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AURA INSIDER: We are getting quietly confident, strangely enough. Last year was particularly tough at certain instances... in certain times. Mainly due to the under production, or rather under original guided production for 2015; the gold price dump didn't particularly help; uncertainty surrounding commodity prices - whatever copper prices were looking like; continuing to spend money on copper projects; and also just a general malaise; and having to deal with the debt burden. The debt burden has become manageable.

SHAREHOLDER: Right. Well, maybe to deal with some of those in buckets. The first for me is to confirm the guidance that has been put out for 2016 and some of the drivers there. The first point you mentioned was that 2015 production was under guidance but for 2016, San Andres is at the high end and in a narrowed range from 2015 production. So my first question is what gives you the confidence that everything is resolved there?

AURA INSIDER: Certainly, 2015 was always seen as being a slightly lower grade year in terms of the mine plan whereas 2016 we're aiming for higher areas of the orebody plus we finally got the support of the community and the government; those who would seek to gain betterment out of the mine. The feeling was always that 2016 was going to be a boom year. We're still somewhat on the conservative side of that. We'd originally looked at 2016 from a mine plan point of view as being close to 100,000 ounces.

SHAREHOLDER: Oh, wow.

AURA INSIDER: Based on our experiences in 2015, we're trying to be as conservative as possible. Not because you want to surprise everybody pleasantly by reporting an upside, but certainly, the grades that we've experienced over the past year were a couple percent lower than expected. We factored that in to 2016. We're hoping to be at the top end of the guidance range for 2016, if not more.

SHAREHOLDER: The cash costs were also a fair bit lower when you look at the mid-point from the mid-point in 2015. What's driving that?

AURA INSIDER: You're saying that they're higher now than we saw in 2015?

SHAREHOLDER: No, the other way. The guidance for 2016 is \$750-\$800 per ounce versus \$775 - \$825 per ounce in 2015 when production was around flat. So it seems like either costs are lower because you're working in a higher grade area of the orebody? Or some labor or material savings? I'm just wondering what has got a little bit cheaper?

AURA INSIDER: Well, one is the denominator. The ounces of production have slightly increased. But two, the majority of our costs remain at similar levels but because we invested and built a power line, we're actually getting a refund on that from the local electricity distributor. It's a revenue which we're offsetting against our costs. Furthermore, we negotiated better prices for certain consumables like cyanide.

SHAREHOLDER: And on Sao Francisco? That's a huge decrease in costs as well as slightly less of a decrease on production. I guess that's the foreign exchange as well as the fact that you're only mining for the first half of the year?

AURA INSIDER: Ya, pretty much a combination of both. One thing we did is we eliminated a management level at Sao Francisco; guys that seemed to be entrenched there. We literally just went in there and got rid of them last August. As a result, we have a level of salaries that no longer applies at Sao Francisco. Two, the exchange rate has helped immensely: this time last year it was 2.5 and now it's 4.1. On top of that, by the time we get to the third and fourth quarter this year, we're no longer mining, just processing. So, yes, there will be costs in laying people off, but at the same time you're getting \$1,100/ounce when you're no longer mining anything.

SHAREHOLDER: And those labor and restructuring costs are captured in the G&A guidance?

AURA INSIDER: They are captured in the G&A.

SHAREHOLDER: Ok. So it seems to me, walking through the high-level: at \$1,100 minus the mid-point of \$750 per ounce cost guidance at 135,000 ounces is \$47 million cash margin less...is the tax at that level in Honduras?

AURA INSIDER: Ummm. The tax would be about 25% at San Andres.

SHAREHOLDER: So maybe like \$38 million minus \$8 million G&A and care and maintenance minus \$11.5 million sustaining capital. Then what is the debt at the end of the year?

AURA INSIDER: At the end of the year we owe... it will be coming out in the financials but we owe \$6.4m in Brazil.

SHAREHOLDER: So there has been a payment there?

AURA INSIDER: There has been a payment, yes. Not a massive one though. Remember the debt has mainly moved due to the exchange rate.

SHAREHOLDER: Right, but the \$6.4m is like a \$500,000 payment, no?

AURA INSIDER: We paid \$250,000 in December and then beginning January I think we owed about 27m Reals.

SHAREHOLDER: So, there's the \$6.4m in Brazil. I assume the short-term promissory note for San Andres...

AURA INSIDER: We owe...we plan to pay that per...we plan to pay \$1.4 million over the year. We also owe Sandstorm royalties of about \$2.5 million.

SHAREHOLDER: And the gold loan is done?

AURA INSIDER: Yes.

SHAREHOLDER: So, I guess your base case scenario, your base budget at \$1,100 gold, you would finish the year at a \$10m net cash position?

