aura 360° MINING

Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2020 and 2019
(Unaudited)

Aura Minerals Inc.

Condensed Consolidated Statements of Income (Loss)

For the three and six months ended June 30, 2020 and 2019

Expressed in thousands of United States dollars

(Unaudited)

	Note	**For the three months ended June 30, 2020**	For the three months ended June 30, 2019	**For the six months ended June 30, 2020**	For the six months ended June 30, 2019
Net revenue	19	**$ 60,834**	$ 50,374	**$ 109,460**	$ 86,630
Cost of goods sold	20	**42,947**	45,563	**84,883**	80,743
Gross margin		**17,887**	4,811	**24,577**	5,887
General and administrative expenses	21	**3,075**	3,577	**7,144**	6,215
Care-and-maintenance expenses	22	**214**	689	**650**	1,465
Exploration expenses	23	**902**	1,092	**1,740**	2,108
Operating income/(loss)		**13,696**	(547)	**15,043**	(3,901)
Finance costs	24	**(2,500)**	(1,208)	**(4,222)**	(2,255)
Other gains (losses)	25	**(7,109)**	(2,361)	**(13,678)**	(2,201)
Income/ (Loss) before income taxes		**4,087**	(4,116)	**(2,857)**	(8,357)
Current income tax (expense)	14	**(1,176)**	(439)	**(2,328)**	(1,481)
Deferred income tax (expense) recovery	14	**1,074**	641	**(8,494)**	1,201
Income/(Loss) for the period		**$ 3,985**	$ (3,914)	**$ (13,679)**	$ (8,637)
Income/(Loss) per share:					
Basic & Diluted	32	**$ 0.92**	$ (0.90)	**$ (3.14)**	$ (1.98)
Diluted	32	**$ 0.91**	$ (0.90)	**$ (3.11)**	$ (1.98)
Weighted average number of common shares outstanding:					
Basic	32	**4,353,946**	4,353,865	**4,353,684**	4,352,083
Diluted	32	**4,392,996**	4,370,834	**4,392,734**	4,369,052

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

Aura Minerals Inc.

Condensed Consolidated Statements of Comprehensive Income (Loss)

For the three and six months ended June 30, 2020 and 2019

Expressed in thousands of United States dollars

(Unaudited)

		For the three months ended June 30, 2020		For the three months ended June 30, 2019		For the six months ended June 30, 2020		For the six months ended June 30, 2019
Income/(Loss) for the period	**$**	**3,985**	$	(3,914)	**$**	**(13,679)**	$	(8,637)
Other comprehensive loss								
Items that may be reclassified to profit or loss								
Gain on foreign exchange translation of subsidiaries		**29**		(53)		**494**		(53)
Items that will not be reclassified to profit or loss								
Actuarial loss on post-employment benefit, net of tax		**(1,122)**		25		**(1,362)**		25
Other comprehensive loss, net of tax		**(1,093)**		(28)		**(868)**		(28)
Total comprehensive income/(loss)	**$**	**2,892**	$	(3,942)	**$**	**(14,547)**	$	(8,665)

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

Aura Minerals Inc.

Condensed Consolidated Statements of Cash Flows

For the six months ended June 30, 2020 and 2019

Expressed in thousands of United States dollars

(Unaudited)

For the six months ended June 30,	Note		2020		2019
Cash flows from operating activities					
Income/(Loss) for the period		**$**	**(13,679)**	$	(8,637)
Items not affecting cash	26(a)		**31,788**		14,431
Changes in working capital	26(b)		**3,002**		3,069
Taxes paid			**(3,184)**		(458)
Other assets and liabilities	26(c)		**(3,583)**		(1,423)
Net cash generated by operating activities			**14,344**		6,982
Cash flows from investing activities					
Purchase of property, plant and equipment, and other investments	11		**(21,504)**		(14,424)
Proceeds from maturity of short term investments			**-**		10,148
Proceeds on sale of plant and equipment			**198**		249
Net cash used in investing activities			**(21,306)**		(4,027)
Cash flows from financing activities					
Proceeds received from debts	26(e)		**8,000**		10,568
Payments of dividends	28		**(3,044)**		-
Proceeds and (payments) from exercise of stock options			**(107)**		(45)
Repayment of short term loans	26(e)		**(5,117)**		(6,538)
Repayment of other liabilities	17(a)		**(696)**		(275)
Principal payments of lease liabilities	17(b)		**(614)**		(1,041)
Interest paid on debts	26(e)		**(1,705)**		(1,119)
Net cash generated (used) in financing activities			**(3,283)**		1,550
Increase (decrease) in cash and cash equivalents			**(10,245)**		4,505
Effect of foreign exchange loss on cash equivalents			**(2,235)**		-
Cash and cash equivalents, beginning of the period			**38,870**		10,507
Cash and cash equivalents, end of the period		**$**	**26,390**	$	15,012

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

Aura Minerals Inc.

Condensed Consolidated Statements of Financial Position

As at June 30, 2020 and December 31, 2019

Expressed in thousands of United States dollars

(Unaudited)

	Note	June 30, 2020	December 31, 2019
ASSETS			
Current			
Cash and cash equivalents		$ 26,390	$ 38,870
Restricted cash		188	230
Value added taxes and other receivables	7	26,849	31,470
Inventory	8	34,859	33,535
Other current assets	9	18,211	6,139
		106,497	110,244
Other long-term assets	10	7,681	9,753
Property, plant and equipment	11	244,225	212,496
Deferred income tax assets	14	12,350	18,016
		$ 370,753	$ 350,509
LIABILITIES			
Current			
Trade and other payables	12	$ 57,177	$ 56,992
Derivative Financial Instrument	27	3,892	227
Current portion of debts	13	33,408	22,104
Current income tax liabilities		3,362	6,157
Current portion of other liabilities	17	1,249	1,944
		99,088	87,424
Debts	13	37,915	20,850
Deferred income tax liabilities	14	10,681	8,315
Provision for mine closure and restoration	15	31,746	30,142
Other provisions	16	9,638	7,598
Other liabilities	17	461	560
		189,529	154,889
SHAREHOLDERS' EQUITY	18		
Share capital		569,327	569,285
Contributed surplus		55,533	55,424
Accumulated other comprehensive income		4,511	5,379
Deficit		(448,147)	(434,468)
		181,224	195,620
		$ 370,753	$ 350,509

Approved on behalf of the Board of Directors:

"Stephen Keith" — **Stephen Keith, Director**

"Rodrigo Barbosa" — **Rodrigo Barbosa, President, CEO**

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

Aura Minerals Inc.

Condensed Consolidated Statements of Changes in Equity

For the six months ended June 30, 2020 and 2019

Expressed in thousands of United States dollars

(Unaudited)

	Note	Number of common shares		Share capital		Contributed surplus		Accumulated other comprehensive income		Deficit		Total equity
At December 31, 2019		**4,353,408**	**$**	**569,285**	**$**	**55,424**	**$**	**5,379**	**$**	**(434,468)**	**$**	**195,620**
Exercise of options	**18**	**1,194**		**41**		**(148)**		**-**		**-**		**(107)**
Stock options issued		**-**		**-**		**257**		**-**		**-**		**257**
Income for the period		**-**		**-**		**-**		**-**		**(13,679)**		**(13,679)**
Non-controlling interests		**-**		**1**		**-**		**-**		**-**		**1**
Gain on translation of subsidiaries		**-**		**-**		**-**		**494**		**-**		**494**
Actuarial loss on severance liability, net of tax		**-**		**-**		**-**		**(1,362)**		**-**		**(1,362)**
At June 30, 2020		**4,354,602**	**$**	**569,327**	**$**	**55,533**	**$**	**4,511**	**$**	**(448,147)**	**$**	**181,224**

	Note	Number of common shares		Share capital		Contributed surplus		Accumulated other comprehensive income		Deficit		Total equity
At December 31, 2018		**4,337,733**	**$**	**569,052**	**$**	**55,253**	**$**	**6,427**	**$**	**(456,311)**	**$**	**174,421**
Exercise of options		16,132		233		(278)		-		-		(45)
Stock options issued		-		-		228		-		-		228
Loss for the period		-		-		-		-		(8,637)		(8,637)
Gain on translation of subsidiaries		-		-		-		(53)		-		(53)
Actuarial gain on severance liability, net of tax		-		-		-		25		-		25
At June 30, 2019		**4,353,865**	**$**	**569,285**	**$**	**55,203**	**$**	**6,399**	**$**	**(464,948)**	**$**	**165,939**

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

1 DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

Aura Minerals Inc. ("Aura Minerals", "Aura", or the "Company") is a mining company focused on the operation and development of mining properties in the Americas.

Aura Minerals is a public company listed on the Toronto Stock Exchange (Symbol: ORA) and on the São Paulo Stock Exchange – B3 (Symbol: AURA32). Aura is incorporated under the *BVI Business Companies Act, 2004* (British Virgin Islands). Aura's registered office is located at Craigmuir Chambers, PO Box 71, Road Town, Tortola VG1110, British Virgin Islands. Aura maintains a head office at 78 SW 7th Street, Suite # 7144, Miami, Florida 33130, United States of America.

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

These financial statements were approved for issue by the Board effective August 5, 2020.

2 BASIS OF PREPARATION AND PRESENTATION

The condensed interim consolidated financial statements of Aura have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in Aura's annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted. These condensed interim consolidated financial statements should be read in conjunction with Aura's annual consolidated financial statements for the year ended December 31, 2019, ("2019 Annual Financial Statements").

In particular, Aura's significant accounting policies were presented in *Note 3* of 2019 Annual Financial Statements. The condensed interim consolidated financial statements have been prepared on a going concern basis using historical cost except for those assets and liabilities that are measured at revalued amounts or fair values at the end of each reporting period as explained in *Note 3*. Additionally, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies followed in these condensed interim consolidated financial statements are consistent with those disclosed in *Note 3* of 2019 Annual Financial Statements, with the exception of income taxes that are based on the weighted average effective tax rates and the application of certain new and amended IFRS pronouncements issued by the IASB, which were effective from January 1, 2020. Of those new and amended IFRS pronouncements that had a significant impact on Aura's condensed interim consolidated financial statements are described in *Note 4* below.

