

TORONTO, ON--(Marketwired - May 10, 2016) - [Aura Minerals Inc.](#) ("Aura Minerals" or the "Company") (TSX: ORA) announces financial and operating results for the first quarter of 2016 and voting results for the election of Directors.

This release does not constitute management's discussion and analysis ("MD&A") as contemplated by applicable securities laws and should be read in conjunction with the MD&A and the Company's condensed interim consolidated financial statements for the three ended March 31, 2016, which are available on SEDAR at www.sedar.com and on the Company's website. Unless otherwise noted, references herein to "\$" are to thousands of United States dollar. References to "C\$" are to thousands of Canadian dollar. Tables are expressed in thousands of United States dollar, except where otherwise noted.

Highlights:

- Operating cash flow¹ of \$6,602 for the first quarter of 2016 compared to \$4,099 for the first quarter of 2015;
- Gross margin of \$7,529 for the first quarter of 2016, compared to a gross margin of \$86 for the first quarter of 2015;
- Loss of \$18 or \$nil per share for the three months ended March 31, 2016 compared to a loss of \$5,908 or \$0.03 per share for the first quarter of 2015;
- Net sales revenue in the first quarter of 2016 decreased by 27% over the first quarter of 2015;
- Ounces ("oz") gold production for the first quarter of 2016 were 10% lower than the first quarter of 2015;
- There was no copper produced at Aranzazu in the first quarter of 2016. Copper production at Aranzazu for the first quarter of 2015 was 1,205,983 pounds;
- On March 2, 2016, the Company obtained a \$12,325 gold loan from Auramet International LLC which is being used for debt consolidation and working capital requirements;
- Subsequent to the end of the first quarter of 2016, the Company expects to complete the acquisition of the assets and liabilities of the Ernesto/Pau-a-Pique Project, located in the state of Mato Grosso, Brazil, in close proximity to Sao Francisco.

Jim Bannantine, the Company's President and Chief Executive Officer stated, "Aura has met its operating cost and gold production targets at its San Andres and Sao Francisco mines during the first quarter of 2016 and is extremely well placed for the absorption of the Ernesto / Pau-a-Pique Project (the "EPP Project") into the Company particularly given the location of the Project in Mato Grosso and the associated synergies with the Company's Sao Francisco mine. We are confident that we can restart the EPP Project as a positive cash flowing mine in the second half of 2016 to replace Sao Francisco when it ceases mining operations and expect to update the market shortly on the completion of that transaction. Aura remains focused on optimizing its cash flows from its operating projects to maximize shareholder return and fully service third party debt. We believe the company is extremely well placed for continued financial success as well as measured growth."

Production and Cash Costs

Gold production for the first quarter of 2016 was 10% lower than the first quarter of 2015. Gold production and cash costs¹ for the three months ended March 31, 2016 and 2015 were as follows:

	For the three months ended March 31, 2016		For the three months ended Mach 31, 2015	
	Oz produced	Cash Costs ¹	Oz Produced	Cash Costs ¹
San Andres	20,180	\$ 863	23,361	\$ 751
Sao Francisco	13,878	773	14,588	1,347
Total / Average	34,058	\$ 826	37,949	\$ 980

Gold production at San Andres in the first quarter of 2016 decreased by 14% over the first quarter of 2015 primarily due to the lower grades and recoveries. Average cash cost per oz of gold produced¹ in the first quarter of 2016 increased by 15% over the first quarter of 2015 as a result of the decreased production.

Gold production at Sao Francisco in the first quarter of 2016 was 5% lower than the first quarter of 2015 due to the decrease in tonnes mined and ore plant feed. Sao Francisco is mining in areas outside of its original mine life. Average cash cost per oz of gold produced⁽¹⁾ in the first quarter of 2016 was 43% lower than in the first quarter of 2015 due to the substantially lower tonnes mined while focusing on higher grade areas.

The Aranzazu project remains on full care-and-maintenance. There was no copper production during the first quarter of 2016. Total copper production for the three months ended March 31, 2015 was 1,205,983 pounds.

Serrote

Serrote's development phase is currently on hold and the project is on care-and-maintenance with expenditures limited to those necessary to maintain the installation licences. On October 1, 2015, Serrote's installation license was granted a renewal until August 2018.

