aura

360° MINING

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

Aura Minerals Inc.

Condensed Interim Consolidated Statements of Income

For the three months ended March 31, 2022 and 2021

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

(Unaudited)

	Note	2022	2021
Net revenue	18	**112,276**	116,026
Cost of goods sold	19	**62,596**	64,925
Gross Margin		**49,680**	51,101
General and administrative	20	**4,988**	5,922
Care-and-maintenance expenses	21	**1,987**	555
Exploration expenses	22	**3,175**	1,906
Operating income		**39,530**	42,718
Finance income/(expense)	23	**9,085**	(3,723)
Other losses	24	**221**	(8,787)
Income before income taxes		**48,836**	30,208
Current income tax expense	13	**(13,726)**	(9,260)
Deferred income tax recovery (expense)	13	**4,056**	(6,989)
Income for the period		**39,166**	**13,959**
Income per share:			
Basic	33	**0.54**	$ 0.20
Diluted	33	**0.54**	0.20
Weighted average numbers of common shares outstanding			
Basic	33	**72,244,618**	71,185,571
Diluted	33	**72,464,375**	71,200,571

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

Aura Minerals Inc.

Condensed Interim Consolidated Statements of Comprehensive Income (Loss)

For the three months ended March 31, 2022 and 2021

Expressed in thousands of United States dollars

(Unaudited)

	2022	2021
Income for the period	39,166 $	13,959
Other comprehensive income		
Items that may be reclassified to profit or loss		
Change in the fair value of cash flow hedge, net of tax	(1,165)	—
(Gain)/loss on foreign exchange translation of subsidiaries	2.751	50
Items that will not be reclassified to profit or loss		
Actuarial loss on post-employment benefit, net of tax	(446)	—
Other comprehensive income, net of tax	1,140	50
Total comprehensive income	40,306	14,009

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

Condensed Interim Consolidated Statements of Cash Flows

For the three months ended March 31, 2022 and 2021

Expressed in thousands of United States dollars

(Unaudited)

For the three months ended March 31,	Note	2022		2021
Cash flows from operating activities				
Income for the period		**39,166**		13,959
Items not affecting cash	25(a)	**10,080**		34,954
Changes in working capital	25(b)	**(8,126)**		(5,772)
Taxes paid		**(7,778)**		(6,895)
Other assets and liabilities	25(c)	**1,723**		3,215
Net cash generated by operating activities		**35,065**		32,161
Cash flows from investing activities				
Purchase of property, plant and equipment, and other investments	10	**(19,033)**		(21,859)
Short Term Investment		**(1,528)**		
Proceeds on sale of plant and equipment		**469**		143
Net cash used in investing activities		**(20,092)**		(21,716)
Cash flows from financing activities				
Proceeds received from debts	25(e)	**21,400**		29,965
Derivative settlement		**1,300**		—
Proceeds and (payments) from exercise of stock options		—		1,566
Repayment of short term loans	25(e)	**(11,572)**		(11,649)
Repayment of other liabilities	16(a)	**(977)**		(432)
Principal payments of lease liabilities	16(b)	**(299)**		(1,034)
Interest paid on debts	25(e)	**(5,117)**		(1,040)
Net cash generated by financing activities		**4,735**		17,376
Increase in cash and cash equivalents		**19,708**		34,821
Effect of foreign exchange gain (loss) on cash equivalents		**12,631**		(1,825)
Cash and cash equivalents, beginning of the period		**161,490**	$	117,778
Cash and cash equivalents, end of the period		**193,829**	$	150,774

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

Aura Minerals Inc.

Condensed Interim Consolidated Statements of Financial Position

As of March 31, 2022 and 2021

Expressed in thousands of United States dollars

(Unaudited)

	Note	March 31, 2022	December 31, 2021
ASSETS			
Current			
Cash and cash equivalents		**193,829**	161,490
Restricted cash		**2,472**	944
Value added taxes and other receivables	6	**44,224**	42,404
Inventory	7	**58,776**	56,554
Derivative Financial Instrument	26	**12,253**	—
Other current assets	8	**11,053**	11,060
		322,607	272,452
Other long-term assets	9	**13,108**	13,337
Property, plant and equipment	10	**295,250**	285,835
Deferred income tax assets	13	**23,101**	20,856
		654,066	592,480
LIABILITIES			
Current			
Trade and other payables	11	**63,579**	68,545
Current portion of debts	12	**59,608**	58,169
Current income tax liabilities		**26,094**	17,733
Current portion of other liabilities	16	**1,187**	2,151
		150,468	146,599
Debts	12	**119,650**	99,862
Derivative Financial Instruments	26	**—**	2,779
Deferred income tax liabilities	13	**15,858**	17,110
Provision for mine closure and restoration	14	**42,328**	41,456
Other provisions	15	**12,601**	11,923
Other liabilities	16	**468**	477
		341,373	320,205
SHAREHOLDERS' EQUITY	17		
Share capital		**621,115**	621,115
Contributed surplus		**55,156**	55,044
Accumulated other comprehensive income		**2,688**	383
Hedge Reserves		**2,688**	3,853
Deficit		**(368,954)**	(408,120)
		312,693	272,275
		654,066	592,480

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 condensed interim consolidated financial statements.

Aura Minerals Inc.

Condensed Interim Consolidated Statements of Changes in Equity

For the three months ended March 31, 2022 and 2021

Expressed in thousands of United States dollars, except share amounts

(Unaudited)

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Hedge Reserves	Deficit	Total Equity
At December 31, 2021	72,559,449	621,115	55,044	383	3,853	(408,120)	272,275
Stock options issued	—	—	112	—	—	—	112
Income for the period	—	—	—	—	—	39,166	39,166
Change in fair value of cash flow hedge, net of tax	—	—	—	—	(1,165)	—	(1,165)
Gain on translation of subsidiaries	—	—	—	2,751	—	—	2,751
Actuarial loss on long-term employee benefit, net of tax	—	—	—	(446)	—	—	(446)
At March 31, 2022	72,559,449	621,115	55,156	2,688	2,688	(368,954)	312,693

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Deficit	Total Equity
At December 31, 2020	70,742,460	618,063	55,870	4,772	(365,991)	312,714
Exercise of options	1,816,989	3,029	(1,463)	—	—	1,566
Stock options issued	—	—	500	—	—	500
Income for the period	—	—	—	—	13,959	13,959
Dividends declared	—	—			(60,224)	(60,224)
Gain on translation of subsidiaries	—	—	—	50	—	50
At March 31, 2021	72,559,449	621,092	54,907	4,822	(412,256)	268,565

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

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 is a public company listed on the Toronto Stock Exchange (Symbol: ORA) and on the São Paulo Stock Exchange – B3 (Symbol: AURA33). Aura is incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands). Aura's registered office is located at Craigmuir Chambers, PO Box 71, Road Town, Tortola VG1110, British Virgin Islands. Aura maintains a head office at 78 SW 7th Street, Suite # 7144, Miami, Florida 33130, United States of America.