AURA INSIDER: Yep. Pretty close.

SHAREHOLDER: So, is there any discussion as to what happens then?

AURA INSIDER: Well, you're calculating that on a smoothing basis. The discussion with what we would do with any cash at the end of the year will likely only happen in the second half of the year because the first half of the year, the flows are required for the expansion at San Andres Phase VI expansion. So, we're likely going to be managing cash. Well... there's two reasons that the first half will be tight: first, eliminating the entire Itau principal and number two is the Phase VI expansion at San Andres. Both of these are large cash outflow items. Which means the cash balance will be quite close until the second half of the year.

SHAREHOLDER: Well, it's not going to be close. You can always defer Itau until it matches.

AURA INSIDER: We can. But, that's not how it works here.

SHAREHOLDER: Right. For better or worse.

AURA INSIDER: For better or worse. In my world, I would just say "forget it."

SHAREHOLDER: Ok. But while the timing is an issue, so long as the gold price, production and costs are what we're saying, then you'll manage the capex and Itau such that at the end of the year there is \$10m net cash in the bank?

AURA INSIDER: That's the idea, yes.

SHAREHOLDER: And to make sure that goes according to plan – given the Itau repayment isn't what I would think and you might like – what, if anything is being done to secure the cash flows regarding gold price and foreign exchange hedges?

AURA INSIDER: The FX hedges we're not going to deal with because they'll actually just be working in our favor.

SHAREHOLDER: Well, unless the Real goes from 4.1 back to 3.2 or something.

AURA INSIDER: We've got reports from the major Brazilian banks, not just the ones we deal with but others, that there's still an expectation the Real will be dumping further towards the 4.5 level. At that point we may consider it, but it's highly unlikely we can get it because we tried it in the past. Until we have actual "cred" with any banks, we're not going to be getting any FX hedges.

SHAREHOLDER: So even with repayments to Itau, they're not willing to consider it? Have you negotiated or began any discussions?

AURA INSIDER: Yes we have, but they won't extend the credit unless we pay a substantial margin deposit. It's that Catch-22. As it is, we've basically saved \$10 million on that debt by not paying it. It makes us seem like financial wizards.

SHAREHOLDER: I wouldn't quite go that far, but "lucky" is certainly the word that comes to mind.

AURA INSIDER: Though from my point of view, I see myself as an absolute financial wizard.

SHAREHOLDER: [Laughs] Right.

AURA INSIDER: But from a truthful point of view, it's pure luck.

SHAREHOLDER: Right. I would imagine that gold is a much more liquid market and there are a lot more people who you can show that the company is liquid. So it should be easier to hedge?

AURA INSIDER: It is. We've already placed some.

SHAREHOLDER: Perfect and is there a thinking like 10% of production at \$1,100 and 10% more every incremental 5% increase in the gold price?

AURA INSIDER: Something similar to that, yes. We're looking to lock-in the \$1,100 first of all, but as it moves up, we'll be looking to lock in different levels of pricing. If we can lock-in the budget, and we can lock-in any increases above that, we're certainly going to take that.

SHAREHOLDER: Ok...

AURA INSIDER: Now, again, it's something we can't get through banks, but it is something we can get through Auramet.

SHAREHOLDER: You're not doing it again through them are you!?

AURA INSIDER: Oh no, this isn't a gold loan. Just fixed price protection.

SHAREHOLDER: Got it. So its just a swap.

AURA INSIDER: Ya, they cover themselves on their end. It's cashless.

SHAREHOLDER: That makes sense. That's good to hear. And I guess I was just wondering: Why does Aura put out guidance in the first place? There's zero research analysts, zero investor engagement from the Company, and I would imagine that 90% of your shareholder communications are with one guy. So I didn't know if the guidance was for Itau or for securing the EPP asset or if maybe there was the desire to engage shareholders finally?

AURA INSIDER: Well, there's that. There's also the part where everybody does it, so we should as well. But over and above that, we have a very engaged shareholder. I'm very careful...let's put it this way, one's always concerned that he maybe knows a little too much about the Company. As you can see, we've expanded information in our guidance. I'm trying to level playing fields a bit. I can't have

imperfect and perfect information sitting out there. I'm trying to ensure that should anything occur... Our shareholder [Paulo Brito] constantly says "well what about this placement, this private placement, I can get money here or here." Should another share offering ever occur, I want to make sure that everybody has the same amount of information to make a decision on that offering. I doubt it will ever occur...

SHAREHOLDER: And sorry, but why if you're projecting to be in a \$10 million net cash position at the end of the year would a share offering be a good idea for the Company?