The functional currency of Aura and majority of its subsidiaries is the United States Dollar ("US Dollar") except for several services companies in Mexico which have a functional currency of Mexican Pesos ("MXN Pesos") and several Brazilian subsidiaries in Brazilian Reais ("BRL Reais"). All values in the condensed interim consolidated financial statements are rounded to the nearest thousand.

3 IMPACT OF THE COVID-19 PANDEMIC

At the end of 2019, a novel strain of coronavirus ("COVID-19") was reported in China. By March 11, 2020, the World Health Organization deemed the COVID-19 outbreak to be a pandemic.

During the first quarter of 2020, measures were taken by governments to contain the pandemic, including in some of the countries in which Aura operates. On March 16, 2020, the Honduran government approved by PCM Decree 21-2020, among others, the suspension of work in the public and private sectors, with private companies such as Aura having to operate with a minimal work force for general maintenance no greater than 50 people. Mining operations at San Andres were interrupted and Aura has reduced its workforce to the minimum in order to maintain tailings and continue to satisfy environmental requirements in connection with operations and other critical activities at the mine. The Honduran government had issued new orders since then extending its previously-issued decree until May 24, 2020. Aura, through the granting of a special request authorization from the Honduran government, was allowed to fully resume operations at San Andres on May 26, 2020.

On March 31, 2020, the Mexican government issued a decree requiring the suspension of all non-essential activities in the private and public sectors until April 30, 2020, which has since been extended until May 30, 2020. Nevertheless, on May 12, 2020, mining was included as an essential activity by the Mexican authorities, and mining companies were allowed to request authorization to fully resume operations from May 18, 2020. The March 31 decree allowed businesses to maintain critical activities which, if interrupted, could result in potentially irreversible damage that prevents their further continuation. Accordingly, Aura suspended all non-essential operations at Aranzazu while maintaining only critical activities which are required to prevent safety and/or environmental risks from materializing and potentially irreversible damage occurring that could prevent our operations from continuing. On May 27, 2020, Aura obtained authorization to fully resume operations at the Aranzazu mine.

Aura has been monitoring the developments of the pandemic and instituted some preventative measures to ensure the safety of its workforce and local communities by having essential personnel on-site and other non-essential personnel work remotely.

As of June 30, 2020, the currency of Brazil and Mexico devalued from December 31, 2019 by 36% and 22%, respectively, which affected various financial statement line items including foreign exchange gain/loss (*Note 25*), deferred tax assets (*Note 14*), and VAT taxes (*Note 7*).

As a result of the events and factors described above, assumptions utilized by Aura, such as future metal prices, exchange rates, discount rates, and other key assumptions, are subject to greater uncertainty given the current economic conditions. The extent to which COVID-19 impacts future business activity or financial results (including impairment of non-financial assets), and the duration of any such negative impact, will depend on future developments, which are highly uncertain and unknown at this time.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The condensed interim consolidated financial statements have been prepared in accordance with the accounting policies adopted in *Note 3* of the 2019 Annual Financial Statements, except for the effects of the following new and revised standards, which were adopted by Aura, effective January 1, 2020.

Revised “Conceptual Framework for Financial Reporting”

On March 29, 2018, the International Accounting Standards Board (IASB) issued a revised “Conceptual Framework for Financial Reporting” which is currently being used by the Board and Interpretations Committee of the IASB in developing new pronouncements. The revision includes definitions of an “asset” and a “liability” along with new guidance on measurement, derecognition, presentation, and disclosure.

Amendments to IFRS 3 regarding the definition of “business”

On October 22, 2018, the International Accounting Standards Board (IASB) issued an amendment to the “Definition of a Business (Amendments to IFRS 3)” to clarify the definition of a “business” to remove difficulties in determining whether a company has acquired a business or a group of assets.

Amendments to IAS 1 and IAS 8 regarding the definition of “materiality”

On October 31, 2018, the International Accounting Standards Board (IASB) issued an amendment to the "Definition of Material (Amendments to IAS 1 and IAS 8)" to clarify the definition of "material" and to align the definition used in the Conceptual Framework and the standards.

5 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the condensed interim consolidated financial statements requires management to make estimates and judgements and to form assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities. Management's estimates and judgements are continually evaluated and are based on historical experience and other factors that management believes to be reasonable under the circumstances. Actual results may differ from these estimates.

Please refer to *Note 4* of the 2019 Annual Financial Statements for the critical accounting policies under which significant judgements, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or Aura's consolidated statements of financial position reported in future periods.

Critical judgements made in determining the fair values of identifiable assets and liabilities in relation to the Acquisition of Gold Road Corporation (see Note 6 for details) include the discount rate and the cash flows associated with the fair value of certain property, plant and equipment acquired and the discount rate and probabilities assigned to the exercise of the prepayment option used in the determination of the fair value of the assumed Pandion Debt.

6 ACQUISITION OF GOLD ROAD CORPORATION

On March 7th, 2020, Aura entered into a share purchase agreement to acquire all the outstanding common shares of Z79 Resources, Inc. ("Z79") (the "Share Purchase Agreement"), which, through Z79 holds: I) a 94% interest in Gold Road Mining Corp. ("GRMC"), which in turn owns the Gold Road Mine located in Arizona (the "Gold Road Project") and II) a 94% interest in TR-UE Vein Exploration, Inc. ("TR-UE Vein"). Aura entered into the purchase of the Gold Road mine to further diversify its portfolio of mines in the Americas. Beginning in Q2 2020, the Gold Road mine is under development and is out of care and maintenance.

The closing of the Gold Road Project acquisition occurred on March 27, 2020. Consideration paid pursuant to the Share Purchase Agreement consists of $1. As part of the acquisition, Aura assumed a debt of $35 million, with an option to pre-pay for $24 million during the first year, which was fair valued at $25.2 million and guaranteed with the mine itself (*see note 13*).

The transaction was deemed to be within the scope of *IFRS 3 - Business Combinations* and Aura concluded that the activities of Z79 constitute a business.

The allocation of the purchase consideration to the fair values of the identifiable assets and liabilities (other than cash) is preliminary and may be revised by Aura as additional information becomes available. Changes to the allocation could be material. The purchase price and preliminary allocation of the purchase price (expressed in $US dollars) is as follows:

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

Cash Paid	1
Total purchase consideration	**1**
Assets acquired	
Cash	4,863
Inventory	148,428
Other assets	166,411
ARO Asset (Note 11)	520,483
FV of Pandion Debt Option	5,044,883
Property, plant and equipment (Note 11)	20,068,992
Total assets acquired	**25,954,060**
Liabilities assumed	
Accounts payable and accrued liabilities	(226,766)
ARO Liability (Note 15)	(520,483)
Pandion Debt (Note 13)	(25,205,466)
Total liabilities assumed	**(25,952,715)**
Net assets acquired	**1,345**
Less: Non-controlling Interest	(1,344)
	1

In connection with the purchase of the Gold Road mine, Aura assumed a royalty (the "Royalty"), paid to Mojave Desert Minerals, Inc., a non-related party to Aura, that is equal to 2.0% of Net Smelter Returns on all gold-mined from the Gold Road mine (the "Gold Road-Mined Products") and 1.0% of Net Smelter Returns on all gold-processed in the Gold Road mine (the "Gold Road-Processed Products") sold or deemed to have been sold by or for Gold Road.

Aura also acquired the rights to certain options to purchase and explore several adjacent parcels of land (subject to future NSR royalty arrangements) surrounding the Gold Road mine. These options have been assigned a minimal value.

Additionally, in connection with the acquisition of the Gold Road mine, Aura incurred acquisition-related expenses of $91 which were reflected mainly in travel expenses and legal, filing, listing and transfer agent fees categories in General and Administrative expenses.

7 VALUE ADDED TAXES AND OTHER RECEIVABLES

	June 30, 2020	December 31, 2019
Value added taxes receivable	**$ 30,305**	$ 33,461
Trade receivables	**2,865**	6,427
Other receivables	**539**	541
Provision for bad debts - trade receivables	**(31)**	(62)
Total trade and other receivables	**33,678**	40,367
Less: non-current portion of receivables	**(6,829)**	(8,897)
Trade and other receivables recorded as current assets	**$ 26,849**	$ 31,470

Due to their short-term maturities, the fair value of trade and other receivables approximate their carrying value.

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

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognized at fair value. Aura holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortized cost using the effective interest method. Aura notes that such receivables arise when ore that has been produced has been shipped to the buyer in accordance to the applicable agreement. Aura does not recognize any receivables related to ore that is estimated or has not yet been produced. As of June 30, 2020, Aura has a provision for expected credit losses for $31.

Value added tax receivables are expected to be recovered, taking into consideration the different alternatives available to Aura, including: (1) Reimbursement from government authorities, (2) Used as credit for income tax payments and (3) As payment to certain suppliers.

8 INVENTORY

		June 30, 2020		December 31, 2019
Finished product	**$**	**10,276**	$	8,883
Work-in-process		**4,114**		6,577
Parts and supplies		**25,352**		22,571
Provision for inventory obsolescence		**(4,883)**		(4,496)
Total inventory	**$**	**34,859**	$	33,535

During the three and six months ended June 30, 2020, the cost of inventories recognized as an expense (*Note 20*) was $42,947 and $84,883 (2019: $45,563 and $80,743).

9 OTHER CURRENT ASSETS

		June 30, 2020		December 31, 2019
Prepaids expenses	**$**	**7,557**	$	5,290
Fair value of debt option		**6,517**		-
IPO Capitalized Expenses		**3,056**		-
Deposits		**1,081**		849
	$	**18,211**	$	6,139

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

During the three month period ended June 30, 2020, management recognised $1,400 as a result of fluctuations in the fair value of the debt option, mainly due to changes in the credit spread used in the determination of the fair value.