Aura's majority shareholder is Northwestern Enterprises Ltd ("Northwestern"), a company beneficially owned by the Chairman of the board of directors of Aura (the "Board").

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 is 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). As of March 31, 2022 no common shares have been repurchased.

These condensed interim consolidated financial statements (the "financial statements") were approved by the Board of Directors on May 9, 2022.

2 BASIS OF PREPARATION AND PRESENTATION

The condensed interim consolidated financial statements of Aura have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in Aura's annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted. These condensed interim consolidated financial statements should be read in conjunction with Aura's annual consolidated financial statements for the year ended December 31, 2021, ("2021 Annual Financial Statements").

In particular, Aura's significant accounting policies were presented in Note 4 of 2021 Annual Financial Statements. The condensed interim consolidated financial statements have been prepared on a going concern basis using historical cost except for those assets and liabilities that are measured at revalued amounts or fair values at the end of each reporting period as explained in Note 3. Additionally, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those disclosed in Note 3 of 2021 Annual Financial Statements, with the exception of income taxes that are based on the weighted average effective tax rates and the application of certain new and amended IFRS pronouncements issued by the IASB, which were effective from January 1, 2022. Of those new and amended IFRS pronouncements that had a significant impact on Aura's condensed interim consolidated financial statements are described in Note 3 below.

The functional currency of Aura and majority of its subsidiaries is the United States Dollar ("US Dollar") except for certain not material services companies in Mexico which have a functional currency of Mexican Pesos ("MXN Pesos") and certain not material Brazilian subsidiaries in Brazilian Reais ("BRL Reais"). All values in the condensed interim consolidated financial statements are rounded to the nearest thousand.

As of March 31, 2022, as a result of management continuous evaluation of the consolidated financial statements disclosures some minor reclassifications to the three-month period ended March 31, 2021 comparative figures have been made in order to grant a better understanding of the interim financial statements. The main reclassification is related to the result of foreign exchange (gain) loss that has been reclassified from "other losses" to "Finance income/(expense)" for US$836.

The Company also identified Almas project as a new operating segment in the three-month period ended March 2022 and for comparative purposes is presenting in Note 30, the classification of Almas Project as a new segment for the three-month period ended March 2021. As of March 31, 2022, Almas Project represents 22% of the company's total assets and its operations are reviewed regularly by management to evaluate its advance in construction in order to carry out new investments.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company has applied new accounting standards for the first time for their annual reporting period commencing on January 1, 2022 but no effects were recognized in the company´s financial statements. However, the Company has recognized that there will be new accounting standards that are issued but not yet effective after 2022.

New accounting Standards issued but not yet effective

Amendments to IAS 8 regarding the definition of accounting estimates and accounting policies

In February 2021, the International Accounting Standards Board (IASB) issued the 'Definition of Accounting Estimates (Amendments to IAS 8)' to help entities to distinguish between accounting policies and accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty" and such changes are accounted for prospectively while changes in accounting policies are accounted for retrospectively. The amendments are effective for annual periods beginning on or after January 1st, 2023. The Company is in the process of assessing the impact of the adoption of these amendments on the consolidated financial statements.

Amendments to IAS 12 regarding deferred tax

On 7 May 2021, the International Accounting Standards Board (IASB) issued Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. For leases and decommissioning liabilities, the associated deferred tax asset and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. If a company previously accounted for deferred tax on leases and decommissioning liabilities under the net approach, then the impact on transition is likely to be limited to the separate presentation of the deferred tax asset and the deferred tax liability. The amendments are effective for annual periods beginning on or after January 1st, 2023. The Company is in the process of assessing the impact of the adoption of these amendments on the consolidated financial statements.

Amendments to IAS 1 regarding classification of Liabilities as Current or Non-Current

In January 2020, the Board issued Classification of Liabilities as Current or Non-current, which amended IAS 1 Presentation of Financial Statements. The amendments clarified how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date The amendment must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and is effective for annual reporting periods beginning on or after 1st January 2023, with earlier application permitted. The Company is in the process of assessing the impact of the adoption of these amendments on the consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement regarding presentation of material accounting policies

The International Accounting Standards Board (IASB) has issued 'Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. This amendment requires entities to disclose their material accounting policies - determined in a four step materiality process - rather than their significant accounting policies. The amendments define what is 'material accounting policy information. To support this amendment, the IASB also amended IFRS Practice Statement 2 to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments to IAS 1 are effective for annual periods beginning on or after January 1st 2023 followed by application of the amendments to IFRS Practice Statement 2. The Company is in the process of assessing the impact of the adoption of these amendments on the consolidated financial statements.

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. The life of mine plans has been prepared with the assumption that all required permits to operate will be renewed in line with the administrative procedures required in each of the jurisdictions where the Company operates. Actual results may differ from these estimates.

Please refer to Note 4 of the 2021 Annual Financial Statements for the critical accounting policies under which significant judgements, 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 Aura's consolidated statements of financial position reported in future periods.

5 IMPAIRMENT OF GOLD ROAD MINE

During 2021, as a result of significant uncertainties about the potential for Gold Road to increase production in the medium term in line with the Company's targets, higher production costs and negative results, the Company's board of directors decided to put the mine in care and maintenance and not continue to invest in Gold Road and prioritize capital allocation and management efforts to the Company's larger operations and projects. We calculated the recoverable amount of Gold Road as at December 31, 2021 and determined that the recoverable amount for Gold Road to be lower than the carrying value of the cash generating unit. An impairment of $21.2 million was recognized during the year ended December 31, 2021, reducing the carrying amount of Gold Road's property plant and equipment to $17.4 million. As at March 31, 2022, the Company reviewed the projections and assumptions used to calculate the impairment amount and concluded that there was no adjustment to be recorded in the period of 3 months ended March 31, 2022.

During the first quarter of 2022, the parties kept discussing the alternatives and next steps in respect of the final disposition of Gold Road's assets and liabilities.

