Income of \$12,313 in Q4 2022. This decline was mainly due to a sharp increase in gold prices during Q4 2023, which led to non-cash losses related to the Borborema and Almas projects hedging strategy. For a detailed explanation, please refer to "Section 8: Results of Operations, Finance income/(expense), Borborema, Almas and other gold collars - Financial Statements impacts" in the document.

In 2023, net income was \$31,880, a decrease from the \$66,496 achieved in 2022. This decrease was also primarily affected by non-cash losses related to the Borborema and Almas gold collars.

Adjusted EBITDA

Adjusted EBITDA in Q4 2023 was \$40,893, an increase compared to \$36,584 in the same period in 2022, primarily due to more favorable gold prices. In 2023, Adjusted EBITDA remained stable at \$134,107, compared to \$133,779 in 2022.

The Adjusted EBITDA by business unit for Q4 2023 and 2022 are presented below:

- Aranzazu: \$18,433; \$78,870
- Apoena (EPP): \$9,395; \$27,020
- Minosa (San Andres): \$10,478; \$ 34,321
- Almas: \$5,124; \$10,031
- Projects: (\$2,881); (\$5,680)
- Corporate: 334; (\$10,455)

Gross Debt

Total gross debt (short and long-term portion) reached \$333,589 at the end of Q4 2023, compared to \$298,761 at the end of Q3 2023. In the quarter, Aura focused on a Liability Management Program, aiming on lengthening its short-term debt, issuing a three year maturity loan of \$30 million with Itaú Bank. In the year, the gross debt increased in \$119,547, mainly due to the funding for construction of Borborema Project, in which Aura raised a \$100 million term loan with Santander Bank. This program resulted in an increase the duration of the Company's gross debt; at the end of 2023, 75% of the Company's gross debt was classified as long-term debt, up from 66% at the end of 2022.

The Company amortized \$13,898 of debt in the fourth quarter and \$66,273 over the year, mainly related to the payment of debentures by Aura Almas and several other credit lines in Brazil, Honduras and Mexico.

Net Debt

Net Debt in Q4 2023 was \$85,165, a decrease compared to \$112,110 in Q3 2023. For a detailed explanation of changes in the Net Debt, see Chapter 10: Liquidity and Capital Resources.

Revenue Components and Highlights:

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Gold revenue, gross	82,729	67,607	249,103	236,836
Copper & Gold Concentrate Revenue	44,392	40,080	176,814	163,808
Gross Revenue	127,121	107,687	425,917	400,644
Ounces sold (GEO)⁽¹⁾				
Aranzazu	26,509	28,978	105,694	115,355
Apoena (EPP)	14,727	27,044	44,324	68,394
Minosa (San Andres)	17,744	12,055	66,101	63,466
Almas	9,591	-	17,805	-
Total ounces sold	68,571	68,077	233,923	247,215
Gold sales revenues, net of local sales taxes	61,124	65,770	205,830	228,891
Average gold market price per oz (London PM Fix)	1,991	1,729	1,944	1,826
Realized average gold price per ounce sold, gross	1,967	1,729	1,943	1,796

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

6. OUTLOOK AND KEY FACTORS

2023 Outlook vs. actual results:

The Company's gold equivalent production, cash operating cost per gold equivalent ounce produced and capital expenditures ("Capex") for the year of 2023, compared to the latest disclosed guidance on Q3 2023 MD&A, are detailed below:

Production:

	Gold equivalent thousand ounces ('000 GEO) production - 2023	
	Actuals	Guidance Range (MD&A Q3 2023)
Aranzazu	106	104-112
Apoena (EPP) Mines	46	46-50
Minosa (San Andres)	66	62-69
Almas	18	19-22
Total	236	231-253

Overall production was in line with the Company's latest guidance, due to the good performance of Minosa which compensated for lower production in Almas. This variance was due to operational challenges at the mine in October and November. By December, the mine had reached stable performance levels which are also anticipated for 2024. Apoena and Aranzazu were in line with the Company's guidance.

Cash operating costs per gold equivalent ounce sold⁸:

	Cash Cost per equivalent ounce of gold sold - 2023	
	Actuals	Guidance Range (MD&A Q3 2023)
Aranzazu	825	783-842
Apoena (EPP) Mines	1,170	1,031-1,142
Minosa (San Andres)	1,254	1,193-1,284
Almas	1,243	956-1,100
Total	1,043	949-1,029

Aura's consolidated cash costs for 2023 exceeded the Company's latest guidance by US\$14 due to lower-than-expected production at Almas mine, which resulted in higher cash costs, and Apoena (EPP), which presented lower average grades due to heavy rains that delayed progress in the high-grade Ernesto pit. Minosa (San Andres) and Aranzazu cash costs were in line with the Company's latest guidance.

All-in Sustaining cost per gold equivalent ounce sold:

	AISC per equivalent ounce of gold sold - 2023	
	Actuals	Guidance Range (MD&A Q3 2023)
Aranzazu	1,080	1,025-1,101
Apoena (EPP) Mines	1,822	1,602-1,752
Minosa (San Andres)	1,357	1,297-1,394
Almas	1,419	1,220-1,397
Total	1,324	1,225-1,324

Aura's consolidated All-in sustaining cost for 2023 was in line with the Company's latest guidance. AISC was impacted by lower-than-expected production at Almas mine and lower grades at Apoena (EPP) for the reasons discussed above. This was partially offset by Minosa (San Andres) and Aranzazu, that presented AISCs in line with the Company's latest guidance.

Capex:

	Capex (US\$ million) - 2023	
	Actuals	Guidance Range (MD&A Q3 2023)
New Projects + Expansion	47	54-58
Exploration	14	12-14
Sustaining	35	29-35
Total	96	95-108

Aura's consolidated Capex for 2023 matched the Company's most recent guidance, falling near the lower boundary of the projected range. Capex in 2023 was mainly impacted by US\$ 7.0 million lower investment in New Projects + Expansion,

⁸ Cash operating costs per gold equivalent ounce sold is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

mainly as a result of recognition of tax credits in Almas. Sustaining Capex and Exploration Capex were within the projected range under the Company's most recent guidance.

2024 Guidance:

The Company's updated gold equivalent production, AISC and cash operating cost per gold equivalent ounce sold, and CAPEX guidance for 2024 are detailed below.

Production

The table below details the Company's updated GEO production guidance for 2024 by business unit:

	Gold equivalent thousand ounces ('000 GEO) production - 2024	
	Low	High
Minosa (San Andrés)	60	75
Apoena (EPP)	46	56
Aranzazu	94	108
Almas	45	53
Total	244	292

For current guidance, the Company considered: Copper price = \$3.95/lb; Gold Price = \$1,988/oz; Silver Price = \$24.17/oz

2024 Production Guidance:

- **Minosa (San Andres):** In the end of 2023, Minosa achieved a new operation level, which the Company expects will result in a less challenging year in 2024, with an anticipated increase in production volumes mainly due to increase in ore mined, whereas grades are not expected to vary significantly in the year.
- **Apoena (EPP):** Mine operations will focus on accessing the remaining Ernesto high grade areas (delayed from Q4 2023) and expand to Nosde and Lavrinhas. The Company will expand the plant (secondary crushing screen and belt) capacity, which will allow the Company for improved plant capacity, and compensate for lower grades from new targets.
- **Aranzazu:** Anticipating another year of stable production, while directing our efforts towards exploring the geological potential of new mineral bodies, including promising areas like Cabrestante, El Cobre, and Conexión. The Company is planning a 20,000-meter drilling campaign for the year 2024, aiming to deepen the understanding of these regions.
- **Almas:** Following an initially successful ramp-up phase which led to commercial production in record time, mine operations stabilized by the end of Q4 2023. In 2024, the Company expects to continue to improve productivity in the mine to access high grade zones, while increasing plant to process 1.570 mTon which should be completed at the end of 2024.

All in all, the 2024 production guidance expects production of 244-292 kGEO, represents an increase of 8k – 56k GEO when compared to 2023.