As mentioned in Note 33 on June 24, 2020, Aura announced the launching of an initial primary and secondary offering with restricted placement efforts of Brazilian depositary receipts. The transaction was concluded in July 2020. As a result of the transaction, Aura incurred in expenses directly attributable to the issuance of the new equity instruments for $3,056, which were capitalised and will be deducted from the capital increase in July 2020.

10 OTHER LONG-TERM ASSETS

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

		June 30, 2020		December 31, 2019
Non-current portion of value added taxes receivables (note 7)	$	6,829	$	8,897
Other long-term assets, receivables and deposits		852		856
	$	7,681	$	9,753

11 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment movements for the six months ended June 30, 2020 and for the year ended December 31, 2019 are as follows:

	Mineral properties	Land and buildings	Furniture, fixtures and equipment	Plant and machinery	Right of use assets	Assets under construction	Total
Net book value at December 31, 2019	$ 131,106	$ 45,139	$ 6,771	$ 22,137	$ 1,299	$ 6,044	$ 212,496
Additions	9,946	642	198	1,240	471	9,482	21,979
Acquisition of Gold Road	17,165	2,187	3	804	-	430	20,589
Disposals	-	-	(39)	(150)	-	-	(189)
Reclassifications and adjustments	6,481	1,880	-	14	-	(8,375)	-
Depletion and amortization	(4,347)	(2,676)	(197)	(2,941)	(489)	-	(10,650)
Net book value at June 30, 2020	$ 160,351	$ 47,172	$ 6,736	$ 21,104	$ 1,281	$ 7,581	$ 244,225
Consisting of:							
Cost	$ 310,447	$ 96,796	$ 18,864	$ 122,078	$ 2,266	$ 7,581	$ 558,032
Accumulated depletion and amortization	(150,096)	(49,624)	(12,128)	(100,974)	(985)	-	(313,807)
	$ 160,351	$ 47,172	$ 6,736	$ 21,104	$ 1,281	$ 7,581	$ 244,225

	Mineral properties	Land and buildings	Furniture, fixtures and equipment	Plant and machinery	Right of use assets	Assets under construction	Total
Net book value at December 31, 2018	$ 124,397	$ 36,390	$ 6,742	$ 26,494	$ -	$ 11,174	$ 205,197
Additions	6,495	3,071	270	2,012	1,795	16,340	29,983
Disposals	-	-	-	(112)	-	(241)	(353)
Reclassifications and adjustments	11,148	9,101	-	980	-	(21,229)	-
Depletion and amortization	(10,934)	(3,423)	(241)	(7,237)	(496)	-	(22,331)
Net book value at December 31, 2019	$ 131,106	$ 45,139	$ 6,771	$ 22,137	$ 1,299	$ 6,044	$ 212,496
Consisting of:							
Cost	$ 276,855	$ 92,087	$ 18,702	$ 120,170	$ 1,795	$ 6,044	$ 515,653
Accumulated depletion and amortization	(145,749)	(46,948)	(11,931)	(98,033)	(496)	-	(303,157)
	$ 131,106	$ 45,139	$ 6,771	$ 22,137	$ 1,299	$ 6,044	$ 212,496

For the three and six months ended June 30, 2020 and 2019, depletion and amortization expenses of $5,256 and $9,688 (2019: $4,726 and $10,418) respectively, have been charged to cost of goods sold.

The additions to property, plan, and equipment for the six months ended June 30, 2020, were mainly due to: 1) significant development in the Ernesto open pit mine (including tailing dams) in EPP mines which were included in mineral properties, 2) signficiant development in several underground areas in Aranzazu which were included in assets under construction. During the six month period, Aura had increased development in Aranzazu and Ernesto which were completed and reclassified from Assets under Construction to Mineral Properties and Land and Buildings, respectively.

The right of use assets corresponds to the lease liability obligations discussed under Note 17(b) below.

12 TRADE AND OTHER PAYABLES

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

		June 30, 2020		December 31, 2019
Trade accounts payable	**$**	**38,768**	$	34,634
Other payables		**6,533**		6,971
Accrued liabilities		**9,465**		11,503
Deferred revenue		**2,411**		3,884
Accounts Payable	**$**	**57,177**	$	56,992

At the end of June 30, 2020, Aura received payments in the amount of $2,411 for an expected refined gold shipment to occur in early July 2020. At the end of December 31, 2019, Aura received payments in the amount of $3,884 for an expected refined gold shipment to occur in early January 2020. Thus, Aura recognized a deferred revenue amount in the respective periods. Such instances occur from time to time and Aura recognizes revenues once the refined gold has transferred title to the buyer.

13 DEBTS

		June 30, 2020		December 31, 2019
Term loans (note 13 (a))	**$**	**71,323**	$	42,954
Total debt		**71,323**		42,954
Less: current portion		**(33,408)**		(22,104)
Non-current portion	**$**	**37,915**	$	20,850

a) Term loans

i) Banco de Occidente, S.A. ("Banco Occidente")

On November 18, 2016, Aura, through Minosa, received another approval for a $1,800 short-term promissory note (the "Second Promissory Note") from Banco Occidente for working capital requirements. The Second Promissory Note bears an annual interest rate of 7.0% with a grace period of one year and a maturity date of November 17, 2019. During the first quarter of 2019, Banco Occidente approved a three-month grace period on principal payments from December 2018 to February 2019 and extended the maturity date to February 2020. As at June 30, 2020, the outstanding balance on the Second Promissory Note was $nil (December 31, 2019: $159). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $nil and $1 (2019: $13 and $29) which were recorded as finance costs.

On April 1, 2019, Aura, through Minosa, received another approval for a $2,000 short-term promissory note (the "Third Promissory Note") from Banco Occidente for working capital requirements. The Third Promissory Note bears an annual interest rate of 7.5% with a grace period of six months and a maturity date of October 2, 2020. As at June 30, 2020, the outstanding balance on the Third Promissory Note was $5,659 (December 31, 2019: $2,000). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $nil and $50 (2019: $37 and $37) which were recorded as finance costs.

ii) Banco ABC Brasil S.A. ("ABC Bank")

During the first quarter of 2017, Aura through Apoena, entered into a $3,162 loan agreement with ABC Bank for working capital requirements. The loan bears an annual interest rate of 5.38% with a grace period of one year and a maturity date of July 15, 2019. As at June 30, 2020, the outstanding balance of the loan from ABC Bank was $nil (December 31, 2019: $nil). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $0 and $0 (2019: $nil and $12) which were recorded as finance costs.

During the second quarter of 2019, Aura through Apoena, entered into a $4,068 loan agreement with ABC Bank for working capital requirements (the "Second Loan"). The Second Loan bears an annual interest rate of 6.40% with a grace period of 12 months and a maturity date of August 2021. As at June 30, 2020, the outstanding balance of the Second Loan was $4,112 (December 31, 2019: $4,107). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $68 and $136 (2019: $67 and $90) which were recorded as finance costs.

During the second quarter of 2019, Aura through Apoena, entered into a $2,677 loan agreement with ABC Bank for working capital requirements (the "Third Loan"). The Third Loan bears an annual interest rate of 6.4% with a grace period of twelve months and a maturity date of July 2021. As at June 30, 2020, the outstanding balance of the Third Loan was $2,706 (December 31, 2019: $2,708). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $42 and $84 (2019: $nil and $nil) which were recorded as finance costs.

iii) Banco Atlántida

During the second quarter of 2017, Aura through Minosa, entered into a $7,000 loan agreement with Banco Atlántida for investment capital for the development of the phase 6 heap leach project and drew down $4,000 on the loan agreement. In May 2017, Aura drew down a balance of $4,000; and, later on in October 2017, drew down the remaining balance of $3,000. The loan bears an annual interest rate of 7.3% with a grace period of one year and a maturity date of July 15, 2023. As at June 30, 2020, the outstanding balance of the loan from Banco Atlántida was $5,659 (December 31, 2019: $5,949). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $nil and $108 (2019: $117 and $232) which were recorded as finance costs.

iv) Santander Brazil

During the first quarter of 2019, Aura through Apoena, entered into a $4,500 loan agreement with Banco Santander Brazil for working capital requirements. The loan bears an annual interest rate of 7.70% with a maturity date of January 2020.

During the first quarter of 2020, Aura through Apoena, entered into a refinancing of the $4,500 loan agreement which resulted in a reduction of the loan annual interest rate was reduced from 7.70% to 7.18% and a new maturity date of January 2021.

As at June 30, 2020, the outstanding balance of the loan was $4,632 (December 31, 2019: $4,822). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $77 and $156 (2019: $87 and $144) which were recorded as finance costs.

v) Banco Votorantim

During the second quarter of 2019, Aura through Apoena, entered into a $3,602 loan agreement with Banco Votorantim for working capital requirements. The loan bears an annual interest rate of 6.50% with a grace period of one year and a maturity date of September 2022. As at June 30, 2020, the outstanding balance of the loan was $3,621 (December 31, 2019: $3,661). For the three and six months ended June 30, 2020, Aura incurred interest expenses $58 and $117 (2019: $nil and $nil) which were recorded as finance costs.

vi) FIFOMI Credit Facility

On December 9, 2019, Aura through Aranzazu, entered into credit facility denominated in Mexican Pesos (MXN) of 69.5M or an equivalent of $3.6M USD with Fideicomiso de Fomento Minero ("FIFOMI") for working capital requirements. The facility bears an annual interest rate per the annual TIIE rate from the Central Bank of Mexico plus 4 bps, ending on a 11.99%, with a grace period of twelve (12) months and a maturity date of November 20, 2024. As at June 30, 2020, the outstanding balance of the loan was $3,004 (December 31, 2019: $3,596). For the three and six months ended June 30, 2020, Aura incurred interest expenses $81 and $186 (2019: $nil and $nil) which were recorded as finance costs.

vii) IXM S.A. (formerly Louis Dreyfus) ("IXM")

On March 8, 2018, Aura through Aranzazu, entered into a $20,000 loan facility (the "Facility") and an off-take agreement (the "Off-Take Agreement") with IXM for the re-start of operations and copper concentrates to be produced from its wholly-owned Aranzazu mine (the "Project") located within the Municipality of Concepción del Oro in the Northeastern region of the State of Zacatecas, Mexico.

