aura

360° MINING

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

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 Guarantã 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 EBITDA[4] 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.
- AISCs[5] 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 Debt[6] 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.

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[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 prices[7] 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.
    - Apoena (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 Apoena´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 Apoena 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.

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[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:

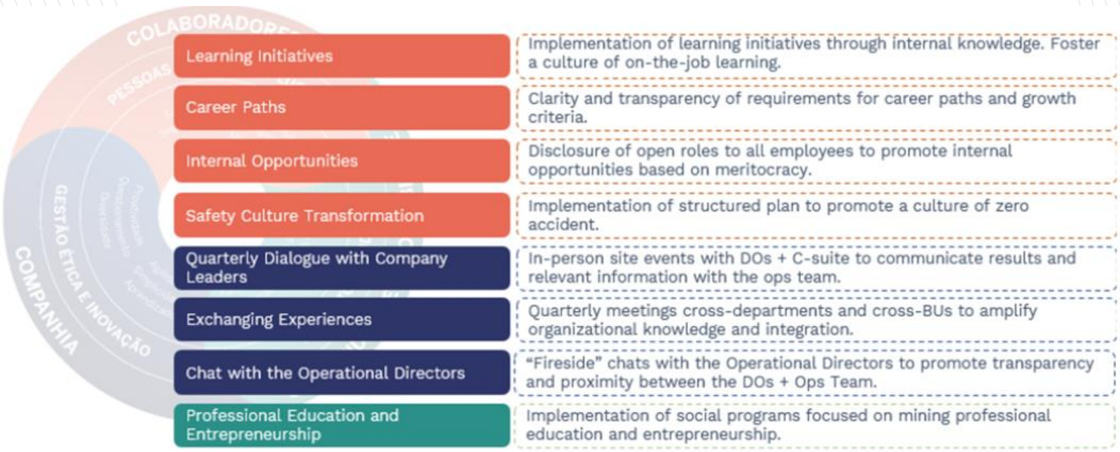
- In August 2023, Dundee Resources Limited converted its 20% stake in Borborema into a net smelter royalty. Aura then became owner of 100% of the Borborema project.
- On August 30, 2023, the Company announced the completion of Borborema Feasibility Study NI 43-101, anticipating production of 748,000 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 andAura 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 Betesda 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	877
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	914
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
IFRS Measures				
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 2023 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 sold[8]:

	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 Andres): 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 it´s 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 Andres): 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

<u>Introduction</u>

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.

<u>Operational performance</u>

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 prices[9].
- 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 significative 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") – Apoena

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 Feasiblity 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 ma-ny 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 105ºC 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	
Borborema project	*80,715*	*215,235*	
Almas	*84,606*	*73,225*	
Other	*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*
	For the 3 months ended Sep 30, 2023	**For the 3 months ended Dec 30, 2023**	***Cash / non-cash impacts***
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 ($)	-	**0.08**	0.11	0.16	0.26	0.17	0.00	0.21	0.54	0.31
Diluted ($)	-	**0.08**	0.11	0.16	0.26	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.