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

6 VALUE ADDED TAXES AND OTHER RECEIVABLES

		March 31, 2022		December 31, 2021
Value added taxes receivable		**38,037**		36,025
Trade receivables		**7,814**		8,885
Other receivables		**5,206**		4,478
Provision for bad debts - trade receivables		**(173)**		(95)
Total trade and other receivables		**50,884**		49,293
Less: non-current portion of receivables (note 9)		**(6,660)**		(6,889)
Trade and other receivables recorded as current assets	**$**	**44,244**	$	42,405

Due to their short term maturities, the fair value of trade and other receivables approximate their carrying value. As of March 31, 2022, the Company has a provision for expected credit losses for $173.

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, (2) Used as credit for income tax payments and (3) As payment to certain suppliers. The company and their tax advisors are constantly reviewing the options available to ensure the recoverability of these balances.

The Company has retained certain withholding taxes associated with the exercise of stock options by certain key management personnel. Such withholding taxes are included as other receivables and are expected to be repaid in less than 12 months (see Note 29).

7 INVENTORY

		March 31, 2022		December 31, 2021
Finished product		**4,445**		7,550
Work-in-process		**27,799**		23,360
Parts and supplies		**27,670**		26,422
Provision for inventory obsolescence		**(1,138)**		(778)
Total inventory	**$**	**58,776**	$	56,554

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

8 OTHER CURRENT ASSETS

		March 31, 2022		December 31, 2021
Advances to vendors and prepaid expenses		**9,914**		9,912
Deposits		**1,139**		1,147
	$	**11,053**	$	11,059

Prepaid expenses are prepayments made for general working capital needs such as advances to suppliers and general prepayment of general and administrative expenses.

9 OTHER LONG-TERM ASSETS

		March 31, 2022		December 31, 2021
Non-current portion of value added taxes receivables (note 6)		**6,660**		6,889
Other long-term assets, receivables and deposits		**6,448**		6,448
	$	**13,108**	$	13,337

On December 1, 2017, the Company entered into a purchase and sale agreement to sell MVV which owns the Serrote Project for an aggregate consideration of $40 million. The aggregate consideration of $40 million was made up of a cash payment of $30 million (paid), as well the delivery by the purchasers of a subordinated unsecured promissory note in the principal amount of $10 million, payable from 75% of excess cash from the project after the project has repaid project financing and operating cash requirements. The determination of the probability of payment and the timing of payment, significantly impact the fair value of the promissory note. The significant assumptions used in the determination of the fair value includes the probability of MVV to complete the different milestones to put Serrote in commercial production, including getting the required financing and completing the mine and plant construction; and the discount rate. Considering the developments known by management related to the Serrote Project as of March 31, 2022 the Company estimated the fair value of the promissory note to be $ 4.79 million. ($4.79 million as of December 31, 2021) If the probabilities of the different scenarios had been 10% more negative than management's estimates, the estimated fair value of the promissory note would have been $0.74 million lower.

10 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment movements for the period ended March 31, 2022 and for the year ended December 31, 2021 are as follows:

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

	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	13,992	2,332	403	468	31	1,918	19,064
Disposals	(4)	(68)	—	—	(506)	—	(578)
Reclassifications and adjustments	—	1,632	—	—	—	(1,632)	—
Depletion and amortization	(5,669)	(1,760)	(205)	(1,184)	(253)	—	(9,071)
Net book value at March 31, 2022	**$ 198,593**	**$ 49,557**	**$ 7,615**	**$ 22,895**	**$ (40)**	**$ 16,630**	**$ 295,250**
Consisting of:							
Cost	406,209	111,418	20,712	134,104	3,906	16,630	692,979
Accumulated depletion and amortization	(186,415)	(61,861)	(13,097)	(111,209)	(3,946)	—	(376,528)
Impairment	(21,201)	—	—	—	—	—	(21,201)
Net book value at March 31, 2022	**198,593**	**49,557**	**7,615**	**22,895**	**(40)**	**16,630**	**295,250**

	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, 2020	**$ 178,642**	**$ 45,118**	**$ 7,015**	**$ 19,256**	**$ 3,985**	**$ 17,143**	**$ 271,159**
Additions	44,765	7,750	955	4,845	1,913	16,993	77,221
Disposals	—	(55)	—	(239)	(2,188)	—	(2,482)
Reclassifications and adjustments	11,574	1,462	2	5,986	(1,232)	(17,792)	—
Change in estimate	—	—	—	—	—	—	—
Depletion and amortization	(23,436)	(6,844)	(555)	(6,237)	(1,790)	—	(38,862)
Impairment	(21,201)	—	—	—	—	—	(21,201)
Net book value at December 31, 2021	**$ 190,344**	**$ 47,431**	**$ 7,417**	**$ 23,611**	**$ 688**	**$ 16,344**	**$ 285,835**
Consisting of:							
Cost	392,291	107,532	20,309	133,636	4,381	16,344	674,493
Accumulated depletion and amortization	(180,746)	(60,101)	(12,892)	(110,025)	(3,693)	—	(367,457)
Impairment	(21,201)	—	—	—	—	—	(21,201)
Net book value at December 31, 2021	**$ 190,344**	**$ 47,431**	**$ 7,417**	**$ 23,611**	**$ 688**	**$ 16,344**	**$ 285,835**

For the Aranzazu mine, $3.3 million were invested in mineral properties during period ended March 31, 2022. Additional investments in land and buildings of $1.3 million and Assets under construction of $1.6 million were recorded during the period.

For the EPP Mines, during the period ended March 31, 2022, $1.4 million invested in additions to Mineral Properties. Additionally, $306 was invested in assets under construction.

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

For Almas Project, during the period ended March 31, 2022, $5.4 million were invested in mineral properties as part of the development of the Almas mine.

For San Andrés mine, during the period ended March 31, 2022, $4.5 million were invested in mineral properties, $2.6 million were invested in land and buildings, $1.6 million were transferred from asset under construction to Land and building as part of the development of the mine.

The right of use assets corresponds to the lease liability obligations discussed under Note 16(b) below.

11 TRADE AND OTHER PAYABLES

		March 31, 2022		December 31, 2021
Trade accounts payable		**37,173**		39,632
Other payables		**10,891**		12,117
Accrued liabilities		**15,515**		11,625
Deferred revenue		**—**		5,171
Accounts Payable	**$**	**63,579**	$	68,545

In February 2021, Trafigura México, S.A. de C.V agreed to make an advance payment of $6 million to Aranzazu Holdings Ltda, which was recorded as deferred revenue in connection with the Purchase-Sale agreement entered between the parties in November 2020. The advance bears an annual interest rate of 5.00% with a maturity date of March 2022. The advance was settled by Aranzazu during the first quarter of 2022 and the balance of the advance payments as of March 31, 2022 is zero (2021: $5,172).