Cash Costs

The table below shows the Company's cash operating costs per GEO sold guidance for 2024 by Business Unit:

	Low	High
Minosa (San Andrés)	1,120	1,288
Apoena (EPP)	1,182	1,300
Aranzazu	826	1,009
Almas	932	1,025
Total	984	1,140

2024 Cash Cost Guidance:

- Minosa (San Andrés): Cash cost decreases when compared to 2023 actuals (\$1,254/GEO) are expected as challenges faced by Minosa in the first semester of 2023 were addressed and with a full year of benefits from the investments made by the Company to improve the plant's efficiency.
- Apoena (EPP): Increase in cash costs is expected, mainly driven by lower grades mined as the Company will be focused in accessing Nosde. This will be partially offset by a lower waste to ore ratio and efficiency initiatives that will be underway to increase plant productivity.
- Aranzazu: Increase in cash costs compared to 2023 (\$825/GEO) is mainly driven by an expected increase in mining costs, due to an appreciated FX (-10% vs. previous contract) and accumulated inflation in the past years. This will be partially offset by efficiency initiatives across the Company.
- Almas: Significant cash cost reduction is expected, mainly driven by reaching expected mine productivity after increase in fleet capacity, which will allow the Company to access higher grades. Additionally, Almas will continue to improve the plant, operating significantly higher than its nominal capacity.

All In Sustaining costs

The table below shows the Company's all-in sustaining costs per GEO sold guidance for 2024 by Business Unit:

AISC per equivalent ounce of gold produced - 2024		
	Low	High
Minosa (San Andrés)	1,216	1,398
Apoena (EPP)	1,588	1,747
Aranzazu	1,089	1,331
Almas	1,179	1,297
Total	1,290	1,459

2024 All-In Sustaining Cost Guidance:

- Minosa (San Andrés): Decrease in AISC is mainly driven by the improvements mentioned in the cash costs section, which are improvements in the mine performance vs. the first semester of 2023 and leveraging a full year of benefits from the investments made in 2023 in the plant.

- Apoena (EPP): Significant reduction in maintenance Capex, mainly driven by 2023 tailings dam expansion not to be done again in 2024. Consequently, AISC is expected to be lower than 2023, despite higher cash cost for the reasons mentioned in the Cash Cost section.
- Aranzazu: AISC are expected to be higher when compared to 2023 (\$1,210/GEO) mainly driven by the expected increase in mining costs. Additionally, the Company will have a slightly higher maintenance Capex, driven by tailings dam and ventilation systems.
- Almas: AISC will be significantly lower than 2023, driven by increase in mine productivity that will allow the Company to access higher grades and plant improvements. This will be partially offset by higher investments in the tailings dam.

Capex:

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

	Capex (US\$ million) - 2024	
	Low	High
Sustaining	37	43
Exploration	7	8
New projects + Expansion	144	169
Total	188	219

- New Projects and Expansions:
 - The increase to capital expenditures made to new projects and expansions mainly reflects the addition of the Borborema Project. Aura announced the construction decision of the Borborema project on September 6, 2023, at an estimated total capex of US\$188 million to be incurred between 2024 and the first quarter of 2025. In 2024, a disbursement of US\$148 million is expected for the Borborema Project.
 - Aura believes its properties have strong geological potential and management's objective is to expand LOM across its business units. Therefore in 2024, Aura plans to invest another total of \$22 million to \$25 million which includes:
 - \$7 million to \$8 million in capital expenditures (included in the table above) in areas where the Company has proven and probable mineral reserves, around existing mine infrastructure; and,
 - Another \$15 million to \$18 million in exploration expenses, not capitalized, in areas where the Company does not yet have proven and probable mineral reserves, which includes regional targets for potential new discoveries (not included in the table above).
- Sustaining: The increase is mainly driven by having a full year of commercial production in Almas, which derives in higher maintenance Capex.

The Company is not including the development of new greenfield projects (Matupá) in its 2024 Expansion Capex; once the Company's Board of Directors approves the development of a new project, the Company will inform the market and update its Expansion Capex guidance, accordingly.

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 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

Aranzazu Mine

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 on care and maintenance in 2015, new management re-analyzed the business, and the operation was restarted in 2018.

Operational performance

The table below sets out additional selected operating information for Aranzazu for Q4 2023, 2023, and 2022:

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Ore mined (tonnes)	309,044	299,544	1,217,412	1,217,829
Ore processed (tonnes)	301,819	297,117	1,210,462	1,219,703
Copper grade (%)	1.58%	1.61%	1.51%	1.46%
Gold grade (g/tonne)	0.90	0.89	0.87	0.86
Silver grade (g/tonne)	21.69	21.47	20.55	18.88
Copper recovery	91.8%	90.7%	91.0%	91.2%
Gold recovery	81.0%	81.4%	81.3%	80.8%
Silver recovery	62.1%	66.0%	63.4%	62.7%
Concentrate production:				
Copper concentrate produced (DMT)	18,970	20,384	72,973	75,625
Copper contained in concentrate (%)	23.0%	21.3%	22.8%	21.5%
Gold contained in concentrate (g/DMT)	11.6	10.5	47.0	11.2
Silver contained in concentrate (g/DMT)	214.3	207.1	864.3	191.7
Copper equivalent pounds produced ('000 Lb)	14,244	13,666	53,745	50,768
Total production (Gold Equivalent Oz - GEO)	26,532	28,591	106,118	111,531
Cash operating costs (\$/GEO)	840	703	825	680
Copper equivalent pounds sold ('000 Lb)	14,219	13,842	53,597	52,327
All In Sustaining costs (\$/GEO)	1,069	877	1,080	914

Results for Aranzazu during the last quarter of 2023 and the fiscal year ended December 31, 2023 are as follows:

- All main production key performance indicators at Aranzazu showed minor variations both in the comparison Q4 2023 vs. Q4 2022 and 2023 vs. 2022 full years, and in accordance with the Company's plan, indicating consistent

performance over time, including:

- Production of 26,532 GEO reflected a 2% decrease compared to Q3 2023 at constant prices, due to mine sequencing and in line with the Company's Guidance. When compared to Q4 2022, Aranzazu's production increased 1% at constant prices⁹.
- Ore mined during Q4 2023 was 309,044 tons, a 2% decrease compared to 314,147 tons during Q3 2023, in line with the plan defined for the quarter. When compared to Q4 2022, ore mined in the quarter decreased by 3%.
- In Q4 2023, copper, gold, and silver grades reached 1.58% Cu, 0.90 g/t Au and 21.69 g/t Ag respectively, which comparatively were 1.61% Cu, 0.89 g/t Au, and 21.47 g/t Ag in Q4 2022, changes were linked to mine sequencing.
- For changes in the All in Sustaining costs (\$ / GEO) in the period, please consult Section 4: Operational Highlights.

Strategic Developments and Geology

During Q4 2023, a total of 7,016m were drilled in 12 holes, including 1,921m in the Glory Hole (GH) zone, 3,389m in BW Connection and 1,707m in the El Cobre surface program.

In the GH zone, 5 holes were concluded to infill and test potential continuity of the ore body. Hole M-23-0158 confirmed the mineralized skarn in FT (3.85m @ 0.81 g/t Au, 1.00% Cu, 13 g/t Ag) and HG zones (20.39m @ 0.68 g/t Au, 1.66% Cu, 15 g/t Ag); M-23-0166 in FT (11.73m @ 0.81 g/t Au, 0.51% Cu, 9 g/t Ag).

In BW Connection, 19 holes were completed in 2023 testing the lateral continuity of the skarn mineralization to the north. Drilling confirmed a mineralized zone of 250m in strike and 250m downdip, which remains open at depth. Follow up drilling is anticipated in 2024.

For El Cobre, drill hole D-23-0058 intercepted skarn zones but without significant grades in Q4. In 2023 a total of 7,301m were drilled in 6 holes. Drilling confirmed mineralized zone with 400m of downdip continuity and 10-20m apparent thickness up 1.48% Cu and 0.95g/t Au. Exploration drilling should continue during 2024 in order to delineate the potential of the ore body.