The Facility includes a 12-month grace period and is subject to customary conditions. The Facility is guaranteed by Aura and its interests in the Project and the San Andres gold mine. The Off-Take Agreement covers 100% of the copper concentrates to be produced from the Project.

On December 12, 2019, Aura entered into an amendment whereby the facility was extended until July 31, 2021 from the original due date of March 2021. The facility bears an annual interest rate equal to one-month LIBOR plus 700 bps.

As at June 30, 2020, the outstanding balance of the loan from IXM was $13,435 (December 31, 2019: $15,952). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $250 and $589 (2019: $451 and $890) which were recorded as finance costs.

viii) Banco Itaú

During the first quarter of 2020, Aura through Apoena, entered into a $8,000 loan agreement with Banco Itau for working capital requirements. The loan bears an annual interest rate of 7.00% with a maturity date of March 2023.

As at June 30, 2020, the outstanding balance of the loan was $8,006 (December 31, 2019: $nil). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $140 and $146 (2019: $nil and $nil) which were recorded as finance costs.

ix) Pandion Loan

On March 27, 2020, in connection with the acquisition of the Gold Road mine, Aura assumed an outstanding loan to Pandion Mine Finance, LLC of a fixed amount of $35 million, with a pre-payment provision where if Gold Road and Aura prepay the amounts prior to March 27, 2021, Gold Road and Aura would only pay $24 million. The maturity date of the loan is November 30, 2023. The loan agreement does not explicitly state an interest rate. As such, Aura, initially, determined the fair value of the loan, by considering a credit spread of 15.75% and discounted the loan amount and recognized an outstanding liability of $25,205. Refer to *Note 6* for further information regarding the acquisition of the Gold Road mine.

As at June 30, 2020, the outstanding liability totaled $26,211 (December 31, 2019: $nil). For the three and six months ended June 30, 2020, Aura incurred interest expenses of $1.0M and $1.0M (2019: $nil and $nil) which were recorded as finance costs.

14 INCOME TAXES

a) Income tax (recovery) expenses

Income tax (recovery) expenses included in the consolidated statements of income for the six months ended June 30, 2020 and 2019 are as follows:

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

		2020		2019
Current income tax expense in respect of the current year	**$**	**2,328**	$	1,481
Current income tax expense		**2,328**		1,481
Deferred income tax (recovery)/expense		**8,494**		(1,201)
Income tax (recovery) expense	**$**	**10,822**	$	280

In 2019, for Aranzazu, management recognized a deferred tax asset to an effect of $18,879 of previously unrecognized tax losses as management considered it probable that future taxable profits would be available against which such losses can be used. During the six month period ended on June 30, 2020, as indicated in *Note 3*, due to the significant devaluation of the Mexican Peso, the deferred tax asset value reduced significantly resulting in a deferred income tax expense charge in the period.

b) Deferred income tax assets and liabilities

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

Net deferred income tax assets (liabilities) are classified as follows:		**June 30, 2020**		December 31, 2019
Deferred income tax assets	**$**	**12,350**	$	18,016
Deferred income tax liabilities	**$**	**(10,681)**	$	(8,315)
	$	**1,669**	$	9,701

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

Balance, December 31, 2018	**$**	**(8,539)**
Recovered from (charged to) the statement of income		18,375
Recorded through other comprehensive income		189
Exchange differences		(324)
Balance, December 31, 2019	**$**	**9,701**
Recovered from (charged to) the statement of income		(8,494)
Recorded through other comprehensive income		240
Exchange differences		222
Balance, June 30, 2020	**$**	**1,669**

15 PROVISION FOR MINE CLOSURE AND RESTORATION

		June 30, 2020		December 31, 2019
Balance, beginning of year	**$**	**30,142**	$	25,700
Accretion expense		**1,095**		2,331
Change in estimate		**(11)**		2,397
Acquisition of Gold Road (Note 6)		**520**		-
Change in estimate for properties in care and maintenance		**-**		(286)
Balance, end of year		**31,746**		30,142

Provision for mine closure and restoration is related to the closure costs and environmental restoration associated with mining operations. The provisions have been recorded at their net present values, using discount rates based upon the risk-free rates of 4.4%, 7.14%, and 8.86% for Brazil, Mexico, and Honduras, respectively. The provisions have been remeasured at each reporting date, with the accretion expense being recorded as a finance cost. The change in estimate increased during 2019 was primarily driven by the changes in discount rates and inflation rates across all sites and increased additional costs for the Aranzazu mine due to the full year activity since the ramp-up in commercial production.

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

16 OTHER PROVISIONS

	Long-term employee benefits	Provision for judicial contingencies	Total
At December 31, 2018	**$ 6,049**	**$ 511**	**$ 6,560**
Periodic service and finance cost	867	-	867
Change in provision for the year	424	(173)	251
Actuarial changes	757	-	757
Settlement during the year	(701)	-	(701)
Impact of currency translation	(126)	(10)	(136)
At December 31, 2019	**$ 7,270**	**$ 328**	**$ 7,598**
Periodic service and finance cost	376	-	376
Change in provision for the period	252	427	679
Actuarial changes	1,362	-	1,362
Settlement during the year	(236)	-	(236)
Impact of currency translation	(141)	-	(141)
At June 30, 2020	**$ 8,883**	**$ 755**	**$ 9,638**

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

17 OTHER LIABILITIES

	June 30, 2020	December 31, 2019
NSR royalty (note 17 (a))	**$ 493**	$ 1,183
Lease payment obligation (note 17 (b))	**1,217**	1,321
Total other liabilities	**1,710**	2,504
Less: current portion of other liabilities	**(1,249)**	(1,944)
	$ 461	$ 560

a) NSR Royalty

	June 30, 2020	December 31, 2019
Balance, beginning of period	**$ 1,183**	$ 2,090
Accretion expense	**18**	82
Royalty payments	**(696)**	(928)
Change in estimate	**-**	(61)
Other	**(12)**	-
Balance, end of period	**493**	1,183
Less: current portion	**(493)**	(1,183)
	$ -	$ -

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

In 2011, Aura completed a restructuring of its contractual obligations, which resulted in the settlement of the deferred purchase consideration and the granting of a NSR Royalty equal to 1.5% on the net sales from the San Andres Mine, the Sao Francisco Mine, and Aura's former Sao Vincente Mine, commencing on March 1, 2013 and up to a cumulative royalty amount of $16,000. The liability has been recorded at its net present value using a discount rate of 5% (2019: 5%). The liability is re-measured at each reporting date, with the accretion expense and change in estimate being recorded within finance costs and other gains, respectively. The total undiscounted amount of the estimated obligation at June 30, 2020 is approximately $522 and is expected to be incurred through 2020 (2019: $1,973).

Subsequent to June 30, 2020, Aura made a royalty payment of $208.

b) Lease Payment Obligation

		June 30, 2020	December 31, 2019
Balance, beginning of period		**1,321**	905
Additions to lease obligation		**471**	890
Accretion expense		**39**	49
Lease payments		**(614)**	(523)
Balance, end of period		**1,217**	1,321
Less: short-term portion		**(756)**	(761)
	$	**461**	$ 560

The weighted average discount rate applied to the lease liability on June 30, 2020 was 8% (December 31, 2019: 8%).

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

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

		Balance at June 30, 2020
Short-term portion of lease liability	**$**	**(756)**
Long-term portion of lease liability		**(461)**
	$	**(1,217)**

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

	Within 1 year	**2 to 3 years**	**4 to 5 years**	**Total Contractual Cash Flows**	**Carrying Amount**
Lease Liabilities	846	647	74	**1,567**	1,217
	$ 846	**$ 647**	**$ 74**	**$ 1,567**	**$ 1,217**

18 SHARE CAPITAL

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

a) Authorized

Aura has authorized an unlimited number of common shares.

b) Stock options

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

	Number of options	Weighted average price C$
Balance, December 31st, 2018	**218,791**	**20.23**
Granted	65,872	23.50
Exercised	(16,132)	10.57
Forfeited	(38,381)	11.91
Balance, December 31st, 2019	**230,150**	**23.23**
Granted	2,400	30.00
Exercised	(1,193)	16.40
Forfeited	(4,637)	17.56
Balance, June 30th, 2020	**226,720**	**$23.21**

As at June 30, 2020, Aura had 226,720 options issued and outstanding as follows:

Exercise price C$	Options outstanding	Options Exercisable	Remaining contractual life (years)	Expiry dates
14.15	2,120	2,120	1.00	March 21, 2021
24.53	1,060	1,060	1.00	March 21, 2021
23.50	130,118	-	6.25	June 12, 2026
23.50	71,272	3,467	6.58	October 5, 2026
20.30	19,750	19,750	6.41	August 26, 2026
30.00	2,400	-	7.75	January 23, 2028
	226,720	26,397		

c) Share-based payment expense

Share-based payment expense is measured at fair value and recognized over the vesting period from the date of grant. For the three and six months ended June 30, 2020 share-based payment expense recognized in general and administrative expense was $132 and $257 (2019: $110 and $228), respectively.

For the three and six months ended June 30, 2020, Aura granted stock options of 2,400. (2019: For the three and six months ended June 30, 2019, Aura has granted stock options of 5,000 and 5,000, respectively.).

19 NET REVENUE

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

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Gold Revenue	$ 44,355	$ 34,189	$ 77,198	$ 60,237
Copper & Gold Concentrate Revenue	17,649	16,828	35,002	27,493
Other	(1,170)	(643)	(2,740)	(1,100)
	$ 60,834	$ 50,374	$ 109,460	$ 86,630

20 COST OF GOODS SOLD BY NATURE

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Direct mine and mill costs	$ 21,782	$ 19,139	$ 38,275	$ 33,123
Direct mine and mill costs - Contractors	11,981	17,194	27,971	29,377
Direct mine and mill costs - Salaries	3,928	4,504	8,949	7,825
Depletion and amortization	5,256	4,726	9,688	10,418
	$ 42,947	$ 45,563	$ 84,883	$ 80,743

The direct mine and mill costs include employee benefits for three and six months ended June 30, 2020, and 2019.