Revenues and Cost of Goods Sold

Revenues for the three months ended March 31, 2016 decreased by 27% compared to the three months ended March 31, 2015. The decrease in revenues resulted from a 19% and a 100% decrease in gold sales and copper concentrate sales, respectively. The decrease in gold sales is attributable to a 16% decrease in gold sales volumes and a 5% decrease in the realized average gold price per ounce.

The decrease in copper sales is due to the suspension of operations at Aranzazu mine. As a result, there was no copper concentrate sold during the first quarter of 2016. Total copper sales revenues for the three months ended March 31, 2015 were related to the shipment of 4,270 dry metric tonnes ("DMT") of copper concentrate at \$1,014 per DMT.

For the three months ended March 31, 2016 and 2015, total cost of goods sold from San Andres was \$16,818 or \$965 per oz compared to \$20,443 or \$891 per oz, respectively. For the three months ended March 31, 2016 and 2015, cash operating costs were \$846 per oz and \$819 per oz, respectively, while non-cash depletion and amortization charges were \$119 per oz and \$72 per oz, respectively. There were no write-downs of production inventory to net realizable value for the three months ended March 31, 2016 and 2015.

At Sao Francisco, for the three months ended March 31, 2016 and 2015, total cost of goods sold was \$11,104 or \$783 per oz compared to \$20,217 or \$1,394 per oz, respectively. For the three months ended March 31, 2016 and 2015, cash operating costs were \$779 per oz and \$1,385 per oz, respectively, while non-cash depletion and amortization charges were \$4 per oz and \$9 per oz, respectively. There were no write downs included in the cash operating costs for the three months ended March 31, 2016 to bring production inventory to net realizable value. (2015: cash operating costs included write downs of \$1,593 or \$110 per oz).

Aranzazu incurred \$413 of care-and-maintenance costs for the three months ended March 31, 2016. Total cost of goods sold from Aranzazu for the three months ended March 31, 2015 was \$7,459 or \$1,745 per DMT.

Additional Highlights

For the three months ended March 31, 2016 and 2015, general and administrative costs were \$2,316 and \$2,618, respectively. Salaries, wages and benefits increased as a result of the payment of delayed compensation amounts owing to management and employees. Professional and consulting fees decreased due to lower audit fees. Other expenses for the three months ended March 31, 2016 and 2015 include insurance premiums and software expenses.

Total finance costs for the three months ended March 31, 2016 and 2015 were \$852 and \$850, respectively.

Total other (losses) gains for the three months ended March 31, 2016 and 2015 were losses of \$2,679 and gains of \$907, respectively. For the first quarter of 2016, the loss is primarily related to unrealized losses on the outstanding gold collars of \$2,385 and unrealized losses on the outstanding fixed price contracts of \$597.

Outlook and Strategy

Aura Minerals' future profitability, operating cash flows and financial position will be closely related to the prevailing prices of gold. Key factors influencing the price of gold include, but are not limited to, the supply of and demand for gold, the relative strength of currencies (particularly the United States dollar) and macroeconomic factors such as current and future expectations for inflation and interest rates. Management believes that the short-to-medium term economic environment is likely to remain relatively supportive for commodity prices but with continued volatility. In order to decrease risks associated with commodity price and currency volatility, the Company will continue to evaluate available protection programs.

Other key factors influencing profitability and operating cash flows are production levels (impacted by grades, ore quantities, labour, plant and equipment availabilities, and process recoveries) and production and processing costs (impacted by production levels, prices and usage of key consumables, labour, inflation, and exchange rates).

Aura Minerals' production and cash cost per oz¹ guidance for the 2016 year is as follows:

Gold Mines	Cash Cost per oz	¹ 2016 Production
San Andres	\$750 - \$800	90,000 - 95,000 oz
Sao Francisco	\$700 - \$750	40,000 - 45,000 oz
Total	\$725 - \$775	130,000 - 140,000 oz

To the date of this news release, the indicators have been that the pro-rata guidance will be achieved at each operating mine.

For 2016, the capital expenditure is expected to be \$11,500. Of this amount, \$11,200 relates to San Andres and principally includes the Phase VI heap leach expansion, community and other expenditures. The remaining \$300 capital expenditure is for Sao Francisco. The Company also expects a total cash outflow of \$300 on care and maintenance costs for both the Aranzazu mine and the Serrote project during 2016.