Quality Assurance and Quality Control ("QA/QC") – 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 QA/QC 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.

⁹ Applies the metal sale prices in Aranzazu realized during Q4 2023 to the previous quarters in all operations, being: Copper price = US\$3.71/lb; Gold Price = US\$1,991.07/oz; Silver Price = US\$23.27/oz

Apoena (EPP Mines)

Introduction

Apoena 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 satellite mines such as Lavrinha, Japonês, Ernesto and Nosde, all of which are under operation.

Operating Performance

The table below sets out select operating information for the mines at commercial stage at EPP, for the three and twelve months ended December 31, 2023, and 2022.

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Ore mined (tonnes)	469,215	225,818	965,651	1,144,424
Waste mined (tonnes)	2,636,931	2,352,068	11,560,060	13,723,665
Total mined (tonnes)	3,106,146	2,577,886	12,525,711	14,868,089
Waste to ore ratio	5.62	10.42	11.97	11.99
Ore plant feed (tonnes)	436,261	366,068	1,505,630	1,513,713
Grade (g/tonne)	1.10	2.40	1.01	1.53
Recovery (%)	90%	92%	92%	93%
Production (ounces) ¹	15,217	26,901	46,006	68,451
Sales (ounces) ¹	14,727	27,044	44,324	68,394
Average cash operating cost (\$/oz)	1,125	679	1,170	961
All In Sustaining costs (\$/oz)	1,646	875	1,822	1,254

Results for Apoena Mines during the Q4 2023 are as follow:

- In Q4 2023, production was 15,217 GEO, 36% higher in Q4 2023 compared to the previous quarter as the high-grade Ernesto pit was accessed and a lower volume of existing low-grade stockpiles were processed. Despite this increase, production was still influenced by the adverse impact of rains during Q3 2023 and a significantly lower waste to ore ratio. Aura anticipates mining to continue in Ernesto during Q1 2024 with improving production rates. Compared to Q4 2022, production decreased 43% when record production was achieved as a result of the initial access to phase II in the Ernesto pit.
- During Q4 2023, ore mined totaled 469,215 tons, showing a significant increase when compared to the 225,818 tons mined in Q4 2022, mainly due to accessing the ore body at the base of the Ernesto Pit, and enhancements made to pit infrastructure and operational improvements resulting in superior efficiency, such as a dedicated team for water pumping, increased productivity of excavators and improved availability of trucks.
- The grade in Q4 2023 was 1.10 g/t Au, lower than the 2.40 g/t Au achieved in Q4 2022. This decrease is attributed to accessing the base of the Ernesto Pit, which has a lower grade compared to the material mined in Q4 2022 and the processing of low grade material from existing stock piles. In 2023, the average grade was 1.01 g/t Au, a decrease compared to 2022, when the grade was 1.31 g/t Au.
- For changes in the All In Sustaining costs (\$ / GEO) in the period, please consult Section 4: Operational Highlights.

Strategic Developments and Geology

During the fourth quarter of 2023, exploration efforts continued to focus on targets near mine, such as Lavrinha, Lavrinha (NE extension), Nosde, Nosde West Extension, Japones Oeste, and Ernesto Connection. A total of 36 drill holes were completed, covering 6,673.95m. Drilling near mine targets persisted through December, with 24 holes drilled, totaling 5,145.56m between Nosde and Lavrinha for the conversion of Bonus Trap (Metarenite) and Upper Trap (Schist) resources. The objective also included adding specific resources in the extensions (NE of Lavrinha and W of Nosde). In Japones Oeste, the last two holes of the campaign were executed in the NE extension portion (Bonus Trap), totaling 191.81m. Finally, the resource conversion campaign in Ernesto Connection (north portion) in the Middle Trap was completed with a total of 6 holes (1,336.58m). The total drilled meters for 2023 were 40,852.19m in 200 holes.

During the quarter, in the Ernesto Connection (region between Cava 1 and Lavrinha), six holes were drilled, totaling 1,336.58m, aiming to convert resources in the Middle Trap (Metaconglomerate), visually confirmed by characteristic hydrothermal alterations in the target area. Additionally, in the Japones Oeste target, the last two holes (191.81m) of the campaign intercepted veins of the Bonus Trap system, though with variable thicknesses. In Lavrinha (NE extension), the continuity of the Bonus and Upper Trap system remains open, with visual characteristics similar to the conversion zone between LVR and NSD. In Nosde (W extension), the Bonus Trap is intercepted with variable vein thicknesses, as well as incipient hydrothermal alteration.

Analytical results associated with targets (Japones Oeste; Ernesto Underground - 2022 Campaign; Lavrinha (Deep) and Lavrinha Infill; Nosde Infill and Pombinhas) covered 76 drill holes. The results were related to traps (Upper Trap; Middle and Lower Trap; Bonus and Upper Trap (LVR/NSD); Middle Trap and Lower Trap). In Ernesto Underground - 2022 Campaign, 10 drill holes confirmed mineralization restricted to the vein system in the Middle Trap and variable thicknesses in the mylonite (Lower Trap). In Japones Oeste, a total of 15 holes were drilled, with 6 positive holes near the mining region and/or N-NW trend of the mine. Between Lavrinha and Nosde, 16 holes were associated with the resource conversion zone. In Pombinhas, 2 holes confirmed mineralization restricted to the Lower Trap, with occasional grades and variable thicknesses. Additionally, a deep hole was drilled to test the continuity of the Middle Trap and Lower Trap system below Lavrinha (positive in the metaconglomerate system and negative in the mylonite).

Quality Assurance and Quality Control ("QA/QC") – Apoená

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 QA/QC procedure for the drilling programs at EPP as below.

Each batch of samples sent to the lab is composed of approximately 40 core samples and four QA/QC samples (two blanks and two standards). The number of control standards should reflect the size of the analytical batch used by the laboratory. These QA/QC samples are randomly spaced into each batch. The bags 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.

Minosa (San Andres Mine)

Minosa is a wholly owned subsidiary of Aura, and is 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 select operating information for Minosa for the Q4 2023, 2023, and 2022:

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Ore mined (tonnes)	2,114,093	1,442,443	7,096,472	5,442,061
Waste mined (tonnes)	731,782	861,136	4,730,271	3,510,336
Total mined (tonnes)	2,845,875	2,303,579	11,826,743	8,952,397
Waste to ore ratio	0.35	0.60	0.67	0.65
Ore plant feed (tonnes)	1,994,420	1,254,030	7,095,956	5,485,383
Grade (g/tonne)	0.41	0.46	0.45	0.49
Recovery (%)	67%	66%	65%	71%
Production (ounces)	17,854	12,171	65,927	61,438
Sales (ounces)	17,744	12,055	66,101	63,466
Average cash operating cost (\$/oz)	1,197	1,454	1,254	1,222
All In Sustaining costs (\$/oz)	1,284	1,603	1,357	1,342

Results for Minosa during the Q4 2023 as compared to the same period of 2022 are as follows:

- Production was 17,854 GEO for the quarter, representing a 2% increase compared to the previous quarter and an increase of 47% over Q4 2022. This represents the fourth quarterly increase in production in a row, due to the higher stacked tonnage resulting from the upgraded stacking system in Q3 2023.
- Ore mined was 2,114,093 tons in the quarter, a substantial increase from the 1,442,443 tons of Q4 2022 due to the enhancements noted above and increased ore output in response to higher processing plant demand.
- The grade was 0.41 g/t Au in Q4 2023, a decrease from 0.46 g/t Au in Q4 2022, but more than offset by a higher plant throughput recorded in Q4 2023 and in line with mine sequencing.
- Piling levels reached record high levels in the year, achieving 744,736 tons, a 6% increase compared to 2017, the year when the previous record was achieved.
- For changes in the All In Sustaining costs (\$ / GEO) in the period, please consult Chapter 4.

Strategic developments and geology

No exploration activities were conducted during Q4, 2023. The agreement with the community is in progress to drill in the San Andres IV target and old waste dumps.