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

12 DEBTS

The list of debt held by the Company, on a consolidated basis, as of March 31, 2022 and December 31, 2021 are as follows:

Financial debt	Maturity Date	Interest Rate	Short Term	Long Term	Outstanding 3/31/2022	Outstanding 12/31/2021
Banco Occidente						
Q2 2021 Promissory Note ("Fourth Promissory Note")	Mid-June 2022	6.25%	1,280	—	1,280	2,539
Banco Atlántida						
Q2 2017 Loan Agreement ("First Loan")	Mid-July 2023	7.3%	1,741	871	2,612	3,047
Q1 2021 Loan Agreement ("Second Loan")	January 2022	7.25%	—	—	—	167
Q1 2021 Loan Agreement ("Third Loan")	February 2022	7%		—	—	250
Q2 2021 Loan Agreement ("Fourth Loan")	April 2022	7%	104	—	104	417
Q4 2021 Loan Agreement ("Fifth Loan")	November 2022	7.25%	1,583	—	1,583	2,177
Q1 2022 Loan Agreement ("Sixth Loan")	March 2023	6%	1,400		1,400	—
Banco ABC Brasil S.A.						
Q2 2019 Loan Agreement ("Second Loan")	August 2023	6.4%	1,823	904	2,727	3,182
Q2 2019 Loan Agreement ("Third Loan")	August 2023	6.4%	1,200	595	1,795	2,094
Q1 2021 Loan Agreement ("Fourth Loan")	February 2024	5.75%	4,865	4,825	9,690	9,834
Banco Santander Brasil						
Q1 2019 Loan Agreement ("First Loan")	October 2023	5.29%	1,619	2,475	4,094	4,322
Q4 2020 Loan Agreement ("Second Loan")	December 2023	4.95%	1,690	1,267	2,957	3,386
Banco Votorantim						
Q2 2019 Loan Agreement ("First Loan")	September 2022	6.5%	1,075	—	1,075	1,574
Q1 2021 Loan Agreement ("Second Loan")	March 2022	3.01%	—	—	—	4,926
FIFOMI Credit Facility	November 2024	TIIE + 4%	875	1,458	2,332	2,470
Pandion	March 2023	N/A - effective of 15.75%	25,000	—	25,000	25,000
Itau						
Q1 2020 Loan Agreement ("First Loan")	March 2023	7%	3,201	—	3,201	4,888
Q1 2021 Loan Agreement ("Second Loan")	March 2024	4.65%	6,023	6,000	12,023	12,024
Safra						
Q4 2021 Loan Agreement ("First Loan")	December 2022	2.67%	2,013	—	2,013	2,001
Q1 2022 Loan Agreement ("Second Loan")	March 2024	3.70%	2,500	7,500	10,000	—
Bradesco S.A.	February 2025	4.99%	1,616	8,500	10,116	—
Debentures Payable	July 2026	CDI + 4.35%	—	85,255	85,255	73,733
Total			$ 59,608	$ 119,650	$ 179,258	$ 158,031

For the three months ended March 31, 2022 and 2021, the Company has incurred interest expense on debt of $1,842 and $1,811, respectively (Note 23).

In March 2020, Mineração Apoena S.A. ("EPP"), a subsidiary of the Company, entered in a debt agreement with Banco Itaú Unibanco S.A., for the principal amount of US$ 12 million. The agreement has a financial covenant where

EPP's Net Debt should be lower than 1.5x over EPP's last 12 months EBITDA. The covenant is measured at the subsidiary.

On July 13, 2021, Aura Almas Mineração S.A. ("Almas"), a subsidiary of the Company, closed a debenture of R$ 400 million (approximately US$ 78 million) in aggregate principal amount of senior notes (the "Notes") for the purposes of developing the mine. The Notes will bear interest at a rate equal to the Brazilian Interbank Deposit Rate (CDI rate) plus 4.35% per annum and will mature in up to 5 years from Notes Issue Date, that is, up to July 13, 2026. Along with the debenture, there is a corresponding interest rate and currency swap hedge in USD at 5.84% flat rate per year (Note 26a). The security package of the Notes include a corporate guarantee from Aura Minerals, Inc and financial covenants. The Notes have a financial covenant where 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, starting on September 30, 2021 (inclusive). The covenant is measured based on Aura Minerals consolidated financial statements.

For the period ended March 31, 2022, the company and its subsidiaries are in compliance with all the financial covenants stated above.

On March 7, 2020, Aura entered into a share purchase agreement to acquire all the outstanding common shares of Z79 Resources, Inc. ("Z79") (the "Share Purchase Agreement"), which, through Z79 held: I) a 94% interest in Gold Road Mining Corp. ("GRMC"), which in turn owns the Gold Road Mine located in Arizona (the "Gold Road Project") and II) a 94% interest in TR-UE Vein Exploration, Inc. ("TR-UE Vein"). On July 15th, 2020, the Company entered into a share purchase agreement of the non-controlling interests' ownership interest in both GRMC and TR-UE Vein, resulting in a 100% ownership interest for the Company and elimination of the non-controlling interests' ownership. On December 1, 2020, Gold Road declared commercial production.

The closing of the Gold Road Project acquisition occurred on March 27, 2020. Consideration paid pursuant to the Share Purchase Agreement consists of $1. As part of the acquisition, Gold Road assumed a debt of $35 million, with an option to pre-pay for $24 million during the first year, which was fair valued at $25.2 million and guaranteed with the mine itself. In Q1 2021, Gold Road did not exercise the prepayment option and it expired. At the year ended on December 31, 2021, Gold Road was placed under care and maintenance. The loan arrangements indicate that in case of payment default, the loan will become repayable on demand. In addition, in the event that any amount of the outstanding debt obligations is not paid when due, the company shall pay interest on the amount of that payment due and unpaid at an interest rate equal to LIBOR plus two percent (2.00%) per annum. As of December 31, 2021 the loan was in default and Gold Road is engaging in conversations with the lender to determine next steps. As a result of the payment default, the company reclassified the debt as a short term debt and recognized an additional US$ 3,000 as a result of adjusting the discount period used to determine the amortized cost. In addition management recognized US$ 150 in interest on the unpaid installments. For the period ended March 31, 2022, no material changes in the status of the debts has been noted.

