

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Aura Minerals Inc.		2 Issuer's employer identification number (EIN) None	
3 Name of contact for additional information Ryan Goodman	4 Telephone No. of contact (305) 239-9332	5 Email address of contact rgoodman@auraminerals.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact Craigmuir Chambers, P.O. Box 71		7 City, town, or post office, state, and ZIP code of contact Road Town, Tortola, VG1110	
8 Date of action December 31, 2018		9 Classification and description Common Shares	
10 CUSIP number G06973 112	11 Serial number(s) N/A	12 Ticker symbol TSX: ORA; OTCMKTS: ARMZF	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On December 31, 2018, Aura Minerals Inc. ("Aura") undertook a reverse stock split (share consolidation) whereby it consolidated every ten (10) existing common shares into one (1) new common share (the "Consolidation"). No shareholders received a fractional common share, as each fractional share less than 0.5 of a common share was rounded down and each fractional share equal to, or greater than, 0.5 of a common share was rounded up to a whole common share. Shareholders who held nine (9), or less, existing common shares immediately prior to the effective time of the Consolidation received cash in an amount equal to the product of CAD\$1.90 and the number of existing common shares held by such shareholder immediately prior to the effective time of the Consolidation.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ As a result of the Consolidation, shareholders which received solely common shares pursuant to the Consolidation will be required to allocate the aggregate tax basis to each block of their common shares held immediately prior to the Consolidation among the common shares held immediately after the Consolidation, such that the per-share tax basis in each common share is equal to 1000% of the tax basis in a pre-Consolidation share. While the "per-share" tax basis of each such shareholder is impacted, the aggregate tax basis of each such shareholder's total investment in Aura remains unchanged.

As a result of the Consolidation, shareholders which received solely cash pursuant to the Consolidation will generally be deemed to have received a distribution in full payment for such shareholder's common stock and will generally recognize taxable gain (or loss) to the extent such cash exceeds (is exceeded by) such shareholder's aggregate tax basis in its pre-Consolidation shares.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ With respect to shareholders which received solely common shares pursuant to the Consolidation, the post-Consolidation per-share tax basis is equal to the pre-Consolidation aggregate tax basis in each ten (10) common shares held. This results in an increased per-share basis for the fewer shares held.

With respect to shareholders which received solely cash pursuant to the Consolidation, such shareholders received cash equal to the product of CAD\$1.90 (U.S. \$1.39, as converted using the daily exchange rate published by the Bank of Canada on December 31, 2018) and the number of existing common shares held by each such shareholder immediately prior to the effective time of the Consolidation.

Part II Organizational Action (continued)



17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► Aura believes, with respect to shareholders which received solely common shares pursuant to the Consolidation, that the Consolidation should be treated as a tax-free reverse stock split (share consolidation). Consequently, the U.S. federal income tax consequences of the Consolidation to such shareholders should be determined under Code Sections 305(a), 307(a), 358(b)(1) and 368(a)(1)(E).

Aura believes, with respect to shareholders which received solely common shares pursuant to the Consolidation, that the Consolidation should be treated as a distribution in full payment for such shareholder's common stock. Consequently, the U.S. federal income tax consequences of the Consolidation to such shareholders should be determined under Code Sections 302, 1001 and 1221.

18 Can any resulting loss be recognized? ► Provided the Consolidation constitutes a non-taxable transaction, shareholders who received solely one (1) new common share in exchange for ten (10) existing common shares of Aura should not recognize any loss.

Even if the Consolidation qualifies as a non-taxable transaction, shareholders who received solely cash pursuant to the Consolidation may recognize loss to the extent any such shareholder's aggregate tax basis in its existing common shares exceeds the cash received pursuant to the Consolidation in exchange therefor.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► In general, any gain or loss recognized should be reported by shareholders for the tax year which includes December 31, 2018 (e.g., a calendar year shareholder would report the Consolidation on his or her federal income tax return filed for the 2018 calendar year).

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	Signature ► 	Date ►	4 JAN 2019		
Paid Preparer Use Only	Print your name ►	Ryan Goodman		Title ►	VP LEGAL AFFAIRS
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	John Hollinrake		4 Jan 2019		P01568530
	Firm's name ► Dorsey & Whitney LLP	Firm's EIN ►	41-0223337		
Firm's address ► Columbia Center, 701 Fifth Avenue, Suite 6100, Seattle, WA 98104	Phone no.	(206) 903-8812			

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054