Quality Assurance and Quality Control ("QA/QC") – San Andres

The samples are sent to the internal laboratory in the San Andres mine, where they are weighed, pulverized, and homogenized. Six percent of certified reference material ("CRM") and three percent of Blank samples are inserted into the sample streams sent to the laboratory to verify accuracy, precision, and contamination. Eleven Gold Certified Reference Material with ranging value from 0.1 ppm to 2.14 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.

From the start of 2022, San Andres introduced duplicate samples to stream QA/QC samples for all diamond drill cores at an insertion rate of 2%.

Almas

Introduction

Almas is an open pit gold mine located in the state of Tocantins, Brazil, and is wholly owned by Aura. Almas is the first greenfield project constructed by Aura. Average annualized gold production is estimated at 51,000 ounces during the first four years of the Project, not including investments in expansion under way, with an estimated life of mine of 17 years, based on mineral reserves estimated in accordance with NI 43-101.

Operating performance

The table below sets out selected operating information for the mine at commercial stage at Almas since it started commercial production on August 1, 2023 and until December 30, 2023.

	For the three months ended December 31, 2023	For the Five months ended December 31, 2023
Ore mined (tonnes)	412,589	794,994
Waste mined (tonnes)	2,031,294	3,998,257
Total mined (tonnes)	2,443,883	4,793,251
Waste to ore ratio	4.92	5.03
Ore plant feed (tonnes)	398,044	766,094
Grade (g/tonne)	0.81	0.83
Recovery (%)	90%	91%
Production (ounces) ¹	9,591	17,805
Sales (ounces) ¹	9,591	17,805
Average cash operating cost (\$/oz)	1,487	1,243
All In Sustaining costs (\$/oz)	1,515	1,419

Results for Almas Mine during the fourth quarter of 2023 are as follow:

- Production of 9,591 GEO, representing the first full quarter of production.
- Ore mined during the quarter was 412,589 tons, falling short of the company's expectations due to lower mine performance when the contractor encountered fresh rock. However, mine performance improved by 93% between October and December, with 584 thousand tons moved in October, 731 thousand tons in November, and 1,128 thousand tons in December. This significant improvement in performance can be attributed to a series of initiatives implemented by Almas in collaboration with the mine contractor, which aimed to regain productivity and address the challenges faced at the mine. As a result of these efforts, the company was able to achieve stable performance levels as expected in 2024.
- The average grade was approximately 0.81 g/t Au in the fourth quarter of 2023. During this period, the plant received ore primarily from the Paiol pit's near-surface layers. Geological analyses indicate a potential higher-grade concentration in the deeper layers of Paiol, which should result in positive impacts starting from the first quarter of 2024.
- For an analysis of the All In Sustaining Costs (\$ / GEO) in the period, please consult Section 4: Operational Highlights.

Strategic Developments and Geology

In Q4 2023, we concluded the regional exploration drilling, totaling 31 holes in 12 different targets totaling 6,724.10m. Exploration drilling returned positive targets for follow up at the São Miguel target, which intercepted 0.4 g/t Au over 16m in hole SMG-008 (incl. 1.1 g/t Au over 3m).

In Q4, Aura also concluded infill drilling in NW inferred body of the Vira-Saia deposit, where 14 holes were drilled (1,610.40m) and in the Paiol deposit, where 3 holes were drilled (1,373.50m) to complement the 2023 drilling plan. All samples from Vira-Saia and Paiol have already been sent to the laboratory, and the analytical results for Vira Saia are

expected in the coming weeks. The last 3 holes in Paiol confirmed the ore zone and the updated model is in progress (FPD-270: 93m@1.2g/t Au; FPD-271: 9.55m@2.4g/t; FPD-272: 19.9m@1.6g/t. All apparent thickness). Lastly, in December Aura commenced soil sampling at the São Miguel target and in the Nova Prata trend.

Quality Assurance and Quality Control ("QA/QC") – Almas' QA/QC program requires that the following minimum number of control samples be inserted into the drilling samples being submitted to the laboratory. One high ore-grade and one low ore-grade CRM (or medium grade) in each analytical batch of 40 samples (5%). A minimum of two blanks inserted in each batch mainly after mineralized zones. The control sample assay results of the internal QA/QC program were monitored, including the CRMs, pulp duplicates and sizing checks during preparation. Additionally, systematic checks of the digital database were conducted against the original signed Certificates of Analysis from the laboratory.

Borborema Project

The Borborema Project is an open pit gold project, located in the municipality of Currais Novos, Rio Grande do Norte state, in the northeast of Brazil. On August 30, 2023, Aura announced a Feasibility Study indicating an anticipated production of 748,000 ounces of gold over an 11.3-year LOM, with possibilities for even greater output in a deposit with over 2,000,000 ounces of measured mineral resources and indicated mineral resources. Aura now holds 100% of Borborema Inc.'s shares, the owner of Borborema, and envisions the project to be economically strong and also a testament to its strategic growth in Brazil's mining landscape.

Aura released Borborema's Feasibility Study information in August, and in September the Board of Directors approved to start its construction. Initial steps are underway to obtain permits for relocating the road. Once it is moved, Borborema holds the potential to convert additional 1,265 koz of Indicated Mineral Resources (exclusive of current Mineral Reserves) into Mineral Reserves. Also, the company has partnered with POYRY for Engineering, Procurement, and Construction Management (EPCM). Activities are on track, and the hire of primary services and material packages are in progress.

During Q4 2023, field research continued aiming two different aspects: (i) pegmatites for lithium prospection, and (ii) iron ore prospection close to the Saquinho Iron Mine (third party property), for Mining National Agency (ANM) Final Reports. The activities included the identification and mapping of pegmatite bodies, trenches opening, geologic description and volumetric sampling, for X-ray fluorescence (XRF) analyses. This research supported the production of the ANM Final Report of a 1,490 hectares ANM tenement. The lithium prospection will continue for Q1 2024.

In the iron ore area, were conducted the mapping of the main occurrences and new possible occurrences, with samples collected for XRF analyses. In addition, the historical drilling database of the district were putted together, then geological and ore models were created for resource estimation and reserve calculation in the Aura's tenements. These data and models supported the production of the Final Report to ANM of two Aura's tenements, that surrounds the Saquinho Iron Ore Mine.

Matupá Project

The Matupá Project encompasses an area surrounding the municipalities of Matupá and Guarantã do Norte, approximately 700 km north of Cuiabá, the Mato Grosso State capital, and 200 km north of Sinop, an important commercial center and fourth largest city in the state in terms of total population.

Aura acquired the Project in 2018 as a result of the merger with Rio Novo Gold Inc. and restarted exploration activities in 2019. The Project was owned by Vale from 1999 to 2006, and in 2003, the X1 anomalous area was discovered through initial diamond core drilling.

The Company has increased its mineral rights position in 2020 and 2021 from 28,674 hectares to 62,506 hectares, holding the mineral rights for nine properties, of which three of those cover an area of 15,000 hectares located within the existing mining concession (X1, Guarantã Ridge and Serrinhas deposits). Another six properties totaling 47,000 hectares are under Exploration Permit, all in the prolific Juruena-Teles Pires Gold Province, where many gold deposits and occurrences exist.

During Q4 2023, 8 drill holes were completed in Matupá project, totaling 1,798.38m. The work concentrated in directional drilling at Serrinhas. Drilling confirmed the potential of the connection between MP2 East and West blocks in holes FSED-0065: 3.23m @ 41.61 g/t Au and 4.8m @ 2.00 g/t Au; FSED-0066: 21.5m @ 0.92 g/t Au (apparent thickness). Additional works are planned in 2024 in the target.

Among the greenfield activities soil sampling and geological mapping of Guarantã Ridge West continued and to date, the sampling confirmed the continuity of epithermal vein system according to two regional structures, which is now considered to be targets ready for scout drilling.

Quality Assurance and Quality Control ("QA/QC") – Matupá

At Matupá, Aura implemented a QA/QC control program for drilling, trenching and channel sampling which includes high grade standard, medium grade standards or low grade standard, and one Blank 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 528,529, 575, 639 and 652 for gold samples, which was prepared by TAK lab following their internal standards. The reference material was prepared using natural gold ore from Brazil, and the raw material was dried at a temperature of 105 °C, crushed, pulverized 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 09 specialized laboratories was invited to perform the certification tests of the parameter gold.