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

13 INCOME TAXES

a) Income tax (recovery) expenses

Income tax expenses included in the consolidated statements of income for the three months ended March 31, 2022 and 2021 are as follows:

		2022		2021
Current income tax expense		**13,726**		(9,260)
Deferred income tax (recovery)/expense		**(4,056)**		(6,989)
	$	**9,070**	$	(16,249)

During the period ended March 31, 2022 the company recorded higher income which increased the taxable income resulting in a higher income tax expense, mostly driven by Aranzazu Mine that increased their revenue in 31% when compared to Q1 2021. The deferred tax asset value increased significantly resulting in a deferred income tax income in the period due to the foreign exchange gain recorded in Q1 2022 driven by the strong appreciation of the Brazilian Real during Q1 2021.

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:		**March 31, 2022**		December 31, 2021
Deferred income tax assets		**23,101**		20,856
Deferred income tax liabilities		**(15,858)**		(17,110)
	$	**7,243**	$	(3,746)

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

Balance, December 31, 2020	**$**	**26,643**
Recovered from (charged to) the statement of income		(22,796)
Recorded through other comprehensive income		(86)
Exchange differences		(15)
Balance, December 31, 2021	**$**	**3,746**
Recovered from (charged to) the statement of income		4,056
Recorded through other comprehensive income		(558)
Exchange differences		(1)
Balance, March 31, 2021	$	7,243

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

14 PROVISION FOR MINE CLOSURE AND RESTORATION

		March 31, 2022		December 31, 2021
Balance, beginning of period		**41,456**		39,445
Accretion expense (note 23)		**709**		2,482
Change in estimate		**163**		(3,549)
Change in estimate for properties in care and maintenance		**—**		3,078
Balance, end of period	**$**	**42,328**	$	41,456

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 discount rates based upon the country treasury bill rates of 0.52%, 8.00%, 5.67%, and 8.49% for Gold Road (USA), Brazil, Mexico, and Honduras, respectively. The provisions have been remeasured at each reporting date, with the accretion expense being recorded as a finance cost.

The change in estimate during the year of 2021 and the period ended March 31, 2022 was primarily due to updates in reclamation and restoration costs due to inflation in Brazil.

15 OTHER PROVISIONS

		Long-term employee benefits		Provision for judicial contingencies		Total
At December 31, 2020	**$**	**8,831**	**$**	**707**	**$**	**9,538**
Periodic service and finance cost		640		—		640
Change in provision for the year		604		(123)		481
Actuarial changes		1,812		—		1,812
Settlement during the year		(548)		—		(548)
At December 31, 2021	**$**	**11,339**	**$**	**584**	**$**	**11,923**
Periodic service and finance cost		201		—		201
Change in provision for the period		156		104		260
Actuarial changes		446		—		446
Settlement during the period		(229)		—		(229)
At March 31, 2022	**$**	**11,913**	**$**	**688**	**$**	**12,601**

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.

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

16 OTHER LIABILITIES

	March 31, 2022	December 31, 2021
NSR royalty (note 16 (a))	**1,069**	1,518
Lease payment obligation (note 16 (b))	**586**	1,110
Total other liabilities	**1,655**	2,628
Less: current portion of other liabilities	**(1,187)**	(2,151)
	$ 468	$ 477

a) NSR Royalty

	March 31, 2022	December 31, 2021
Balance, beginning of period	**1,518**	625
Royalty payments	**(977)**	(625)
Increase in NSR obligations	**530**	1,518
Balance, end of period	**1,071**	1,518

As of March 31, 2022, the NSR liability of $531 and $540 was recognized for Aranzazu and Gold Road, respectively.

b) Lease Payment Obligation

	March 31, 2022	December 31, 2021
Balance, beginning of period	**1,110**	2,943
Additions to lease obligation	**272**	2,722
Accretion expense	**9**	191
Lease payments	**(299)**	(3,577)
Disposals	**(506)**	(1,169)
Balance, end of period	**586**	1,110
Less: short-term portion	**(116)**	(633)
	$ 470	$ 477

The weighted average discount rate applied to the new lease liabilities within the period ended March 31, 2022 was 7% (December 31, 2021: 7%).

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.

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

The following table is a summary of the carrying amounts of the Company's lease liabilities measured at the present value of the remaining lease payments that are recognized in the Consolidated Statements of Financial Position as of:

		Balance at March 31, 2022	Balance at December 31, 2021
Short-term portion of lease liability		**(116)**	(1,933)
Long-term portion of lease liability		**(470)**	(1,010)
	$	**(586)** $	**(2,943)**

The table below analyzes the Company's lease liabilities into relevant contractual maturity date groupings based on the remaining period at the Consolidated Statements of Financial Position date to the contractual maturity date of the lease. The amounts shown in the table are the contractual undiscounted cash flows related to lease liabilities as follows:

	Within 1 year	2 to 3 years	4 to 5 years	Total Contractual Cash Flows	Carrying Amount
Lease Liabilities	523	216	—	**739**	586

17 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 31st, 2020	**3,450,300**	**1.53**
Granted	815,679	10.48
Exercised	(1,964,565)	1.09
Forfeited	(302,398)	1.07
Balance, December 31, 2021	**1,999,016**	**1.80**
Granted	—	—
Exercised	—	—
Forfeited	—	—
Balance, March 31, 2022	1,999,016	6.78

As of March 31, 2022, the Company had 1,999,016 options issued and outstanding as follows:

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

Exercise price C$	Options outstanding	Options Exercisable	Remaining contractual life (years)	Expiry dates
1.57	219,757	219,757	4.20	June 12, 2026
1.57	37,000	—	4.52	October 5, 2026
1.57	899,580	—	5.51	October 2, 2027
15.33	13,500	—	8.53	October 9, 2030
15.33	13,500	—	8.54	October 12, 2030
15.33	36,000	—	6.93	March 3, 2029
13.75	707,679	—	8.93	March 4, 2031
14.09	36,000	—	6.90	February 22, 2029
14.88	36,000	—	7.02	April 5, 2029
	1,999,016	219,757		

During the period ended March 31, 2021, accelerated vesting of stock options granted on June 13, 2018 and October 5, 2018 was approved by the Board of directors, which resulted in a profit and loss impact of $348.

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 period ended March 31, 2022, share-based payment expense recognized in general and administrative expense was $112 (March 31, 2021: $500).

During the three months ended March 31, 2022, the Company has not granted new stock options (2021: 815,679 stock options).

d) **Hedge Accounting**

During Q3 2021, the Company, through Rio Novo Almas, entered into an interest rate and currency swap to establish cash flow hedge reserve. 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 12.