21 GENERAL AND ADMINISTRATIVE EXPENSES

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Salaries, wages and benefits	$ 1,298	$ 1,638	$ 2,545	$ 2,858
Professional and consulting fees	483	930	1,530	1,567
Legal, Filing, listing and transfer agent fees	(3)	167	786	209
Insurance	370	253	649	433
Directors' fees	60	38	92	77
Occupancy cost	45	52	97	99
Merger and acquisition	-	-	28	-
Travel expenses	27	146	172	332
Share-based payment expense	132	110	257	228
Depreciation and amortization	3	9	13	14
Lease depreciation expense	27	24	52	51
Other	633	210	923	347
	$ 3,075	$ 3,577	$ 7,144	$ 6,215

In Q1 2020 and Q2 2020, Aura incurred expenses related to an initial public offering in Brazil. These expenses are reflected mainly in Professional and consulting fees and Legal, Filing, listing, and transfer agent fees categories in General and Administrative expenses for the amount of $1,086. However, these expenses were capitalized as an asset (see *Note 9*).

22 CARE AND MAINTENANCE EXPENSES

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Rio Novo projects	107	331	$ 273	$ 622
EPP Projects	107	358	270	843
Gold Road	-	-	107	-
	$ 214	$ 689	$ 650	$ 1,465

23 EXPLORATION EXPENSES

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

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
San Andres mine	$ 42	$ 51	$ 237	$ 109
EPP projects	826	869	1,433	1,784
Aranzazu mine	34	172	62	215
Gold Road	-	-	8	-
	$ 902	$ 1,092	$ 1,740	$ 2,108

24 FINANCE COSTS

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Accretion expense	$ 553	$ 225	$ 1,102	$ 448
Lease interest expense (note 17(b))	18	(91)	39	29
Interest expense on debts (note 13)	1,739	773	2,596	1,462
Finance cost on post-employment benefit	213	288	376	288
Other interest and finance costs	(23)	13	109	28
	$ 2,500	$ 1,208	$ 4,222	$ 2,255

25 OTHER GAINS (LOSSES)

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	For the six months ended June 30, 2020	For the six months ended June 30, 2019
Net loss on call options and fixed price contracts - Gold	$ (2,988)	$ (2,125)	$ (4,433)	$ (2,162)
Net gain (loss) on call options - Copper	(1,679)	-	148	-
Net gain (loss) on foreign currency derivatives	(2,875)	282	(6,040)	757
Gain (loss) on FV Option of Pandion Debt	1,400	-	1,400	-
Foreign exchange (loss) gain	(336)	(737)	(3,990)	(1,150)
Other items	(631)	219	(763)	354
	$ (7,109)	$ (2,361)	$ (13,678)	$ (2,201)

The net loss on call/put options and fixed price contracts for gold increased for the six months in 2020 due to the fact that gold market prices increased in first six months of 2020. Thus, Aura incurred realized and unrealized losses with derivatives (zero cost collars and forwards).

The net gain (loss) on foreign currency derivatives and the foreign exchange gain (loss) increased during the six months in 2020 due to the fact that there was a significant devaluation of the Brazilian Reais against the US Dollar.

26 CASH FLOW INFORMATION

a) Items not affecting cash

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

For the six months ended June 30,		**2020**		2019
Deferred and current income tax (recovery) expense	**$**	**10,822**	$	(558)
Depletion and amortization (note 12)		**9,701**		10,483
Accretion expense		**1,152**		501
Periodic service, past service and finance costs on post-employment benefit		**628**		578
Share-based payment expense (note 19(d))		**257**		228
Change in estimate of provision for mine closure and restoration		**(11)**		-
Foreign exchange loss		**3,990**		1,095
(Gain)/loss on disposal of assets		**(9)**		104
Unrealized loss on call option and fixed price contracts		**3,665**		550
Unrealized (gain) on FV Option of Pandion Debt		**(1,400)**		-
Interest expense on debt		**2,578**		1,462
Other non-cash items		**415**		(12)
	$	**31,788**	$	14,431

b) Changes in working capital

For the six months ended June 30,		**2020**		2019
Decrease (increase) in trade and other receivables	**$**	**2,131**	$	(5,093)
Increase in inventory		**(227)**		128
Increase in trade and other payables		**1,098**		8,034
	$	**3,002**	$	3,069

c) Supplementary cash flow information

For the six months ended June 30,		**2020**		2019
Changes in other assets and liabilities consists of:				
Decrease (increase) in long term asset	**$**	**2,072**	$	(2,657)
(Increase) decrease in other current assets		**(5,460)**		1,525
Other items		**(195)**		(291)
	$	**(3,583)**	$	(1,423)

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

For the six months ended June 30,		**2020**	2019
Non-cash addition to property, plant and equipment	11	**$ 471**	$ 6,482
Dividends declared payable		**$ –**	$ –

e) Debt reconciliation

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

	Terms Loans	Working Capital Facility Payable	Total
Balance as at January 1, 2019	**$ 29,167**	**$ 1,434**	**$ 30,601**
Changes from Financing cash flows:			
Repayment of short terms loans	(771)	(1,462)	(2,233)
Repayment of Rio Novo Promissory Note	(758)	-	(758)
Repayment of Banco Atlantida	(365)	-	(365)
Repayment of Banco ABC Brasil 1st Loan	(1,165)	-	(1,165)
Repayment of IXM S.A. (formerly Louis Dreyfus) Loan	(4,167)	-	(4,167)
Proceeds received from Santander Brasil	4,500	-	4,500
Proceeds received from Banco ABC Brasil	6,745	-	6,745
Proceeds received from FIFOMI	3,596	-	3,596
Proceeds received from Votorantim	3,602	-	3,602
Proceeds received from Banco Occidente 3rd Note	2,000	-	2,000
Interest paid on debts	(2,364)	-	(2,364)
	40,020	**(28)**	**39,992**
Other Changes:			
Interest Expenses on Debts	2,934	28	2,962
Balance as at December 31, 2019	**42,954**	**-**	**42,954**
Changes from Financing cash flows:			
Repayment of Banco Occidente	(660)	-	(660)
Repayment of Banco Atlantida	(290)	-	(290)
Repayment of IXM S.A. (formerly Louis Dreyfus) Loan	(4,167)	-	(4,167)
Debt assumed from Acquisition of Gold Road	25,205	-	25,205
Proceeds received from Banco Itau	8,000	-	8,000
Interest paid on debts	(1,705)	-	(1,705)
	69,337	**-**	**69,337**
Other Changes:			
Interest Expenses on Debts	2,578	-	2,578
FX Devaluation of MXN Pesos - FIFOMI	(592)	-	(592)
Balance as at June 30, 2020	**$ 71,323**	$ -	**$ 71,323**

27 FINANCIAL INSTRUMENTS

In accordance with IFRS 9, Aura records the fair value of the fixed price contracts instruments and put/call options instruments at the end of the reporting period as an asset (in the money) or liability (out of the money). The fair value is calculated as the difference between a market-based price and the contracted price. At the end of the reporting period, a corresponding gain or loss is recorded in the Consolidated Statements of Income as Other (Gain) Loss.

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

a) Fixed price contracts

During the three months ended June 30, 2020, Aura entered into fixed price contracts to hedge 6,000 ounces of gold expiring between September 3, 2020 and September 4, 2020 at an average price of $1,695.50 per ounce of gold. During the six months ended June 30, 2020, Aura entered into fixed price contracts to hedge 16,000 ounces of gold expiring between April 4, 2020 and September 15, 2020 at an average price of $1,618.86 per ounce of gold. For three and six months ended June 30, 2020, Aura has recorded a realized loss of $1,129 and $1,129.

At June 30, 2020, Aura had 5,451.78 ounces of outstanding fixed price contracts at an average price of $1,694.92 per ounce of gold expiring between June 16, 2020 and September 4, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding fixed price contracts of $399.

During the three months ended June 30, 2019, Aura entered into fixed price contracts to hedge 11,000 ounces of gold expiring between August 11, 2019 and September 14, 2019 at an average price of $1,308 per ounce of gold. During the six months ended June 30, 2019, Aura entered into fixed price contracts to hedge 17,000 ounces of gold expiring between January 31, 2019 and December 31, 2019 at an average price of $1,306 per ounce of gold. For three and six months ended June 30, 2019, Aura has recorded a realized loss of $941.

At June 30, 2019, Aura had 4,498 ounces of outstanding fixed price contracts at an average price of $1,293 per ounce of gold. As of June 30, 2019, Aura recorded a derivative liability on these outstanding fixed price contracts of $540.

b) Put/Call option contracts

i) Gold

<u>Corporate</u>

During the three months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 2,000 ounces with floor prices between $1,440 and $1,470 (average strike price of $1,455) and ceiling prices between $1,555 and $1,600 (average strike price of $1,578) per ounce of gold expiring between September 30, 2020 and October 31, 2020. During the six months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 10,500 ounces with floor prices between $1,440 and $1,560 (average strike price of $1,520) and ceiling prices between $1,555 and $1,680 (average strike price of $1,639) per ounce of gold expiring between March 31, 2020 and October 31, 2020. As of June 30, 2020, there were 7,000 ounces with floor prices between $1,440 and $1,560 (average strike price of $1,496) and ceiling prices between $1,520 and $1,680 (average strike price of $1,618) per ounce of gold expiring between July 31, 2020 and October 31, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding options of $1,052.

During the three months ended June 30, 2019, Aura has entered zero cost put/call collars in a total of 22,000 ounces with floor prices between $1,270 and $1,350 (average strike price of $1,308) and ceiling prices between $1,310 and $1,520 (average strike price of $1,385) per ounce of gold expiring between May 31, 2019 and January 31, 2020. During the six months ended June 30, 2019, Aura has entered zero cost put/call collars in a total of 53,500 ounces with floor prices between $1,260 and $1,350 (average strike price of $1,286) and ceiling prices between $1,310 and $1,520 (average strike price of $1,371) per ounce of gold expiring between March 29, 2019 and January 31, 2020. As of June 30, 2019, there were 31,500 ounces with floor prices between $1,260 and $1,350 (average strike price of $1,297) and ceiling prices between $1,310 and $1,520 (average strike price of $1,382)per ounce of gold expiring between July 25, 2019 and January 31, 2020. As of June 30, 2019, Aura recorded a derivative liability on these outstanding options of $916.