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 aliquots of 10 grams selected at random was then subjected to XRF analysis at SGS GEOSOL, followed by consensus testing to ensure homogeneity. 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.

Exploration Initiatives in Other Assets

Tolda Fria: The project is located in Caldas State, Colombia and has a total of 6,624 hectares in mineral rights.

During Q4 2023, Aura conducted geological works on Tolda Fria deposit, targeting the better understanding of deposit. Re-logging program, for selection and reinterpretation of high-grade Au zones (geological, lithological and structural controls) where conducted with 10 polished thin sections of drill core samples and 2 "mammoth" type polished thin sections of "Antioquia" and "El retiro" vein samples. Petrographic and metallographic analysis for the polished thin sections to identify mineralization, alteration and preliminary paragenetic sequence were also conducted.

Aura Carajás ("Serra da Estrela project"): The project is located in the State of Pará, Brazil, in the Carajás Mineral Province, which is one of the most important polymetallic districts in the world and hosts several IOCG deposits such as Sossego and Salobo Mines (owned by Vale), Pedra Branca, Igarapé Bahia-Alemão, Cristalino, Gameleira and Alvo 118. The project includes IOCG (iron oxide gold copper) mineralization targets along a 6 km strike with a surface anomaly (up to 500 ppm Cu).

During Q4 2023 Aura completed 10 exploration holes, totaling 4,600.4m to test the continuity and economic grades of the target. The completed campaign was concluded with 7,822.40m and the results are expected in Q1/24.

8. RESULTS OF OPERATIONS

Details of operating and non-operating expenses are presented below:

Exploration expenses

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Aranzazu	(1,320)	(2,203)	(6,916)	(6,151)
Apoena (EPP)	(78)	(492)	(238)	(1,599)
Minosa (San Andres)	1	(71)	(289)	(180)
Matupá, Tolda Fria and Carajás	(1,753)	(1,132)	(4,338)	(3,335)
Almas	-	(728)	-	(1,199)
Total	(3,150)	(4,626)	(11,781)	(12,464)

The exploration expense remained relevant due to the Company's efforts to discover potential new mineable areas and are in line with the strategy and guidance of the Company.

Care and maintenance expenses

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Matupá, Tolda Fria and Carajás	(233)	(26)	(279)	(166)
Apoena (EPP)	(427)	-	(1,902)	-
Almas	-	(320)	-	(587)
São Francisco Mine	-	(1,064)	-	(1,738)
Total	(660)	(1,410)	(2,181)	(2,491)

The increase in care and maintenance activities at the Apoena mines is primarily attributable to the transition of the Pau-a-Pique mine into a care and maintenance in the end of 2022.

General and administrative ("G&A") costs

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Salaries, wages, benefits and bonus	(1,700)	(3,172)	(10,548)	(8,745)
Severance	-	-	-	(261)
Professional and consulting fees	(1,943)	(1,608)	(5,984)	(5,350)
Legal, Filing, listing and transfer agent fees	(135)	(132)	(541)	(982)
Insurance	(425)	(147)	(1,306)	(1,001)
Directors' fees	(145)	(74)	(408)	(32)
Merger and acquisition	-	-	-	-
Travel expenses	330	(186)	(628)	(833)
Share-based payment expense	(101)	(143)	(287)	(471)
Depreciation and amortization	543	(43)	(266)	(84)
Lease depreciation expense	-	-	-	(96)
Other	(1,158)	(1,534)	(5,062)	(4,652)
Total	(4,734)	(7,039)	(25,030)	(22,507)

The quarter presented slight decrease G&A expenses, which can be primarily attributed to accounting adjustments. The year G&A expenses presented an increase of 11%, mainly due to the inclusion of the Almas operation team, which are now accounted for as G&A expenses (before commercial production such costs were partially capitalized).

Finance income/(expense)

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Accretion expense	(878)	(1,420)	(4,954)	(4,332)
Lease interest expense	(5,568)	(450)	(7,120)	(879)
Interest expense on debts	(3,996)	(82)	(12,464)	(6,413)
Finance cost on post-employment benefit	(156)	(67)	(1,032)	(536)
Other interest and finance costs	(588)	(241)	193	(361)
Gain (loss) on derivative transactions	(27,729)	360	(28,571)	922
Interest Income	2,891	(1,359)	4,625	1,235
Foreign exchange	(850)	1,488	(56)	2,967
Total	(36,874)	(1,771)	(49,379)	(7,397)

The increase in interest expense in debt is partially related to Almas' outstanding debentures. Since the Mine declared commercial production, the capitalization of expenses ended and it recorded \$1,915 of interest expenses as a finance expense for the period of September to December of 2023. In addition, the Company increased its gross debt in its other subsidiaries during 2023.

Borborema, Almas and other Gold Collars – Financial Statements impacts

The loss on derivative transactions is mainly derived from the market-to-market adjustment from the Borborema and Almas derivative Gold Collars.

As part of the risk management strategy of the Borborema project, the Company has recently implemented a hedging program through gold collars in order to de-risk the project and secure the return on capital invested during the first three years of production at Borborema. As part of the program, Aura was entitled to receive premium payments from the counterparties, totaling approximately US\$ 14.5 million, a portion of which will be used to partially fund the construction of the Borborema Project.

A total of 215,325 ounces of gold were hedged in this program for the period between July 2025 and June 2028, with floor at US\$ 1,745 / Oz and ceiling at US\$ 2,400 per Oz. Following IFRS standards, the Company makes market-to-market adjustments at the end of each reporting period on all its outstanding positions.

The table below summarizes the position of the Borborema, Almas and other Gold Collars at the end of September 2023 and December 2023, as well as their impact on the Company's Balance Sheet and P&L at the end of each period:

	As of September 30, 2023	As of December 31, 2023	Cash / non-cash impacts
Operational KPIs			
Total # of ounces of gold hedged (number of ounces)	175,421	298,460	
<i>Borborema project</i>	80,715	215,235	
<i>Almas</i>	84,606	73,225	
<i>Other</i>	10,100	10,000	
Gold price pm at closing (US\$ / Oz)	1,849	2,063	
Financial Statements impacts			
Balance Sheet Impacts			
Asset (Cash): Upfront premium received	2,506	4,077	Cash
Asset (Other receivables - ST): Premium to be received	3,969	10,453	Cash
Liability (Derivative financial instrument): MTM position	(7,317)	(43,134)	Non-cash
P&L Impacts			
Revenue from premium payments	6,475	8,055	Cash
Gain (loss) on MTM Reports	(7,317)	(35,817)	Non-cash
Net P&L Impact	(842)	(27,762)	

As indicated in the table above, the Company recognized a net non-cash loss of US\$ 27.8 million during Q4 2023 due to the increased volume of the Borborema project hedging program and strong appreciation of gold prices between the end of Q3 2023 and Q4 2024. Aura does not expect, at current gold market prices, that such non-cash loss will translate into a cash loss in the future, as (a) the ceiling prices for the Borborema collars are set at US\$ 2,400 / Oz; (b) all other remaining collars (including the Almas project collars) have strike price above current spot prices, with weighted average ceiling prices of \$ 2,442 per ounce; and (c) the Company intends to hold all derivative positions until maturity.

9. SUMMARY OF QUARTERLY RESULTS

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

(\$ thousand)

	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Net Revenue	124,322	110,635	84,950	96,987	105,850	81,189	93,384	112,276	116,333
Net current assets (liability) (a)	181,542	88,592	12,314	25,288	74,685	91,184	207,244	160,384	116,398
Property, plant and equipment	488,733	481,664	425,081	396,591	378,532	320,183	296,295	295,250	284,977
(Loss) Income for the period	(5,908)	7,759	11,369	18,660	12,313	70	14,948	39,166	22,677
(Loss) Income per share									
Basic (\$)	-	0.08	0.11	0.16	0.17	0.00	0.21	0.54	0.31
Diluted (\$)	-	0.08	0.11	0.16	0.17	0.00	0.21	0.54	0.31

(a) Previous quarters financial information has been revised for comparative purposes. Refer to Note 7 of the Consolidated Financial Statements for detail of the revision.