AURA INSIDER: Mainly because that \$10 million will only happen in the last five months of the year, until then we're pretty much skating on just about zero. It's an insurance policy. If I could get rid of Itau that quickly, I'd prefer to bank the cash.

SHAREHOLDER: But Itau has no recourse!?

AURA INSIDER: Itau has no recourse. Except on our major shareholder.

SHAREHOLDER: I see, so you think he would prefer to do something that wasn't in the Company's best interest even if it was in his own?

AURA INSIDER: Yes.

SHAREHOLDER: But there's a Board of Directors that's there to prevent such a thing.

AURA INSIDER: My silence is my answer.

SHAREHOLDER: I see.

AURA INSIDER: I can't tell you much more than that, but I'd have to say that our Board of Directors is...you know...they're...I...truly though, the likelihood of this fellow [Paulo Brito] ever raising any more money...I mean, who knows where he came up with the cash to buy out [REDACTED] [another shareholder].

SHAREHOLDER: Well, it sounds like maybe he knew something I didn't. I told [REDACTED] [shareholder] that I wasn't selling my shares, that I thought this Company was worth four or five times what it was trading at, but I certainly didn't have the conviction to buy his shares. It seems like Brito, for whatever reason, certainly had more conviction than I did. To be honest, when I saw the 2016 guidance, it was kind of an "ah-ha" moment.

AURA INSIDER: Right. Both [REDACTED] [Aura Insider B] and myself have made the point. I mean I can deal with [REDACTED] [shareholder] and keep talking with him or whatever, but I couldn't work out why the Britos would put the money in somebody else's pocket. The Company could have done with the cash. We always can. It was very difficult for me to understand. And I still don't really...look, I'll never entirely believe much of what the Britos come up with until they actually show that they have the wherewithal to take the Company to where it should be, as shareholders, as opposed to just coming up with crackpot schemes.

SHAREHOLDER: Right. Ummm...ya...Ok. And do you have any sense, or have there been any talks assuming at the end of the year there is that \$10 million in cash, is that something that will be returned to shareholders to show the value of the existing assets or will it be allocated again to money losing copper projects?

AURA INSIDER: God no! I think that there has finally been a realization. Look, I have to be honest, the new shareholder, the guy who came in with the private placement last year...he actually reads our documents. He's been pretty vocal in asking questions along the lines of "why the f--- are you investing in Aranzazu and Serrote!?"

SHAREHOLDER: Oh, I see. So, logical questions?

AURA INSIDER: Ya, I mean...weirdo! So he's said "you have to cut those down to mothball". Like, "yes"..<[laughs]. I believe that this line of reasoning...until the copper price gets back up to a justifiable level again, you don't just waste it on things that are pie in the sky.

SHAREHOLDER: Right. And the other thing I'd say about that justified level is that it's more than just the price of the commodity. That can happen on a headline basis for a short period of time but if you benchmark Aranzazu and Serrote against the other global copper projects in the pipeline, you really need a materially higher price to get the capital required to bring them forward. Really, I think that the decline in the commodity price is the only thing that saved Aura. I think if Aranzazu had got that loan that was originally planned, this Company would have had to restructure.

AURA INSIDER: I would totally agree with that. What the whole process with Aranzazu demonstrated is that this is not a market you can go out and just say: "this is going to make millions".

SHAREHOLDER: Right.

AURA INSIDER: Because, strangely enough this market these days actually looks at your documents.

SHAREHOLDER: The other thing is that it shows the importance of being able to control your financial destiny. So, really, the right capital structure for a Company like Aura is zero debt.

AURA INSIDER: Correct. That's what I think we're finally actually getting towards. It's taken a while, and to be perfectly honest, it's taken a lot of banging one's head against a wall. Fortunately or unfortunately, the Company has demonstrated what it's capable of...or what it's not capable of...and it's not capable of managing copper projects that are just sucking the life out of you.

SHAREHOLDER: And I guess that's what brings me to another point. I've sent a couple emails on other gold companies, like [REDACTED] or [REDACTED] but, to the extent that you can find companies that are also trading at one quarter to one half of NAV or a turn or two of EBITDA...something that's also relatively undervalued where you can make money in a rising commodity price environment. A company that has maybe the cash but the operational resources, and let's face it, the Board governance to bring these assets forward. To me that makes infinitely more sense than just imagining the future price of commodities and what the current assets could be worth.

AURA INSIDER: I don't disagree. Unfortunately, we have a layer of shareholder to get through on that.

SHAREHOLDER: But are they being presented opportunities?

AURA INSIDER: I am discussing such ideas with [REDACTED] [Aura Board Member] but there appears to be no appetite to consider such mergers...such synergies...until we've got EPP up and running...whenever that may occur...

SHAREHOLDER: Ok....