<u>Aranzazu</u>

During the three months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 2,000 ounces with floor prices between $1,650 and $1,650 (average strike price of $1,650) and ceiling prices between $1,773 and $1,773 (average strike price of $1,773) per ounce of gold expiring between July 1, 2020 and October 31, 2020. During the six months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 5,810 ounces with floor prices between $1,460 and $1,650 (average strike price of $1,587) and ceiling prices between $1,720 and $1,891 (average strike price of $1,783) per ounce of gold expiring between February 1, 2020 and October 31, 2020. As of June 30, 2020, there were 3,950 ounces with floor prices between $1,430 and $1,650 (average strike price of $1,564) and ceiling prices between $1,550 and $1,891 (average strike price of $1,780) per ounce of gold expiring between July 1, 2020 and October 31, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding options of $83.

During the six months ended June 30, 2019, Aranzazu had no zero-cost put/call collars.

ii) Copper

Aranzazu

During the three months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 2,749.96 pounds with floor prices between $2.3101 and $2.3101 (average strike price of $2.3101) and ceiling prices between $2.6517 and $2.6517 (average strike price of $2.6517) per pound of copper expiring between July 1, 2020 and October 31, 2020. During the six months ended June 30, 2020, Aura entered into zero-cost put/call collars intermediated by several financial institutions, in a total of 8,126.94 pounds with floor prices between $2.3002 and $2.6000 (average strike price of $2.3716) and ceiling prices between $2.4294 and $2.9787 (average strike price of $2.6604) per pound of copper expiring between February 1, 2020 and October 31, 2020. As of June 30, 2020, there were 4,689.96 pounds with floor prices between $2.3101 and $2.600 (average strike price of $2.3722) and ceiling prices between $2.6517 and $2.9978 (average strike price of $2.7120) per ounce of gold expiring between July 1, 2020 and October 31, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding options of $268.

During the six months ended June 30, 2019, Aranzazu had no zero-cost put/call collars.

iii) BRL currency derivatives

Corporate

As of June 30, 2020, the there were zero-cost put/call collars intermediated by several financial institutions, in a total of $6.0 million USD with a floor between BRL 4.06 and BRL 5.15 (average strike price of BRL 4.33) and a ceiling between BRL 4.12 and BRL 5.33 (average strike price of BRL 4.45) expiring between July 2, 2020 and November 12, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding options of $1,123.

As of June 30, 2019, the there were zero-cost put/call collars intermediated by several financial institutions, in a total of $12.150 million USD with a floor between BRL 3.77 and BRL 4.05 (average strike price of BRL 3.91) and a ceiling between BRL 3.79 and BRL 4.10 (average strike price of BRL 3.94) expiring between July 3, 2019 and December 19, 2019. As of June 30, 2019, Aura recorded a derivative liability on these outstanding fixed price contracts of $334.

c) Non-delivery forwards

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

i) BRL currency derivatives

Brazil

As of June 30, 2020, the there were non-delivery forwards intermediated by several financial institutions, in a total of $7.25 million USD with a range of BRL 4.23 and BRL 5.13 (average strike price of BRL 4.74) expiring between July 2, 2020 and October 22, 2020. As of June 30, 2020, Aura recorded a derivative liability on these outstanding options of $968.

During the six months ended June 30, 2019, Brazil had no zero-cost put/call collars.

d) Credit risk

Credit risk is the risk that a third party might fail to discharge its obligations under the terms of a financial contract. Aura's credit risk is limited to trade receivables, derivative contracts, and the short-term investments in bonds in the ordinary course of business. As of June 30, 2020, Aura considers the credit risk with these financial contracts to be low.

e) Liquidity risk

Liquidity risk is the risk that Aura will not be able to meet its financial obligations as they fall due. Aura manages its liquidity risk through a rigorous planning and budgeting process, which is reviewed and updated on a regular basis, to help determine the funding requirements to support Aura's current operations and expansion and development plans and by managing its capital structure as described in *Note 29* below.

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

	Within 1 year	2 to 3 years	4 to 5 years	Over 5 years	Total
Trade and other payables	57,177	-	-	-	**57,177**
Derivative financial liabilities	3,892	-	-	-	**3,892**
Short-term & Long-term debt	33,408	33,367	4,548	-	**71,323**
Provision for mine closure and restoration	-	3,436	2,845	25,465	**31,746**
Other liabilities and Leases	1,249	461	-	-	**1,710**
	$ 95,726	**$ 37,264**	**$ 7,393**	**$ 25,465**	**$ 165,848**

As of June 30, 2020, Aura has cash and cash equivalents of $26,390 and a working capital of $7,221 (current assets, excluding restricted cash, less current liabilities).

e) Currency risk

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

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

At June 30 2020, Aura had cash and cash equivalents of $26,390, of which, $22,606 were in United States dollars, $374 in Canadian dollars, $1,651 in Brazilian reais, $1,698 in Honduran lempiras, $58 in Mexican pesos, and $2 in Colombian pesos. An increase or decrease of 10% in the United States dollar exchange rate to the currencies listed above could have increased or decreased Aura's income for the year by $378.

f) Interest rate risk

Interest rate risk is generally associated with variable rate financial instruments and available market interest rates at the time financial instruments are acquired. Aura is exposed to interest rate risk on its cash, cash equivalents as it holds a portion of cash and cash equivalents and restricted cash in bank accounts that earn variable interest rates. Some of the borrowings in Mexico have a variable interest rate based on one-month LIBOR plus 7.00% or TIEE plus 4.2%. Aura monitors its exposure to interest rates and has not entered into any derivative contracts to manage this risk.
For the six months ended June 30, 2020, an increase in interest rates of 100 basis points (1 percent) would have increased consolidated loss and comprehensive loss for the period by $326. A decrease in interest rates of 100 basis points (1 percent) would have decreased the consolidated loss and comprehensive loss for the period by $326.

For the six months ended June 30, 2020, an increase in interest rates of 100 basis points (1 percent) for the Mexican borrowing with one-month LIBOR plus 7% would have increased consolidated loss and comprehensive loss for the period by $138. A decrease in interest rates of 100 basis points (1 percent) would have decreased the consolidated loss and comprehensive loss for the period by $138.

For the six months ended June 30, 2020, an increase in interest rates of 100 basis points (1 percent) for the Mexican borrowing with Mexican TIEE + 4.2% would have increased consolidated loss and comprehensive loss for the year by $33. A decrease in interest rates of 100 basis points (1 percent) would have decreased the consolidated loss and comprehensive loss for the year by $33.

g) Commodity price risk

Aura is subject to price risk from fluctuations in market prices of gold, copper and other metals. Gold, copper and other metal prices have historically fluctuated widely and are affected by numerous factors outside of Aura's control.

The profitability of Aura's operations is highly correlated to the market prices of these metals, as is the ability of Aura to develop its other properties.

A 10% change in the average commodity price for gold for the year, with all other variables held constant, would result in an impact on Aura's 2020 consolidated income (loss) before taxes and comprehensive income for six months of $7,446. A 10% change in the average commodity price for copper concentrate (which is mainly impacted for the Copper and Gold prices) for the year, with all other variables held constant, would result in an impact on Aura's 2020 consolidated income (loss) before taxes and comprehensive income for six months of $3,500.

h) Fair value of financial instruments

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

The fair value of Aura's financial assets and liabilities measured at fair value on a recurring basis at June 30, 2020 and December 31, 2019 are summarized in the following table:

	Level	Financial instrument Classification	June 30, 2020		December 31, 2019	
			Carrying value	**Fair value**	Carrying value	Fair value
Assets						
Cash and cash equivalents	N/A	Amortized Cost	**$ 26,390**	**$ 26,390**	$ 38,870	$ 38,870
Other receivable	N/A	Amortized Cost	**539**	**539**	541	541
Fair value of debt option - Pandion	2	Fair Value	**6,517**	**6,517**	-	-
			33,446	**33,446**	39,411	39,411
Financial Liabilities						
At fair value through profit and loss						
Derivative liabilities	2	Fair Value	**3,892**	**3,892**	227	227
Other financial liabilities						
Accounts payable and accrued liabilities	N/A	Amortized Cost	**57,177**	**57,177**	56,992	56,992
Short-term loans	N/A	Amortized Cost	**33,408**	**33,408**	22,104	22,104
Long-term loans	N/A	Amortized Cost	**37,915**	**37,915**	20,850	20,850
			$ 132,392	**$ 132,392**	$ 100,173	$ 100,173

Aura measures certain of its financial assets and liabilities at fair value on a recurring basis and these are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. There are three levels of the fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with Level 1 inputs having the highest priority. The three levels of the fair value hierarchy are: Level 1, which are inputs that are unadjusted quoted prices in active markets for identical assets or liabilities; Level 2, which are inputs other than Level 1 quoted prices that are observable for the asset or liability, either directly or indirectly; and Level 3, which are inputs for the asset or liability that are not based on observable market data.

Aura classifies derivative assets and liabilities in Level 2 of the fair value hierarchy as they are valued using pricing models which require a variety of inputs such as expected gold price.

28 CAPITAL MANAGEMENT

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

In order to facilitate management of capital, Aura prepares annual budgets which are updated periodically if changes in Aura's business are considered to be significant. The Board reviews and approves all operating and capital budgets as well as the entering into of any material debt obligations, and any material transactions out of the ordinary course of business, including dispositions, acquisitions and other investments or divestitures. Prior to 2019, Aura had not paid dividends. At the end of 2019, Aura declared dividends on December 27, 2019.

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

In January 2020, Aura paid out dividends for an amount of $3,044.