10. LIQUIDITY AND CAPITAL RESOURCES

Management of the Company believes that Aura's ongoing operations and associated cash flows will provide sufficient liquidity to continue financing its planned growth in the near term and that the Company will have access to additional debt as it grows 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.

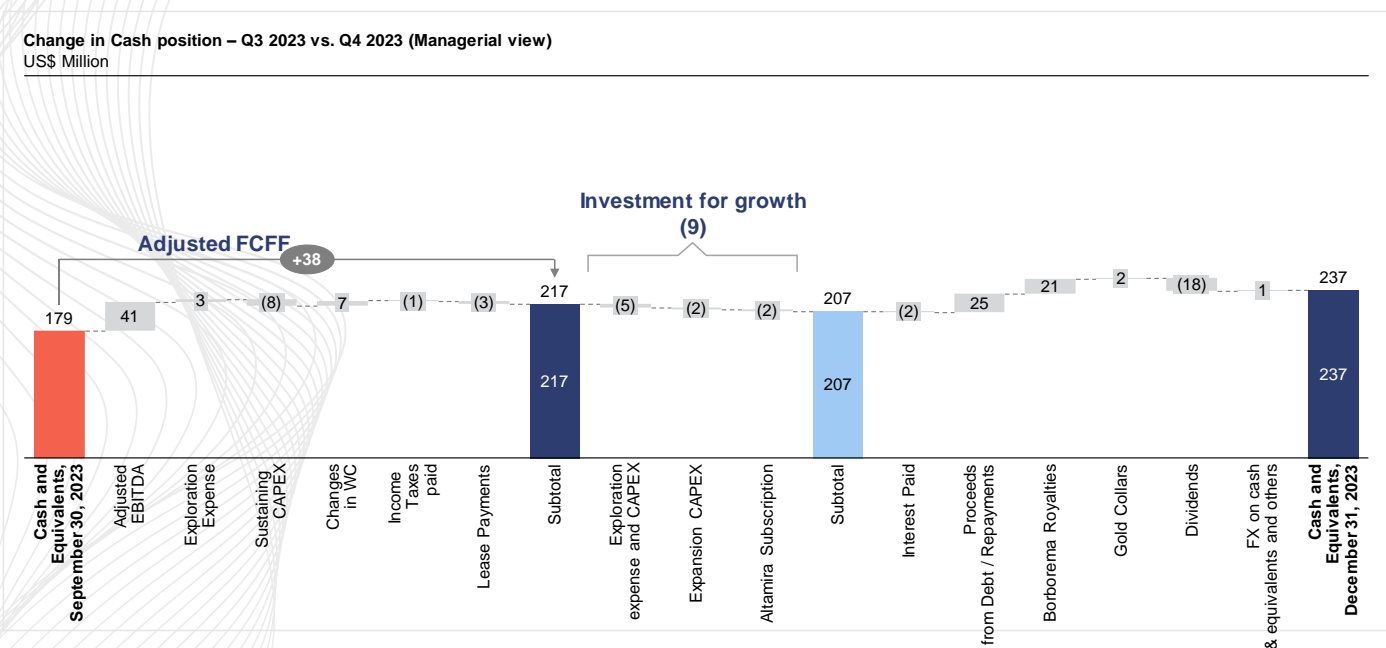
The changes in the Company's cash position during the last quarter of 2023 and the full year of 2023 and 2022 were as follows:

(\$ thousand)

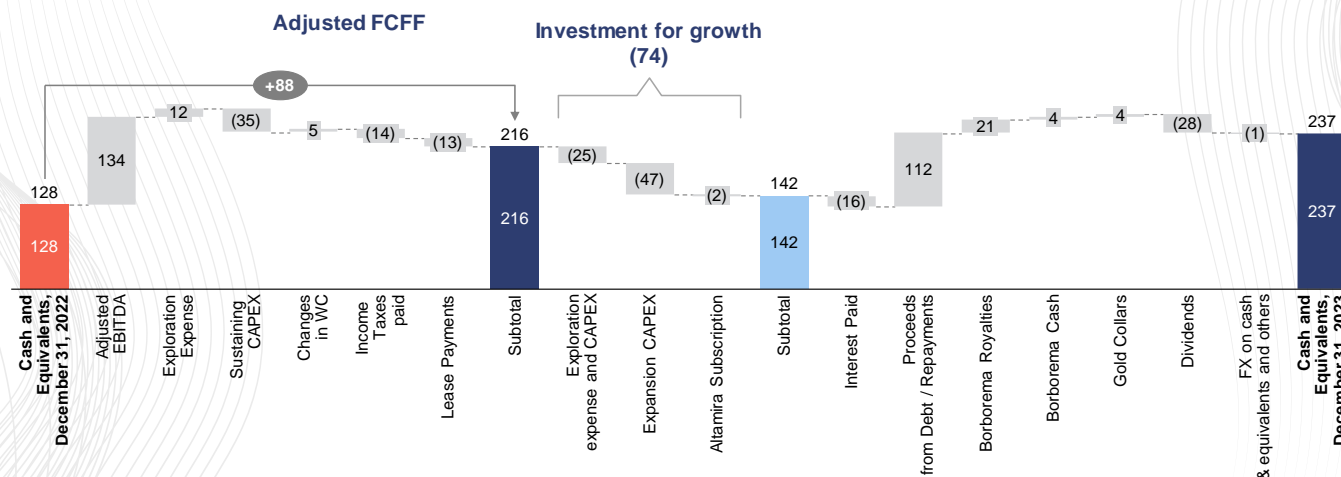
	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Net cash generated by (used in) operating activities	42,067	54,998	124,946	96,363
Net cash generated by (used in) investing activities	(9,729)	(30,126)	(97,661)	(157,497)
Net cash generated by (used in) financing activities	25,002	(19,495)	79,434	21,875
	57,341	5,377	106,719	(39,259)

The charts below show the change in cash position for the three months ended December 31, 2023, from a managerial perspective.

(\$ million)



Change in Cash position – Q4 2022 vs. Q4 2023 (Managerial view)
US\$ Million



11. CONTRACTUAL OBLIGATIONS

Except as set forth in this MD&A, for the quarter ended December 31, 2023 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:

(\$ thousand)

Financial instrument	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
Trade and other payables	92,643	92,643	-	-	-
Short-term & Long-term debt	333,589	82,865	175,889	64,835	10,000
Provision for mine closure and restoration	48,727	2,891	1,879	9,301	34,656
Other liabilities and Leases	39,480	20,164	19,316	-	-
Total	514,439	198,563	197,085	74,135	44,656

12. RELATED PARTY TRANSACTIONS

Key Management Compensation

Total compensation paid to key management personnel (including based salaries, bonuses and other benefits), remuneration of directors and other members of key executive management personnel for the year ended December 31, 2023 and 2022 were \$3,000 and \$2,957 respectively.

Directors' fees

Management had issued 189,795 deferred stock units (DSUs) to certain directors and former directors of the Company in 2016. The DSUs are recognized at the market value of the company shares based on the provisions of the agreements. The balance of the DSUs as of December 31, 2023 is \$408 (\$32 in December 31, 2022) and is included as part of Trade and other payables.

13. PROPOSED TRANSACTIONS

Other than as disclosed in this MD&A, the Company has not entered into any 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 LOM Plans for mineral reserves and mineral resources**

Estimates of the quantities of ore reserves and resources form the basis for the Company's 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 the Company's 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 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, at each reporting date management assesses whether there are any indicators of impairment of the Company's PP&E. 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; (iv) changes in expected future production costs and capital expenditures; and (v) 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 fair value less costs of disposal ("FVLCD") or value in use ("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 tones 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 derivatives characterized as hedge accounting, the gain on loss is recorded through other comprehensive income.