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

18 NET REVENUE

		2022		2021
Gold Revenue		**59,126**		82,340
Copper & Gold Concentrate Revenue		**55,472**		36,144
Other		**(2,322)**		(2,458)
	$	**112,276**	$	116,026

Revenues for the Gold Road Mine, San Andres Mine and EPP Mines relate to the sale of refined gold. Revenue for the Aranzazu mine relates to the sale of copper concentrate. Company's revenues are concentrated in 4 clients and management continuously monitors the relationship with them.

19 COST OF GOODS SOLD BY NATURE

		2022		2021
Direct mine and mill costs		**33,349**		29,856
Direct mine and mill costs – Contractors		**15,186**		19,804
Direct mine and mill costs – Salaries		**5,052**		5,613
Depletion and amortization		**9,009**		9,652
	$	**62,596**	$	64,925

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

20 GENERAL AND ADMINISTRATIVE EXPENSES

		2022		2021
Salaries, wages and benefits		**1,384**		2,158
Bonus		**812**		547
Severance		**50**		40
Professional and consulting fees		**1,275**		1,090
Legal, Filing, listing and transfer agent fees		**213**		370
Insurance		**272**		358
Directors' fees		**13**		(56)
Occupancy cost		**31**		1
Travel expenses		**146**		79
Share-based payment expense (Note 27)		**112**		500
Depreciation and amortization		**16**		8
Lease depreciation expense		**37**		24
Other		**627**		803
	$	**4,988**	$	5,922

Salaries, wages and benefits categories for the period ended March 31, 2022 include employee compensation such as salaries and benefits. The reduction in Q1 2022 compared to Q1 2021 was due to interruption of activities at the Gold Road mine, with reduction in the mine administrative structure and classification of the remaining expenses as care and maintenance expenses.

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

21 CARE AND MAINTENANCE EXPENSES

		2022		2021
Gold Road		1,620		—
EPP Mines		209		216
Matupa and Tolda Fria		92		337
Other		66		—
	$	**1,987**	$	555

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

22 EXPLORATION EXPENSES

	2022	2021
San Andres mine	**54**	285
EPP projects	**1,669**	1,284
Aranzazu mine	**838**	35
Matupa and Tolda Fria	**614**	-
Gold Road	—	302
	3,175	1,906

23 FINANCE INCOME/(EXPENSE)

	2022	2021
Accretion expense (note 14)	**709**	(631)
Lease interest expense (note 16(b))	**9**	(91)
Interest expense on debts (note 12)	**1,842**	(1,811)
Finance cost on post-employment benefit	**201**	(160)
Other interest and finance costs	**257**	(154)
Gain (loss) on derivative transactions	**219**	-
Interest Income	**(192)**	(40)
Foreign Exchange	**(12,130)**	(836)
	(9,085)	(3,723)

The accretion Expense for the period ended March 31, 2022 is composed of accretion expense of $0.6 million in EPP Projects, $0.1 million in San Andres Mine and $0.06 million in Aranzazu.

The foreign exchange gain recorded in Q1 2022 is mainly driven by the strong appreciation of the Brazilian Real during Q1 2021. At the Almas project, such appreciation translated in Foreign Exchange gain of $11.2 million due to the portion of cash & equivalents held in Brazilian Reais. At EPP projects, there was a $2.7 million foreign exchange gain due to the net effect on outstanding balances from accounts payable/receivable and cash invested in Brazilian Reais.

24 OTHER GAINS (LOSSES)

	2022	2021
Net gain (loss) on call options and fixed price contracts – Gold	—	328
Net loss on call options – Copper	—	(474)
(Loss) gain on FV Option of Pandion Debt (Note 8)	—	(8,268)
Other items	**221**	(373)
	$ 221	$ (8,787)

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

25 CASH FLOW INFORMATION

a) Items not affecting cash

For the three months ended March 31,		**2022**		2021
Deferred and current income tax expense		**9,670**		11,955
Depletion and amortization (note 10)		**9,071**		9,660
Accretion expense (note 23)		**709**		722
Lease Interest Expense (Note 23)		**9**		—
Periodic service, past service and finance costs on post-employment benefit		**357**		324
Share-based payment expense (note 20)		**112**		500
Change in estimate of provision for mine closure and restoration (note 14)		**163**		(69)
Foreign exchange (gain) loss) (note 23)		**(12,596)**		836
Loss on disposal of assets		**109**		108
Unrealized gain on call option and fixed price contracts		**—**		(156)
Loss on FV Option of Pandion Debt (Note 8)		**—**		8,268
Interest expense on debt (Note 23)		**1,842**		1,811
Other non-cash items		**634**		664
	$	**10,080**	$	34,623

b) Changes in working capital

For the three months ended March 31,		**2022**		2021
Decrease (increase) in trade and other receivables		**(3,577)**		1,114
Increase in inventory		**(2,222)**		(1,549)
Increase in trade and other payables		**(2,327)**		(5,337)
	$	**(8,126)**	$	(5,772)

c) Supplementary cash flow information

For the three months ended March 31,		**2022**		2021
Changes in other assets and liabilities consists of:				
Decrease in long term asset		**227**		2,092
(Increase) decrease in other current assets		**7**		(410)
Other items		**1,489**		1,533
	$	**1,723**	$	3,215

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

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

For the three months ended March 31,	**2022**	2021
Non-cash addition to property, plant and equipment	**$ 31**	$ 1,284
Dividends declared payable	—	60,224
	$ 31	$ 61,508

e) Debt reconciliation

	Loans	**Derivatives**
Balance as at January 1st, 2021	70,426	—
Changes from Financing cash flows:		
Loan Repayments	(33,280)	—
Loan Proceeds	118,185	—
Interest paid on debts	(3,590)	—
	81,315	—
Other Changes:		
Interest Expenses on Debts	10,237	—
Interest Expenses on Debentures	2,230	—
Debt Costs on Debentures	(1,676)	—
Derivative result	—	2,779
FX Adjustments	(4,501)	—
Balance as of December 31, 2021	**158,031**	**2,779**
Changes from Financing cash flows:		
Loan Repayments	(11,572)	—
Loan Proceeds	21,400	—
Interest paid on debts	(1,067)	—
Interest paid on Debentures	(4,050)	—
Derivative settlement	—	1,300
	4,771	1,300
Other Changes:		
Interest Expenses on Debts	869	—
Interest Expenses on Debentures	**2,568**	—
Derivative result	—	(1,595)
FX Adjustments	13,079	(17,897)
Derivative settlement (withholding taxes)	—	377
MTM Adjustment	—	2,783
Balance as of March 31, 2022	**179,258**	**(12,253)**

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

26 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 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:

Derivatives Contracts	Commodity/ index	Current/Non-Current	(Asset)/Liability at 3/31/2022	(Asset)/Liability at 12/31/2021
Put/call option contracts				
Aranzazu	Copper	Current	—	155
Swaps				
Aura Almas	CDI	Non-current	(12,253)	2.779
			$ (12,253)	$ 2.934

During the three months ended March 31, 2022, the Company has entered in zero cost put/call collars, in a total of 80,140 ounces, in connection with the risk management program for the Almas Project. The zero-cost put/calls collars have floor prices between $1,558 and $1,650 (average: $ 1,602) and ceiling prices between $2,135 and $ 2,896 (average: $ 2,417) per ounce of gold expiring between July 2023 and June 2025. For the three months ended March 31, 2022, the Company has recorded no realized gain or loss associated with Gold zero cost put/call collars. In order to guarantee the transactions, the Company keep the total amount of $1,500 as restricted cash.