AURA INSIDER: Our shareholders just aren't keen on that. We are stuck. There are absolutely opportunities, but to be blunt we still have to clean house. I did say to Jim [CEO and Director] yesterday that if we're going to get to a position of truly trying to sell the Company or merge, we have to have our assets in order. In other words, we have to have proven them up. We cannot keep going along the way of not having updated 43-101 documents.

SHAREHOLDER: For which assets?

AURA INSIDER: San Andres, EPP, Aranzazu...

SHAREHOLDER: I wouldn't spend money on Aranzazu. You have the PFS, EPP is being completed. What's missing with San Andres?

AURA INSIDER: Good governance is that we should be doing that once a year.

SHAREHOLDER: Right. I would say, for what it's worth...EPP is currently being done and San Andres is the only one you need. That's your cashflow. You could have a multiple of the share price just based on that. The Serrote and Aranzazu...those are...no one is going to put any value on that. Someone can look at the historical documents, and they can move prices around, but they're going to want to do their own analysis if and when the commodity price justifies an investment. But it certainly doesn't now.

AURA INSIDER: No, it certainly doesn't. We haven't...look, I think that we are slowly getting out of the impractical grasp of our main shareholder. In other words, there was a point when all he was doing was thinking about the future cashflows as opposed to the ability to ever get there without cleaning house. I think he's finally getting there, which means that we can finally start dedicating a bit of time and a bit of cash towards thinking about the Company as a marketing opportunity and not just a "let's get though this year thing".

SHAREHOLDER: Well that's it, because the reality is you're never going to realize full value with Aura in its current form. But if you're willing to take a significant premium but a discount to NAV now – and I would rollover my shares as well, I'm not looking to cash out, this isn't a short-term thing for me – but if you do something like that you're putting the right foundation in place.

AURA INSIDER: Correct.

SHAREHOLDER: It's that type of analysis.

AURA INSIDER: I agree. I think the brain is finally starting to wake up to that; the corporate brain. It's taken a bit of time, but we may finally see some light. Mainly just because we've been forced to. At least there is some level of hope.

SHAREHOLDER: Right. Ok. So when do you guys do the AGM this year?

AURA INSIDER: It will be the same day as publication of Q1 results. Probably May 12th?

SHAREHOLDER: It's that late, huh?

AURA INSIDER: Yes. I know some companies coincide it with end of March, ours is traditionally Q1 reporting. Whatever date we promise to publish on, it will be that date.

SHAREHOLDER: Have you noticed that Aura tends to put out a release saying it will publish results on a certain day and then the actual release comes a day earlier?

AURA INSIDER: Umm...it's happened a couple times.

SHAREHOLDER: Ya.

AURA INSIDER: Nothing in that apart from "ah, let's just get on with our lives." Ultimately, the standard is normally you have your audit committee and Board meeting and then a day later you publish because you have final corrections and bits and pieces to put through. But we've actually found that our documents are sent out dramatically in advance so all comments are incorporated by the time of the final meeting. Instead of waiting a day, we just release.

SHAREHOLDER: On the AGM and the Board, we had brought it up on the last call with [REDACTED] and [REDACTED] [two Aura Board Members], but the idea of adding more independence to the Board? I don't know who that would be but do you think anyone is open to it? This Company...this Board could really use someone, even like this new shareholder, that's actually reading the financial statements and thinking about things from an independent minority shareholder perspective.

AURA INSIDER: Obviously...we...he was offered a position, but he declined. We aren't actually looking for Board members now, mainly because we're not paying our Board members. It's quite difficult to recruit an additional Board member without actually paying them for it. We certainly...we could probably do with a couple independent voices.

SHAREHOLDER: [REDACTED]

AURA INSIDER: [REDACTED]

SHAREHOLDER: [REDACTED]

AURA INSIDER: [REDACTED]

SHAREHOLDER: Right...well, listen, I think eventually, economics prevail. It's just unfortunate that what could have happened years ago is now slowly being forced by the market. The market is really forcing the Board to take the actions that it should have taken independently three years ago.

AURA INSIDER: Well ultimately, yes. The good thing is we managed to do that without losing anything.

SHAREHOLDER: Well, 20% dilution is a little bit of a loss. But you're right, in the grand scheme of things, it could have been a lot worse.

AURA INSIDER: Ya. This time last year I was sitting there thinking we had weeks left. Ultimately, it was purely because economically, we couldn't do anything else. Thank god.

SHAREHOLDER: Right. Well, thank you. That's very helpful and I've taken enough of your time. I appreciate it.

AURA INSIDER: Not a problem.

SHAREHOLDER: Best of luck with everything and we'll be in touch.

AURA INSIDER: Look forward to it. Have a good one.

[Call ended]