For the fixed price contracts and put/call options on the gold derivatives, these derivatives are significantly driven by the market price of gold. As noted below section b, these derivatives are considered as Level 2 investments.

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

(\$ thousand)			Asset/(Liability at)	Asset/(Liability at)
Derivatives Contracts	Commodity/ index	Current/Non-Current	12/31/2023	12/31/2022
Swaps				
Aura Almas	CDI	Current	10,247	7,64
Apoena Mines	CDI	Current	882	479
Gold Derivative Collars	Gold	Non-Current	(43,134)	-
Total			(32,005)	8,119

Gold Derivative Collars

- Derivative zero cost collars

During the year ended December 31, 2022, the Company has entered into zero cost put/call collars, in a total of 100,200 ounces, most of the volume in connection with the risk management program for the Almas Project. The zero-cost put/calls collars have floor prices between \$1,558 and \$1,700 (average: \$ 1,626) and ceiling prices between \$1,915 and \$ 2,896 (average: \$ 2,350) per ounce of gold and expiration dates ranging between August 2022 and July 2025.

In addition to the above, during the twelve-month period ended December 31, 2023, the Company entered into additional

gold collar agreements in the total of 4,000 ounces of gold. These additional agreements have floor prices at \$1,750 and ceiling prices were set at \$2,120 per ounce of gold and expiration dates ranging between December 2023 and March 2024.

For Apoena Mines, during the year ended December 31, 2022, Mineração Apoena entered in zero cost put/call collars, in a total of 10,400 ounces with floor price of \$1,400 and ceiling price of \$2,100 per ounce of gold and expiration dates ranging between March 2023 and December 2025.

- Derivative collars Borborema project

During the year ended December 31, 2023, the Company entered into put/call collars, in a total of 215,235 ounces, most of the volume in connection with the risk management program for the Borborema Project. The put/calls collars have floor prices of \$1,745 and ceiling prices at \$2,400 per ounce of gold and expiration dates ranging between July 2025 and June 2028.

The call options prices have a premium set at \$14,530, recorded as a finance gain in derivatives transactions, of which \$4,077 has been collected by the company and the remaining to be received by June 2024.

The fair value effect of both the Derivative Zero Cost Collars and the Derivative Collars Borborema Project as of December 31, 2023 is (\$43,134), recorded as a finance income (expenses) loss in the financial statements

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, Chief Financial Officer ("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 December 31, 2023, the Company's CEO, CFO and Corporate Controller have certified that DC&P and ICFR are effective and that, during the quarter ended December 31, 2023, 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

Set out below are reconciliations for certain non-GAAP financial measures (including non-GAAP ratios) utilized by the Company in this MD&A: EBITDA; Adjusted EBITDA; cash operating costs per gold equivalent ounce sold; AISCs; realized average gold price per ounce sold, gross; Net Debt; and Adjusted EBITDA Margin, 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 EBITDA¹⁰ and Adjusted EBITDA:

(\$ thousand)

¹⁰ EBITDA is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Profit (loss) from continued and discontinued operation	(5,908)	12,313	31,880	56,247
Income tax (expense) recovery	1,598	3,748	18,798	26,832
Deferred income tax (expense) recovery	(6,049)	(826)	(12,372)	(1,088)
Finance costs	34,980	1,771	49,379	7,397
Other gains (losses)	6,971	1,098	(659)	(1,157)
Depreciation	9,301	18,480	47,082	45,548
EBITDA	40,893	36,584	134,107	133,779
Impairment	-	-	-	-
ARO Change	-	-	-	-
Adjusted EBITDA	40,893	36,584	134,107	133,779

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

(\$ thousand)

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Cost of goods sold	(84,186)	(74,671)	(290,877)	(267,006)
Depreciation	9,844	18,437	46,816	45,187
COGS w/o Depreciation	(74,342)	(56,234)	(244,061)	(221,819)
Gold Equivalent Ounces sold	68,571	68,077	233,923	247,215
Cash costs per gold equivalent ounce sold	1,084	826	1,043	897

C. Reconciliation from the consolidated financial statements to all in sustaining costs per gold equivalent ounce sold:

(\$ thousand)

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Cost of goods sold	(84,186)	(74,671)	(290,877)	(267,006)
Depreciation	9,844	18,437	46,816	45,187
COGS w/o Depreciation	(74,342)	(56,234)	(244,061)	(221,819)
Capex w/o Expansion	10,378	6,855	44,481	38,900
Site G&A	1,687	1,658	8,217	8,181
Lease Payments	3,473	3,644	13,109	7,658
Gold Equivalent Ounces sold	68,571	68,077	233,923	247,215
All In Sustaining costs per ounce sold	1,311	1,005	1,324	1,118

D. Reconciliation from the consolidated financial statements to realized average gold price per ounce sold, gross¹¹:

(\$ thousand)

¹¹ Realized average gold price per ounce sold, gross is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Gross gold revenue	82,729	67,607	249,103	236,836
Local gold sales taxes	(2,799)	(1,837)	(9,023)	(7,945)
Gold revenue, net of sales taxes	79,930	65,770	240,080	228,891
Ounces of gold sold	42,062	39,099	128,230	131,860
<i>Realized average gold price per ounce sold, gross</i>	1,967	1,729	1,943	1,796
<i>Realized average gold price per ounce sold, net</i>	1,900	1,682	1,872	1,736

E. Net Debt:

(\$ thousand)

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Short Term Loans	82,865	73,215	82,865	73,215
Long-Term Loans	250,724	140,827	250,724	140,827
Plus / (Less): Derivative Financial Instrument for Debentures	(11,129)	(8,119)	(11,129)	(8,119)
Less: Cash and Cash Equivalents	(237,295)	(127,901)	(237,295)	(127,901)
Less: Restricted cash	-	(600)	-	(600)
Less: Short term investments	-	-	-	-
Net Debt	85,165	77,422	85,165	77,422

F. Adjusted EBITDA Margin¹² (Adjusted EBITDA/Revenues):

(\$ thousand)

	For the three months ended December 31, 2023	For the three months ended December 31, 2022	For the twelve months ended December 31, 2023	For the twelve months ended December 31, 2022
Net Revenue	124,322	105,850	416,894	392,699
Adjusted EBITDA	40,893	36,584	134,107	133,779
Adjusted EBITDA Margin (Adjusted EBITDA/Revenues)	33%	35%	32%	34%

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 information relating to the Company. See Section 20: Cautionary Note Regarding Forward-Looking Information.

19. DISCLOSURE OF SHARE DATA

As of December 31, 2023, the Company had the following outstanding: 72,237,003 Common Shares, 1,352,459 stock options, and 189,795 deferred share units. The outstanding share data remains the same as of the date of this MD&A.

As part of its buyback program, the Company acquired 561,683 Common Shares and 917,261 BDR as of the end of the program on December 2022. As of December 31, 2023, the Company has cancelled 561,683 of these Common Shares and 358,802 BDR.

¹² Adjusted EBITDA Margin is a non-GAAP financial measure with no standardized meaning under IFRS, and therefore may not be comparable to similar measures presented by other issuers. For further information and detailed reconciliations to the most directly comparable IFRS measures, see Section 17: Non-GAAP Performance Measures in this MD&A.