Voting Results for the Election of Directors

The following matters were put to a vote at the Annual General and Special Meeting of the shareholders of the Company held in Toronto, Ontario on May 10, 2016 (the "Meeting"). Reference is made to the Management Information Circular of the Company dated April 7, 2016 for details of these matters in addition to the Company's press release dated April 9, 2016. The Company did not seek re-approval for the Company's incentive stock option and share compensation plan or the treasury share unit plan.

At the Meeting, the number of directors was set at five and the following individuals were elected as Directors of the Company:

Paulo de Brito
James Bannantine
Patrick Mars
Stephen Keith

The report on the voting results is as follows:

To Set the Number of Directors at Five. Voting results for the number of Directors are as follows:

For	% For	Against	% Against
102,038,521	99.95	53,000	0.05

Election of Directors. Voting results for the election of Directors are as follows:

Nominee	Outcome	For	% For	Withhold	% Withhold
Patrick Mars	Carried	64,937,605	52	60,607,467	48
James Bannantine	Carried	64,892,946	52	60,652,126	48
Stephen Keith	Carried	64,935,605	52	60,609,467	48
Paulo de Brito	Carried	125,545,072	100	0	0

Appointment and Compensation of Auditors. Voting results for the appointment of PricewaterhouseCoopers LLP, Chartered Accountants are as follows

For	% For	Withheld	% Withheld
93,525,949	91.61	8,565,572	8.39

Non-GAAP Measures

This news release includes certain non-GAAP performance measures, in particular, the average cash cost per oz of gold and operating cash flow which are non-GAAP performance measures. These non-GAAP measures do not have any standardized meaning within IFRS and therefore may not be comparable to similar measures presented by other companies. The Company believes that these measures provide investors with additional information which is useful in evaluating the Company's performance and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Total cash cost of gold produced includes on-site mining, processing, administration costs, off-site refining and royalty charges, reduced by silver by-product credits, but excludes amortization, reclamation, and exploration costs, as well as capital expenditures. Total cash cost of gold produced is divided by oz produced to arrive at cash cost per oz.

Operating cash flow is the term the Company uses to describe the cash that is generated from operations excluding depletion and amortization, inventory write-downs, stock based compensation and impairment charges.

¹ Please see the cautionary note at the end of this news release

Aura Minerals is a Canadian mid-tier gold production company focused on the operation and development of gold and copper projects in the Americas. The Company's producing assets include San Andres gold mine in Honduras and the Sao Francisco gold mine in Brazil. The Company's development assets include the Aranzazu copper project in Mexico and the copper-gold-iron Serrote project in Brazil. The development assets are on care-and-maintenance.

Cautionary Note

This news release contains certain "forward-looking information" and "forward-looking statements", as defined in applicable securities laws (collectively, "forward-looking statements"). All statements other than statements of historical fact are forward-looking statements. Forward-looking statements relate to future events or future performance and reflect the Company's current estimates, predictions, expectations or beliefs regarding future events and include, without limitation, statements with respect to: the amount of mineral reserves and mineral resources; the amount of future production over any period; the amount of waste tonnes mined; the amount of mining and haulage costs; cash costs; operating costs; strip ratios and mining rates; expected grades and ounces of metals and minerals; expected processing recoveries; expected time frames; prices of metals and minerals; mine life; and gold hedge programs. Often, but not always, forward-looking statements may be identified by the use of words such as "expects", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Forward-looking statements in this news release and related MD&A are based upon, without limitation, the following estimates and assumptions: the presence of and continuity of metals at the Company's Mines at modeled grades; the capacities of various machinery and equipment; the availability of personnel, machinery and equipment at estimated prices; exchange rates; metals and minerals sales prices; appropriate discount rates; tax rates and royalty rates applicable to the mining operations; cash costs; anticipated mining losses and dilution; metals recovery rates, reasonable contingency requirements; and receipt of regulatory approvals on acceptable terms.

Known and unknown risks, uncertainties and other factors, many of which are beyond the Company's ability to predict or control could cause actual results to differ materially from those contained in the forward-looking statements. Specific reference is made to the most recent Annual Information Form on file with certain Canadian provincial securities regulatory authorities for a discussion of some of the factors underlying forward-looking statements, which include, without limitation, gold and copper or certain other commodity price volatility, changes in debt and equity markets, the uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, interest rate and exchange rate fluctuations, general economic conditions and other risks involved in the mineral exploration and development industry. Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect the forward-looking statements.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

Contact

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