On June 22, 2020, Aura's board of directors has approved a dividend policy, where Aura will determine an annual dividend based on 20% of its annual Adjusted EBITDA less sustaining capital expenditures and exploration capital expenditures, payable as cash dividends to holders of its shares. Dividends are expected to be declared and paid once a year starting in 2021, based on the preceding year results, with a record date on or shortly after announcement of Aura's annual financial results. As such, any dividend payable under the Dividend Policy will be payable in the second quarter of each year.

29 RELATED PARTY TRANSACTIONS

Key Management Compensation

Total compensation paid to key management personnel, remuneration of directors and other members of key executive management personnel for the year ended June 30, 2020 and 2019 are as follows:

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	**For the six months ended June 30, 2020**	For the six months ended June 30, 2019
Salaries and short-term employee benefits	**$ 1,091**	$ 973	**$ 1,573**	$1,413
Share-based payments	**123**	112	**$ 246**	216
Termination benefits	**4**	51	**4**	297
	$ 1,218	$ 1,136	**$ 1,823**	$1,926

Iraja Royalty Payments

As part of the EPP transaction with Yamana Gold Inc. ("Yamana"), Mineracao Apoena S.A. ("Apoena") entered into a royalty agreement (the "EPP Royalty Agreement"), dated June 21, 2016, with Serra da Borda Mineracao e Metalurgia S.A. ("SBMM"), Yamana's wholly-controlled subsidiary. Commencing on and from June 21, 2016, Apoena will pay to SBMM a royalty (the "Royalty") that is equal to 2.0% of Net Smelter Returns on all gold mined or beneficiated from Apoena (the "Subject Metals") sold or deemed to have been sold by or for Apoena. Effective as at such time as Apoena has paid the Royalty on up to 1,000,000 troy ounces of the Subject Metals, the Royalty shall without the requirement for any further act or formality, reduce to 1.0% of Net Smelter Returns on all Subject Metals sold or deemed to have been sold by or for Apoena.

On October 27, 2017, SBMM entered into an agreement (the "Royalty Swap Agreement") with Iraja Mineracao Ltda, a company beneficially owned or controlled by Paulo de Brito, third-party company, for the swap of the EPP Royalty with the RDM Royalty (as defined in the Royalty Swap Agreement) with no change to the terms of the royalty calculation. Aura has incurred expenses of the related royalties of $760 in the six months of the 2020 year and has a liability outstanding of $159 at June 30, 2020.

Promissory Note for Rio Novo

On completion of the Merger with Rio Novo, Aura assumed the obligations of the demand promissory notes issued by Rio Novo in favor of Northwestern (see Note 14 above).

Royalty Agreement for Rio Novo

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

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

30 SEGMENTED INFORMATION

The reportable operating segments have been identified as the San Andres Mine, the EPP Mines (formerly disclosed as "Brazilian Mines"), the Aranzazu Mine, Corporate, Almas, Matupá & Tolda Fria Projects (formerly disclosed as "Rio Novo Projects"), and Gold Road. Aura manages its business, including the allocation of resources and assessment of performance, on a project-by-project basis, except where Aura's projects are substantially connected and share resources and administrative functions. The segments presented reflect the way in which Aura's management reviews its business performance. Operating segments are reported in a manner consistent with the internal reporting provided to executive management who act as the chief operating decision makers. Executive management is responsible for allocating resources and assessing performance of the operating segments.

For the three and six months ended June 30, 2020 and 2019, segmented information is as follows:

For the six months ended June 30, 2020	San Andres Mine	EPP Mines	Aranzazu Mine	Corporate	Almas, Matupa & Tolda Fria Projects (1)	Gold Road	Total
Sales to external customers	$ 33,138	$ 41,320	$ 35,002	$ -	$ -	$ -	$ 109,460
Cost of production	22,026	26,134	27,035	-	-	-	75,195
Depletion and amortization	2,343	2,989	4,356	-	-	-	9,688
Gross margin	8,769	12,197	3,611	-	-	-	24,577
General and administrative expenses	(378)	(1,476)	(1,098)	(3,813)	(13)	(366)	(7,144)
Care-and-maintenance expenses	-	(270)	-	-	(273)	(107)	(650)
Exploration expenses	(237)	(1,433)	(62)	-	-	(8)	(1,740)
Operating income/(loss)	8,154	9,018	2,451	(3,813)	(286)	(481)	15,043
Finance costs	(1,300)	(835)	(1,074)	(6)	(1)	(1,006)	(4,222)
Net loss on call options and fixed price contracts - Gold	(304)	(824)	(336)	(2,969)	-	-	(4,433)
Net gain on call options - Copper	-	-	148	-	-	-	148
Net gain (loss) on foreign currency derivatives	-	(3,432)	-	(2,608)	-	-	(6,040)
Foreign exchange (loss) gain	(13)	(4,064)	234	(247)	100	-	(3,990)
Other expenses	87	(25)	(917)	19	-	1,473	637
Income (loss) before income taxes	6,624	(162)	506	(9,624)	(187)	(14)	$ (2,857)
Income tax (expense)	(1,933)	(315)	(79)	(1)	-	-	$ (2,328)
Income tax (expense) recovery	17	-	(5,095)	-	(3,416)	-	(8,494)
Income (loss) for the year	$ 4,708	$ (477)	$ (4,668)	$ (9,625)	$ (3,603)	$ (14)	$ (13,679)
Property, plant and equipment	$ 41,502	$ 31,524	$ 93,563	$ 143	$ 53,776	$ 23,717	$ 244,225
Total assets	$ 73,292	$ 64,876	$ 120,403	$ 22,569	$ 54,025	$ 35,588	$ 370,753
Capital expenditures	$ 3,876	$ 7,216	$ 6,671	$ -	$ 607	$ 3,138	$ 21,508

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

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

For the six months ended June 30, 2019	San Andres Mine	EPP Mines	Aranzazu Mine	Corporate	Almas, Matupa & Tolda Fria Projects (1)	Gold Road	Total
Sales to external customers	$ 24,146	$ 34,991	$ 27,493	$ -	$ -	$ -	$ 86,630
Cost of production	21,521	24,473	24,331	-	-	-	70,325
Depletion and amortization	3,082	4,191	3,145	-	-	-	10,418
Gross margin	(457)	6,327	17	-	-	-	5,887
General and administrative expenses	(419)	(1,236)	(1,067)	(3,479)	(14)	-	(6,215)
Care-and-maintenance expenses	-	(843)	-	-	(622)	-	(1,465)
Exploration expenses	(109)	(1,784)	(215)	-	-	-	(2,108)
Operating income/(loss)	(985)	2,464	(1,265)	(3,479)	(636)	-	(3,901)
Finance costs	(822)	(415)	(1,006)	(10)	(2)	-	(2,255)
Net loss on call options and fixed price contracts - Gold	(249)	(692)	-	(1,221)	-	-	(2,162)
Net gain on call options - Copper	-	-	-	-	-	-	-
Net gain (loss) on foreign currency derivatives	-	8	-	749	-	-	757
Foreign exchange (loss) gain	(334)	(388)	(633)	235	(30)	-	(1,150)
Other expenses	209	112	(98)	131	-	-	354
Income (loss) before income taxes	(2,181)	1,089	(3,002)	(3,595)	(668)	-	(8,357)
Income tax (expense)	(760)	(699)	-	(22)	-	-	(1,481)
Income tax (expense) recovery	453	-	403	-	345	-	1,201
Income (loss) for the year	$ (2,488)	$ 390	$ (2,599)	$ (3,617)	$ (323)	$ -	$ (8,637)
Property, plant and equipment	$ 41,099	$ 33,430	$ 87,634	$ 141	$ 52,755	$ -	$ 215,059
Total assets	$ 65,948	$ 77,742	$ 104,834	$ 10,437	$ 52,857	$ -	$ 311,818
Capital expenditures	$ 871	$ 2,908	$ 10,114	$ -	$ 531	$ -	$ 14,424

(1) Alamas, Matupá & Tolda Fria Projects is not an operating project and is not generating revenues. Corporate handles the maintenance of the asset as it is under care and maintenance.

For the three months ended June 30, 2020	**San Andres Mine**	**EPP Mines**	**Aranzazu Mine**	**Corporate**	**Almas, Matupa & Tolda Fria Projects (1)**	**Gold Road**	**Total**
Sales to external customers	**$ 14,228**	**$ 28,957**	**$ 17,649**	**$ -**	**$ -**	**$ -**	**$ 60,834**
Cost of production	**8,104**	**16,176**	**13,411**	**-**	**-**	**-**	**37,691**
Depletion and amortization	**898**	**1,958**	**2,400**	**-**	**-**	**-**	**5,256**
Gross margin	**5,226**	**10,823**	**1,838**	**-**	**-**	**-**	**17,887**
General and administrative expenses	**(153)**	**(526)**	**(611)**	**(1,469)**	**(6)**	**(310)**	**(3,075)**
Care-and-maintenance expenses	**-**	**(107)**	**-**	**-**	**(107)**	**-**	**(214)**
Exploration expenses	**(42)**	**(826)**	**(34)**	**-**	**-**	**-**	**(902)**
Operating income/(loss)	**5,031**	**9,364**	**1,193**	**(1,469)**	**(113)**	**(310)**	**13,696**
Finance costs	**(647)**	**(356)**	**(488)**	**(3)**	**-**	**(1,006)**	**(2,500)**
Net loss on call options and fixed price contracts - Gold	**(304)**	**(824)**	**(219)**	**(1,641)**	**-**	**-**	**(2,988)**
Net gain on call options - Copper	**-**	**-**	**(1,679)**	**-**	**-**	**-**	**(1,679)**
Net gain (loss) on foreign currency derivatives	**-**	**(2,387)**	**-**	**(488)**	**-**	**-**	**(2,875)**
Foreign exchange (loss) gain	**(42)**	**(368)**	**(131)**	**216**	**(11)**	**-**	**(336)**
Other expenses	**3**	**(244)**	**(464)**	**1**	**-**	**1,473**	**769**
Income (loss) before income taxes	**4,041**	**5,185**	**(1,788)**	**(3,384)**	**(124)**	**157**	**$ 4,087**
Income tax (expense)	**(868)**	**(315)**	**7**	**-**	**-**	**-**	**$ (1,176)**
Income tax (expense) recovery	**288**	**-**	**1,416**	**-**	**(630)**	**-**	**1,074**
Income (loss) for the year	**$ 3,461**	**$ 4,870**	**$ (365)**	**$ (3,384)**	**$ (754)**	**$ 157**	**$ 3,985**
Property, plant and equipment	**$ 41,502**	**$ 31,524**	**$ 93,563**	**$ 143**	**$ 53,776**	**$ 23,717**	**$ 244,225**
Total assets	**$ 73,292**	**$ 64,876**	**$ 120,403**	**$ 22,569**	**$ 54,025**	**$ 35,588**	**$ 370,753**
Capital expenditures	**$ 651**	**$ 3,636**	**$ 3,698**	**$ -**	**$ 289**	**$ 2,526**	**$ 10,800**

(1) Alamas, Matupá & Tolda Fria Projects is not an operating project and is not generating revenues. Corporate handles the maintenance of the asset as it is under care and maintenance.