20. CAUTIONARY NOTES AND ADDITIONAL INFORMATION

This MD&A, and the documents incorporated by reference herein, contain certain “forward-looking information” within the meaning of applicable Canadian securities laws and “forward-looking statements” within the meaning of applicable United States securities laws (together, “forward-looking information”). Forward-looking information relates to future events or future performance of the Company 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 long-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; probable mineral reserves; indicated mineral reserves; inferred mineral reserves; the potential conversion of indicated mineral resources into mineral reserves; the amount of future production over any period; capital expenditures and mine production costs; the outcome of mine permitting; other required permitting; information with respect to the future price of minerals; expected cash costs and AISCs; the Company’s ability expand exploration on its properties; the Company’s ability to obtain assay results; the Company’s exploration and development programs; estimated future expenses; exploration and development capital requirements; the amount of mining costs; cash operating costs; operating costs; expected grades and ounces of metals and minerals; expected processing recoveries; expected time frames; prices of metals and minerals; LOM of certain projects; expectations of gold hedging programs; the implementation of cultural initiatives; expected increases to fleet capacities; non-cash losses translating into cash losses; the ability to continue to finance planned growth; access to additional debt; and the repayment of outstanding balances on revolving credit facilities. Often, but not always, forward-looking information may be identified by the use of words such as “expects”, “anticipates”, “plans”, “projects”, “forecasts”, “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 information is 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 information in this MD&A is 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; cash costs and AISCs; the Company’s ability to expand operations; the Company’s ability to obtain assay results; appropriate discount rates; tax rates and royalty rates applicable to the mining operations; cash operating costs and other financial metrics; anticipated mining losses and dilution; metals recovery rates; reasonable contingency requirements; the Company’s expected ability to develop adequate infrastructure and that the cost of doing so will be reasonable; the Company’s expected ability to develop its 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, could cause actual results to differ materially from those contained in the forward-looking information. Specific reference is made to the Company’s most recent AIF for a discussion of some of the factors underlying forward-looking information, which include, without limitation: gold and copper or certain other commodity price volatility; changes in debt and equity markets; the uncertainties involved in obtaining and 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 information.

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

make additional updates with respect to such or other forward-looking information.

Industry and Market Data

This MD&A includes market, industry and economic data which was obtained from various publicly available sources and other sources believed by the Company to be true. Although the Company believes it to be reliable, the Company has not independently verified any of the data from third party sources referred to in this MD&A, or analyzed or verified the underlying reports relied upon or referred to by such sources, or ascertained the underlying economic and other assumptions relied upon by such sources. The Company believes that its market, industry and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry and economic data used in this MD&A are not guaranteed, and the Company does not make any representation as to the accuracy or completeness of such information.

Note to United States Investors Concerning Estimates of Indicated and Inferred Mineral Resources

Disclosure regarding mineral reserve and mineral resource estimates included in this MD&A was prepared in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101"). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", and "mineral resource" are Canadian mining terms as defined in NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") – CIM Definition Standards on Mineral Resources and Mineral Reserves (the "CIM Definition Standards"), adopted by the CIM Council, as amended.

In 2019, the United States Securities and Exchange Commission ("SEC") adopted amendments to its disclosure rules (the "SEC Modernization Rules") to modernize the mineral property disclosure requirements for issuers whose securities are registered with the SEC under the U.S. Securities Exchange Act of 1934, as amended, which are codified in Regulation S-K subpart 1300. Under the SEC Modernization Rules, the historical property disclosure requirements for mining registrants included in SEC Industry Guide 7 have been replaced. As a non-reporting issuer under United States securities laws, the Company is not required to provide disclosure on its mineral properties under the SEC Modernization Rules and will continue to provide disclosure under NI 43-101 and the CIM Definition Standards. The SEC Modernization Rules include the adoption of terms describing mineral reserves and mineral resources that are substantially similar to the corresponding terms under the CIM Definition Standards. As a result of the adoption of the SEC Modernization Rules, the SEC now recognizes estimates of "measured mineral resources", "indicated mineral resources" and "inferred mineral resources". In addition, the SEC has amended its definitions of "proven mineral reserves" and "probable mineral reserves" to be substantially similar to the corresponding CIM Definition Standards.

Additional Information

Additional information relating to the Company, including the Company's most recent annual information form, is available on SEDAR+ at www.sedarplus.com.

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 dated October 5, 2023, with an effective date of July 12, 2023, and entitled "Feasibility Study Technical Report (NI 43-101) for the Borborema Gold Project, Currais Novos Municipality, Rio Grande do Norte, Brazil", prepared for Aura Minerals by Homero Delboni Jr., Ph.D., (MAusIMM – CP Metallurgy), Independent Senior Consultant (Metallurgy), Erik Ronald, (P.Geo.), Principal Consultant with SRK (U.S.), Inc., Farshid Ghazanfari, (P.Geo.), Geology and Resource Director for Aura Minerals, and Bruno Yoshida Tomaselli, (FAusIMM), Mining Engineer employed as a Consulting Manager with Deswik Brazil;
- The technical report dated November 18, 2022, with an effective date of August 31, 2022, and entitled "Feasibility Study Technical Report (NI 43-101) for the Matupá Gold Project, Matupá Municipality, Mato Grosso, Brazil",

prepared for Aura Minerals by Farshid Ghazanfari, (P.Geo.), Geology and Resource Director for Aura Minerals, Luis Pignatari, (P. Eng.), EDEM Mining Consultants (Engenharia de Minas ME), and Homero Delboni, Jr. Ph.D. (MAusIMM – CP Metallurgy), Independent Senior Consultant (Metallurgy);

- 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 for Aura Minerals by Farshid Ghazanfari, (P.Geo.), Geology and Resource Director for Aura Minerals, Terry Hennessey, (P.Geo), Senior Associate Geology with Micon International (Canada), Luis Pignatari, (P. Eng.), EDEM Mining Consultants (Engenharia de Minas ME), Robert Raponi, (P.Eng), Ausenco Principal Consultant (Metallurgy), Inna Dymov, (P.Eng), Independent Senior Consultant (Metallurgy), Adam Wheeler, (C.Eng) Adam Wheeler Mining Consultant Limited, and Porfirio Cabaleiro Rodriguez, (P.Eng), GE21 (Consultalria Mineral);
- The technical report dated September 7, 2018, with an effective date of January 31, 2018, and entitled “Feasibility Study of the Re-Opening of the Aranzazu Mine, Zacatecas, Mexico”, prepared for Aura Minerals by Farshid Ghazanfari, P.Geo. (Farshid Ghazanfari Consulting), Adam Wheeler, C.Eng. (Independent Mining Consultant), Colin Connors, RM-SME (Aura Minerals Inc.), Robert Dowdell, C.Eng. (Dowdell Mining Limited), Paul 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), and Fernando Cornejo, P.Eng. (Aura Minerals Inc.);
- 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 Richard Sutcliffe, (P.Geo.), P&E Mining Consultants Inc., David Burga, (P.Geo.), P&E Mining Consultants Inc., Jarita Barry, (P.Geo.), P&E Mining Consultants Inc., Marcelo Batelochi, (AusIMM (CP)), MCB Consultants, Richard Routledge, (P.Geo.), P&E Mining Consultants Inc., Eugene Puritch, (P.Eng.), P&E Mining Consultants Inc., Andrew Bradfield, (P.Eng.), P&E Mining Consultants Inc., Fernando A. Cornejo, (P.Eng.), Aura Minerals Inc., Matthew Fuller, (CPG), Tierra Group International Inc., Diane Lister, (P.Eng.), Altura Environmental Consulting, David Orava, (P.Eng.), P&E Mining Consultants Inc., Alexandru Veresezan, (P.Eng.), P&E Mining Consultants Inc., Robert Mercer, (P.Eng.), Knight Piesold Ltd., Bradley Howe, (P. Eng.), Paterson & Cooke Canada Inc., and Graham Holmes, (P.Eng.), Jacobs;
- 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 at Aura Minerals, Ben Bartlett, (FAusiMM), former Manager Mineral Resources at Aura Minerals, and Persio Rosario, (P. Eng.), former Principal Metallurgist at Aura Minerals; and
- The technical report dated May 31, 2011, authored by W.J. Crawl, R. G. and Donald Hulse, P.Eng. and titled “NI 43-101 Report on The Tolda Fria Project, Manizales, Colombia”.

Farshid Ghazanfari, P.Geo., Mineral Resources and Geology Director for Aura Minerals Inc., has reviewed and approved the scientific and technical information contained within this MD&A and serves as the Qualified Person as defined in NI 43-101. All technical reports related to properties material to Aura are available on [sedar+](http://sedarplus.ca) at sedarplus.ca.

Readers are reminded that results outlined in the technical reports for each of 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 sedarplus.ca, for detailed information (including qualifications, assumptions and notes set out accordingly) regarding the mineral reserve and mineral resource information contained in this MD&A.