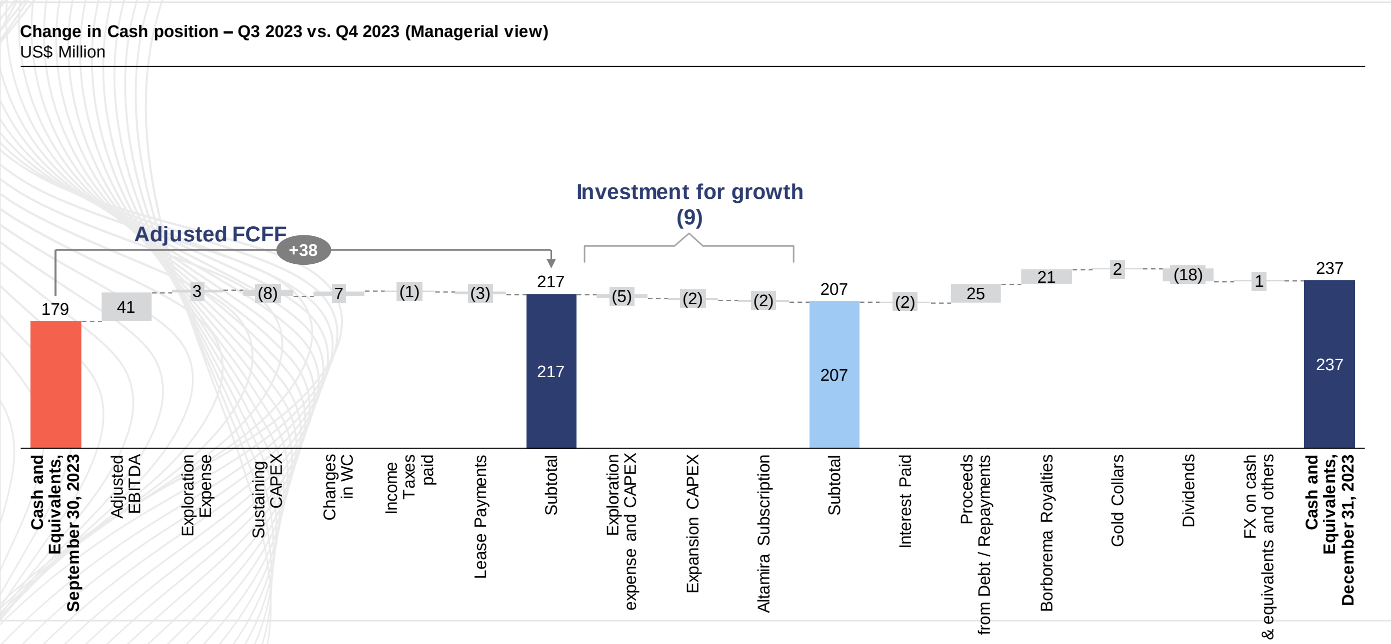
The changes in the Company's cash position during the last quarter of 2023 and the full year of 2023 and 2022 were as follows:

($ thousand)

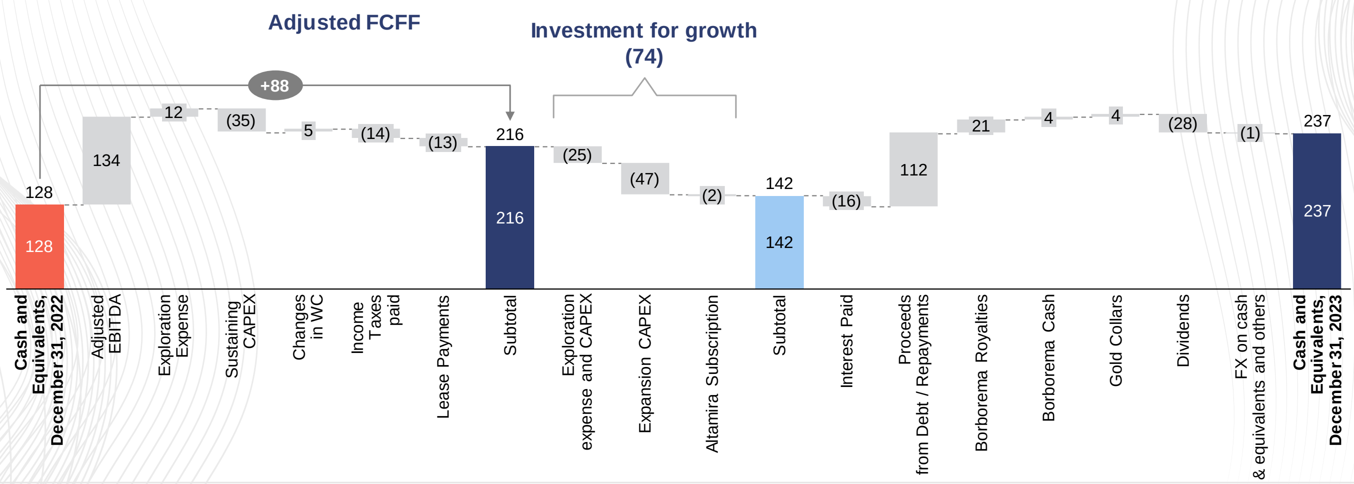
	For the three months ended December 31, 2023	For the three months ended December 31, 2022	**For the twelve months ended December 31, 2023**	For the twelve months ended December 31, 2022
Net cash generated by (used in) operating activities	**42,067**	54,998	**124,946**	96,363
Net cash generated by (used 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 than1 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 EBITDA[10] 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, gross[11]:

($ 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
Realized average gold price per ounce sold, gross	**1,967**	1,729	**1,943**	1,796
Realized average gold price per ounce sold, net	**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 Margin[12] (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 andother 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. Crowl, 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+ 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.