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

For the three months ended June 30, 2019	San Andres Mine	EPP Mines	Aranzazu Mine	Corporate	Almas, Matupa & Tolda Fria Projects (1)	Gold Road	Total
Sales to external customers	$ 16,305	$ 17,241	$ 16,828	$ -	$ -	$ -	$ 50,374
Cost of production	14,444	13,478	12,915	-	-	-	40,837
Depletion and amortization	1,721	1,387	1,618	-	-	-	4,726
Gross margin	140	2,376	2,295	-	-	-	4,811
General and administrative expenses	(295)	(752)	(528)	(1,988)	(14)	-	(3,577)
Care-and-maintenance expenses	-	(358)	-	-	(331)	-	(689)
Exploration expenses	(51)	(869)	(172)	-	-	-	(1,092)
Operating income/(loss)	(206)	397	1,595	(1,988)	(345)	-	(547)
Finance costs	(572)	(121)	(509)	(4)	(2)	-	(1,208)
Net loss on call options and fixed price contracts - Gold	18	(29)	-	(2,114)	-	-	(2,125)
Net gain on call options - Copper	-	-	-	-	-	-	-
Net gain (loss) on foreign currency derivatives	-	(57)	-	339	-	-	282
Foreign exchange (loss) gain	(124)	(185)	(551)	109	14	-	(737)
Other expenses	194	89	(112)	48	-	-	219
Income (loss) before income taxes	(690)	94	423	(3,610)	(333)	-	(4,116)
Income tax (expense)	(79)	(343)	-	(17)	-	-	(439)
Income tax (expense) recovery	81	-	202	-	358	-	641
Income (loss) for the year	$ (688)	$ (249)	$ 625	$ (3,627)	$ 25	$ -	$ (3,914)
Property, plant and equipment	$ 41,099	$ 33,430	$ 87,634	$ 141	$ 52,755	$ -	$ 215,059
Total assets	$ 65,948	$ 77,742	$ 104,834	$ 10,437	$ 52,857	$ -	$ 311,818
Capital expenditures	$ 330	$ 2,165	$ 5,715	$ -	$ 277	$ -	$ 8,487

(1) Alamas, Matupá & Tolda Fria Projects is not an operating project and is not generating revenues. Corporate handles the maintenance of the asset as it is under care and maintenance.

Revenues for the San Andres Mine and the EPP Mines relate to the sale of refined gold. Revenue for the Aranzazu mine relates to the sale of gold and copper concentrate. Company's revenues are concentrated in a reduced number of customers and management continuously monitors the relationship with their clients.

31 COMMITMENTS AND CONTINGENCIES

a) Operating commitments

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

	June 30, 2020	December 31, 2019
Within one year	**$ 323**	$ 501
Two to Four Years	**48**	208
	$ 371	$ 709

b) Contingencies

Certain conditions may exist as of the date of these financial statements which may result in a loss to Aura in the future when certain events occur or fail to occur. Aura assesses at each reporting date its loss contingencies related to ongoing legal proceedings by evaluating the likelihood of such proceedings, as well as the amounts claimed or expected to be claimed.

Included in other provisions as of June 30, 2020 is a provision of $755 (2019: $516) for loss contingencies related to ongoing legal claims.

32 LOSS PER SHARE

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

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

Diluted earnings per share is calculated using the "if-converted method" in assessing the dilution impact of convertible instruments until maturity. The if-converted method assumes that all convertible instruments until maturity have been converted in determining fully diluted profit per share if they are in-the-money, except where such conversion would be anti-dilutive. At the end of June 30, 2020, Aura had a total of 26,397 stock options and 12,653 deferred stock units ("DSUs") that were in-the-money; however, due to the fact that Aura had losses in the year, the effects of these convertible instruments would result in an anti-dilutive effect. Thus, these items were not considered in the diluted loss per share calculation.

The following table summarizes activity for the six months ended June 30:

	For the three months ended June 30, 2020	For the three months ended June 30, 2019	**For the six months ended June 30, 2020**	For the six months ended June 30, 2019
Income /(Loss) for the period	**$ 3,986**	$ (3,913)	**$ (13,679)**	$ (8,637)
Weighted average number of shares outstanding - basic	**4,353,946**	4,353,865	**4,353,684**	4,352,083
Weighted average number of shares outstanding - diluted	**4,392,996**	4,370,834	**4,392,734**	4,369,052
Total net income/(loss) per share - basic	**$ 0.92**	$ (0.90)	**$ (3.14)**	$ (1.98)
Total net income/(loss) per share - diluted	**$ 0.91**	$ (0.90)	**$ (3.11)**	$ (1.98)

33 SUBSEQUENT EVENTS

Banco Atlantida Loan

Aura, through Minosa, is in negotiations for a working capital loan with Banco Atlantida for the amount of $4,000. The new loan bears interest rate of 7.5% charged according to credit use. Guarantee is assignment of Auramet addendum, with rights of trading minimum 1,000 oz/quarter and escrow account that will receive all funds from 1,000 per quarter oz for this addendum. The loan is still in process and is expected to be finalized in August 2020.

Initial Public Offering (IPO) in the B3

On June 24, 2020, Aura announced that it was launching an initial primary and secondary public offering with restricted placement efforts of Brazilian depositary receipts, with each BDR representing one share of Aura. The BDRs being offered in the Offering was approved for listing on the B3 S.A. – Brasil, Bolsa, Balcão (the "B3"). The launch of the Offering followed Aura's announcement on June 1, 2020 of its resumption of the process commenced in the first quarter of 2020 to explore a possible initial public offering in Brazil, which plans Aura previously suspended in light of the global COVID-19 pandemic.

The Offering consisted of (i) a primary public offering with restricted efforts of, initially, 331,033 BDRs (the "Primary Offering" and the "Primary Offering BDRs"), representing 331,033 Shares, and (ii) a secondary public offering with restricted efforts of, initially, 626,090 BDRs by a certain shareholder of Aura (the "Base Offering Selling Shareholder") (the "Secondary Offering" and the "Secondary Offering BDRs", and the Primary Offering, together with the Secondary Offering, the "Base Offering", and the Primary Offering BDRs, together with the Secondary Offering BDRs, the "Base Offering BDRs"), representing 626,090 Shares, on the non-organized over-the-counter market, exclusively to professional investors", as defined by the local regulation.

The number of Base Offering BDRs was increased by 6,430 BDRs offered by a certain individual shareholder of Aura, under the same conditions and at the same price of the Base Offering BDRs (the "Additional BDRs"). The price per BDR was set at R$820.00 (or

C$204.75, based on the daily average rate of exchange published by the Bank of Canada on June 30, 2020) following the completion of the book building process and the approval of the Price per BDR by Aura's Board of Directors, occurred on July 2, 2020.

The total gross amount of the Base Offering BDRs and the Additional BDRs (including the Primary and Secondary Offerings) were R$790,113 (equivalent to USD$ 146,880) and was settled on July 7, 2020. Gross proceeds to Aura from the Primary Offering were R$271,447,060.00 (equivalent to USD$ 50,461) before deducting the underwriting discount and estimated Offering expenses.

In addition to the Additional BDRs, the number of Base Offering BDRs may be increased by up to 15%, corresponding to up to 143,568 BDRs, of which 49,655 BDRs are to be offered by Aura and 93,913 BDRs are to be offered by the Base Offering Selling Shareholder, under the same conditions and at the same price of the Base Offering BDRs, pursuant to an option granted by Aura and the Base Offering Selling Shareholder to the Brazilian Underwriter that will act as stabilization agent, for the purposes of the services of stabilization of the price of the BDRs in connection with the Offering.

Aura expects to use the net proceeds of the Offering to fund (i) continuous development, maintenance and expansion of Aura's producing assets; (ii) exploration and development of projects that are not yet in commercial production; and (iii) reinforcement of Aura's capital structure.

Aura expects settlement of the Over-Allotment BDRs (if the related option is exercised) to occur on or before August 6, 2020, and completion of the Offering to occur on or before August 11, 2020.

On July 7th, Aura received the payment of BRL 256,316 (equivalent to USD$ 47,860), net of underwriter, depositary agent and other commissions and fees.

Expected Share Division

On August 5, 2020, Aura announced the approval a share division of the issued shares of the Company, whereby each issued share will be divided into fifteen (15) issued shares (the "Share Division"). Therefore, for each share currently held, each shareholder will receive, as a result of the Share Division, fifteen (15) shares of the Company.

As a result of the Share Division, the Brazilian depositary receipts issued or to be issued in connection with Aura's previously announced initial primary and secondary public offering with restricted efforts of Brazilian depositary receipts ("BDRs") will be divided at the same ratio as the Share Division (the "BDR Division"), so that for each BDR currently held, each BDR holder will receive, as a result of the BDR Division, fifteen (15) BDRs of the Company.

Additionally, the Company will advise the market of the record date(s) and expected payment date(s) for the Share Division and the BDR Division, as well as other key dates and details in connection with same, in due course.