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.

The carrying amount of financial assets at fair value through other comprehensive income be $288 lower or $297 higher if the discount rate used in the discounted cash flow analysis were to differ by 10% from management's estimates.

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

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:

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 March 31, 2022 and December 31, 2021 are summarized in the following table:

	Level	Financial instrument Classification	**March 31, 2022**		December 31, 2021	
			Carrying value	**Fair value**	Carrying value	Fair value
Assets						
Cash and cash equivalents	N/A	Amortized Cost	**193,829**	**193,829**	161,490	161,490
Other receivable	N/A	Amortized Cost	**5,206**	**5,206**	4,478	4,478
Derivative Asset	2	Fair Value	**12,253**	**12,253**	—	—
Promissory Note Mineração Vale Verde (MVV)	3	Fair Value	**4,790**	**4,790**	4,790	4,790
Other assets (less MVV Promissory note)	N/A	Amortized Cost	**1,658**	**1,658**	1,658	1,658
			$ 217,736	**$ 217,736**	$ 172,416	$ 172,416
Financial Liabilities						
At fair value through profit and loss						
Derivative liabilities	2	Fair Value	—	—	2,779	2,779
Other financial liabilities						
Accounts payable and accrued liabilities	N/A	Amortized Cost	**63,579**	**63,579**	68,546	68,546
Short-term loans	N/A	Amortized Cost	**59,608**	**59,608**	58,169	57,278
Long-term loans	N/A	Amortized Cost	**119,650**	**119,650**	99,862	100,069
Other liability	N/A	Amortized Cost	**1,069**	**1,069**	1,518	1,518
			$ 243,906	**$ 243,906 $**	$ 230,874	$ 230,190

27 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 29* 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.

As of March 31, 2022, Aura has cash and cash equivalent of $193,829 and working capital of $171,120 (assets, excluding restricted cash, less current liabilities)

b) Currency risk

Aura's operations are located in Honduras, Brazil, México, and the United States; 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 March 31, 2022, the Company had cash and cash equivalents of $193,829, of which, $108,407 were in United States dollars, $63 in Canadian dollars, $83,279 in Brazilian reais, $1,985 in Honduran lempiras, $86 in Mexican pesos and $10 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 $8,542.

At March 31, 2022, the company had liabilities in foreign currency consisting of $2.5 million in Mexican Pesos and $73.6 in Brazilian reais. 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 $7.6 million.

28 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, re-pay 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.

At the end of 2019, Aura declared dividends for $ 3,044 which were subsequently paid in January 2020.

On March 15, 2021, Aura's Board of Directors approved a payment of dividends of US$ 0.83 per common share for a total dividends and payments of $60 million, which was paid out on April 6, 2021.

On December 1, 2021, Aura's Board of Directors approved an additional distribution and payment of dividends of US$ 0.35 per common share, as an anticipation of the expected dividends to be paid in the second quarter of 2022. The total dividends distribution of $25.4 million was paid out on December 15, 2021.

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

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

29 RELATED PARTY TRANSACTIONS

Key Management Compensation

Total compensation paid to key management personnel, remuneration of directors and other members of key executive management personnel for the three months ended March 31, 2022 and 2021 are as follows:

		2022		2021
Salaries and short-term employee benefits		**451**		2,409
Share-based payments		**113**		500
Directors' Fees		**13**		**(56)**
Termination benefits		**40**		40
	$	**617**	$	2,892

Reduction in salaries and short-term employee benefits in Q1 2022 are related to certain regular and extraordinary bonuses paid to management during Q1 2021. No bonuses have been paid in Q1 2022 and regular bonus payments occurred during Q2 2022.

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.

Iraja Royalty Payments

As part of the EPP 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 $429 and has a liability outstanding of $315 at March 31, 2022.

Royalty Agreement for Aura Almas and Matupá

The Company, through its wholly owned subsidiaries Almas and Matupá, maintains a royalty agreement with Mineração Santa Elina Ind. e Com. S.A., 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 50.92% ownership as of March 26th, 2021.

On March 15, 2021, Aura's Board of Directors approved a payment of dividends of US$ 0.83 per common share for a total dividend payment of $60 million, with a record date as of March 26th, 2021. The dividend payable amount owed to Northwestern is approximately $30.6 million. The dividends were paid out on April 6th, 2021.

On December 1, 2021, Aura's Board of Directors approved an additional distribution and payment of dividends of US$ 0.35 per common share, as an anticipation of the expected dividends to be paid in the second quarter of 2022 which totaled a dividend distribution of $25.4 million. The dividend payable amount owed to Northwestern is $12.9 millions and was paid out on December 15, 2021

Employee withholding taxes payable to 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. As of March 31, 2022, the total outstanding balance to be received by the Company is $3.3 million.

30 SEGMENTED INFORMATION

The reportable operating segments have been identified as the San Andres Mine, EPP Mines, the Aranzazu Mine, Corporate, Almas, Matupá and Tolda Fria and Gold Road Mine. 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.

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

For the three months ended March 31, 2022 and 2021, segmented information is as follows:

For the three months ended March 31, 2022	San Andres Mine	EPP Mines	Aranzazu Mine	Corporate	Gold Road	Matupa & Tolda Fria Projects	Almas	Total
Sales to external customers	**$ 36,533**	**$ 20,271**	**$ 55,472**	**$ —**	**$ —**	**$ —**	**$—**	**$ 112,276**
Cost of production	20,246	12,924	20,417	—	—	—	—	53,587
Depletion and amortization	1,634	1,984	5,391	—	—	—	—	9,009
Gross margin	**14,653**	**5,363**	**29,664**	**—**	**—**	**—**	**—**	**49,680**
General and administrative expenses	(797)	(481)	(430)	(3,242)	—	(38)	—	(4,988)
Care-and-maintenance expenses	—	(209)	—	—	(1,620)	(92)	(66)	(1,987)
Exploration expenses	(54)	(1,669)	(838)	—	—	(614)	—	(3,175)
Operating income/(loss)	**13,802**	**3,004**	**28,396**	**(3,242)**	**(1,620)**	**(744)**	**(66)**	**39,530**
Finance income/(loss)	(513)	1,258	(873)	(710)	(1)	(8)	9,932	9,085
Other items	—	282	(603)	—	598	—	$(56)	221
Income (loss) before income taxes	**13,289**	**4,544**	**26,920**	**(3,952)**	**(1,023)**	**(752)**	**9,810**	**48,836**
Current income tax (expense)	(3,800)	(155)	(8,231)	(1,540)	—	—	—	(13,726)
Deferred income tax (expense) recovery	$ 1,276	$ 210	$ 3,006	$ —	$ —	$ 37	(473)	4,056
Income (loss) for the year	**$ 10,765**	**$ 4,599**	**$ 21,695**	**$ (5,492)**	**$ (1,023)**	**$ (715)**	**$9,337**	**$ 39,166**
Property, plant and equipment	**$ 56,425**	**$ 40,824**	**$111,967**	**$ 439**	**$ 16,852**	**$ 15,767**	**$52,976**	**$ 295,250**
Total assets	**$ 103,977**	**$ 137,348**	**$179,065**	**$ 54,550**	**$ 17,516**	**$ 14,553**	**147,057**	**$ 654,066**
Capital expenditures	**$ 5,468**	**$ 1,765**	**$ 6,667**	**—**	**—**	**$ 615**	**$ 5,745**	**$ 19,030**

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

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

For the three months ended March 31, 2021	San Andres Mine	EPP Mines	Aranzazu Mine	Corporate	Gold Road	Matupa & Tolda Fria	Almas	Total
Sales to external customers	39,035	32,821	36,144	—	8,026	—	—	116,026
Cost of production	19,630	12,251	16,545	—	6,820	—	—	55,246
Depletion and amortization	1,795	3,385	3,199	—	1,300	—	—	9,679
Gross margin	17,610	17,185	16,400	—	(94)	—	—	51,101
General and administrative expenses	(166)	(861)	(1,028)	(3,020)	(835)	(1)	(11)	(5,922)
Care-and-maintenance expenses	—	(216)	(2)	—	—	(29)	(308)	(555)
Exploration expenses	(285)	(1,284)	(35)	—	(302)	—	—	(1,906)
Operating income/(loss)	17,159	14,824	15,335	(3,020)	(1,231)	(30)	(319)	42,718
Finance costs	(315)	(682)	(395)	(37)	(1,069)	—	(1)	(2,847)
Net loss on call options and fixed price contracts – Gold	—	—	—	328	—	—	—	328
Net gain on call options – Copper	—	—	(474)	—	—	—	—	(474)
Foreign exchange (loss) gain	323	2,629	(472)	(3,308)	—	—	(8)	(836)
Other expenses	(24)	45	(351)	—	(8,399)	—	—	(8,681)
Income (loss) before income taxes	16,843	16,816	13,643	(6,037)	(10,699)	(30)	(328)	30,208
Current income tax (expense)	(4,662)	(2,689)	(1,773)	—	—	—	—	(9,124)
Deferred income tax (expense) recovery	(187)	(2,298)	(3,620)	—	—	—	(1,020)	(7,125)
Income (loss) for the year	11,994	11,829	8,250	(6,037)	(10,699)	(30)	(1,348)	13,959
Property, plant and equipment	47,289	43,172	99,850	322	37,947	13,843	42,286	284,349
Total assets	89,816	131,082	134,760	116,124	40,139	13,728	42,406	569,261
Capital expenditures	3,496	4,785	6,550	—	6,026	86	913	21,856

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

31 COMMITMENTS AND CONTINGENCIES

a) Operating leases commitments

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

		March 31, 2022		December 31, 2021
Within one year	**$**	**34**	$	171
Two to four years		**303**		8
	$	**337**	$	179

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.

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

Included in other provisions as of March 31, 2022, is a provision of $688 (2021: $584) for loss contingencies related to ongoing legal claims.

c) Capital commitments

During Q1 2022, in order to mitigate the risks related to increasing costs and inflation, the Company entered into significant future capital expenditures agreements for US$47 million at Almas project.

32 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 three months ended March 31:

		2022		**2021**
Income /(Loss) for the period	**$**	**39,166**	$	13,959
Weighted average number of shares outstanding – basic		**72,244,618**		71,185,571
Weighted average number of shares outstanding – diluted		**72,464,375**		71,200,571
Total net income per share – basic	$	0.54	$	0.20
Total net income per share – diluted	$	0.54	$	0.20

33 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, except for the following:

On April 19, 2022, the Company announced that it had entered into a binding Scheme Implementation Deed ("SID") with Big River Gold Limited (ASX:BRV) ("Big River"), pursuant to which a subsidiary of Aura ("Aura BidCo") will acquire 100% of the issued and outstanding ordinary shares in the capital of Big River ("Big River Shares") by way of a scheme of arrangement under Part 5.1 of the Australian Corporations Act 2001 ("Scheme"). Pursuant to the Scheme, holders of Big River Shares ("Big River Shareholders"), other than Dundee Resources Limited ("Dundee Resources"), will receive $0.36 Australian Dollars in cash for each Big River Share held. Aura will hold its interest in Aura BidCo through an intermediate holding company ("Aura JVCo") and Dundee Resources has agreed, subject to certain limited conditions, to receive shares in Aura JVCo ("Share Consideration"), in lieu of the Cash Consideration in order to indirectly maintain an equity interest in Big River ("Transaction").

The Transaction is subject to certain conditions precedent including, among others:

- Shareholder approval being obtained from Big River Shareholders in relation to the Scheme;
- Court and ASIC approval in relation to the Scheme, and ASX waivers and consents to the extent required;
- Delivery of a report from an independent expert concluding (and continuing to conclude) that the Scheme is in the best interests of Big River Shareholders;
- No material adverse effect or prescribed event occurring in relation to either Big River;
- Big River unlisted option holders agreeing to the cancellation of their options; and
- Big River maintaining a certain minimum cash balance.

Big River Shareholders will be asked to approve the Scheme at a shareholder meeting which is expected to be held in July 2022, with closing of the Transaction anticipated to be in or around late July or early August 2022.