

31 July 2024

AVIRA RESOURCES LIMITED – QUARTERLY ACTIVITIES REPORT (JUNE 2024)

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Directors

David Wheeler, Non-Executive
Chairman

David Deloub, Executive Director

James Robinson, Non-Executive
Director

Sonu Cheema, Company
Secretary

Issued Capital (ASX Code: AVW)

2,938,790,00 Ordinary Shares

968,710,000 Quoted options
exercisable (AVWOA) at \$0.008 on
or before 31 December 2024

402,500,000 Unquoted options
exercisable at \$0.003 on or before
30 June 2027



Puolalaki Project location, Sweden

Avira Resources Limited (ASX: AVW) (Avira or the Company) is pleased to present the following Activities Report for the quarter ended 30 June 2024 (Quarterly Report).

HIGHLIGHTS

- ₹ Avira has now fulfilled the Stage 2 Earn-in requirements and increases its total interest in the Puolalaki project to 51%.
- ₹ \$805,000 Oversubscribed Placement completed to fund due diligence and proposed exploration at the Meru Copper-Gold Project, the Company's existing projects and working capital.

OPERATIONAL ACTIVITIES

PUOLALAKI PROJECT, SWEDEN

During the quarter Avira successfully completed the Stage 2 Earn-in requirement for the highly prospective Puolalaki Ni-Cu-Co Project in Sweden as per the terms of the Earn-in Agreement. This milestone marks a significant advancement in the strategic partnership and project development.

Under the terms of the Earn-in Agreement, AVW was required to meet specific conditions to complete the Stage 2 Earn-in. We are pleased to confirm that these requirements have been fulfilled, further solidifying our commitment to the project and our partners.

KEY TERMS OF THE EARN-IN AGREEMENT

AVW to issue Exclusivity Shares (fully paid ordinary shares) to the value of \$60,000 to the Owners upon the execution of the Agreement (Completed)

Staged Earn-In Agreement:

Initial Earn-In: AVW to spend not less than \$250,000 to earn a 20% interest in the project. (Completed)

Stage 2 Interest: AVW to spend not less than \$650,000 to earn an additional 31% interest in the project. (Completed)

Stage 3 Interest: AVW to spend not less than \$1.5 million to earn an additional 29% interest in the project. (Under Review)

- Once AVW has satisfied the Stage 3 condition, AVW and the Owners will form an incorporated joint venture whereby AVW owns 80% interest in the project and the Owners 20%. Each party will contribute to their share of joint venture expenditure pro-rata in accordance with their respective joint venture interest or be diluted.
- Subject to AVW having satisfied the Stage 3 condition, the Owners grants AVW an option to acquire an additional 10% joint venture interest from the Owners by paying the Owners a cash payment of \$1.25 million.
- If the Owner's joint venture interest falls below 10%, the Owners may either contribute to ongoing work in accordance with the joint venture, pro-rata to their joint venture interest, or elect to convert its 10% joint venture interest into a 1.5% net smelter return royalty (NSR) thereby bringing the joint venture to an end.

NEXT STEPS

With the successful completion of Stage 2, AVW will review the next phase of the project, continuing to work closely with our partners to achieve our mutual goals. We are confident that this progression will bring substantial benefits to all stakeholders involved.

Project scale geophysical exploration programs (airborne and ground based gravity and EM surveys) are currently contemplated in addition to re-processing of the current DHEM data produced from recent exploration campaigns in preparation for the planning and execution of a larger-scale drilling program at Puolalaki.

Whilst recent exploration activities by AVW have been predominantly focussed on the base metal prospectivity of the project, the Company is currently reviewing the historic exploration results related to the gold potential of the project, largely driven by the high-grade gold that was intercepted at the bottom of PUO23005 in 2023 whilst targeting a deep EM conductor.

In addition to the base metals mineralisation at Puolalaki, the project also contains significant, high-grade gold (\pm Cu, W, Mo) mineralisation. The bulk of the historic exploration at Puolalaki was focussed on the gold mineralisation that was first discovered by LKAB during the 1980's whilst exploring for metallurgical olivine within the Puolalaki gabbro.

At least two zones of gold mineralisation have been delineated through diamond drilling (<50 drillholes) at Puolalaki where the gold is hosted in gneissic metasedimentary and metavolcanic rocks intruded by granodiorite to tonalite bodies; a sequence of host rocks not dissimilar to the Aitik deposit. Scheelite, chalcopyrite and molybdenite often accompany the gold-arsenic mineralisation and visible gold (0.8mm) has been observed. The gold mineralisation is currently open at depth and along strike.

Better gold intercepts from the early LKAB drilling include:

- PUO28: 2.29m @ 3.15g/t Au
- PUO27: 4m @ 2.14g/t Au
- PUO26: 2.75m @ 14.16g/t Au
- PUO24: 2.65m @ 8.65g/t Au
- PUO23: 2.1m @ 3.94g/t Au

In 1998, NAN drillhole PNO98003 intercepted:

- 7.9m @ 3.9g/t Au

In 2023, AVW completed drillhole PUO23005 which was drilled to 592.4m and was targeting a deep FLEM conductor. The drillhole intercepted low-grade nickel-copper mineralisation within a gabbro host rock in the upper part of the drillhole but also intersected several zones of significant gold mineralisation within a broader halo of lower-grade gold mineralisation hosted within a tonalite; significant intercepts included:

- 2.53m @ 5.83g/t Au from 438.77m, Inc. 1.23m @ 9.78g/t Au from 438.77m
- 9.57m @ 3.82g/t Au from 494.63m
- 4.50m @ 3.04g/t Au from 513m
- 1.35m @ 6.82g/t Au from 527.85

The gold mineralisation located within drillhole PUO23005 is located ca. 500m along strike to the north of the shallow historic gold mineralisation identified by LKAB along the same shear structure.

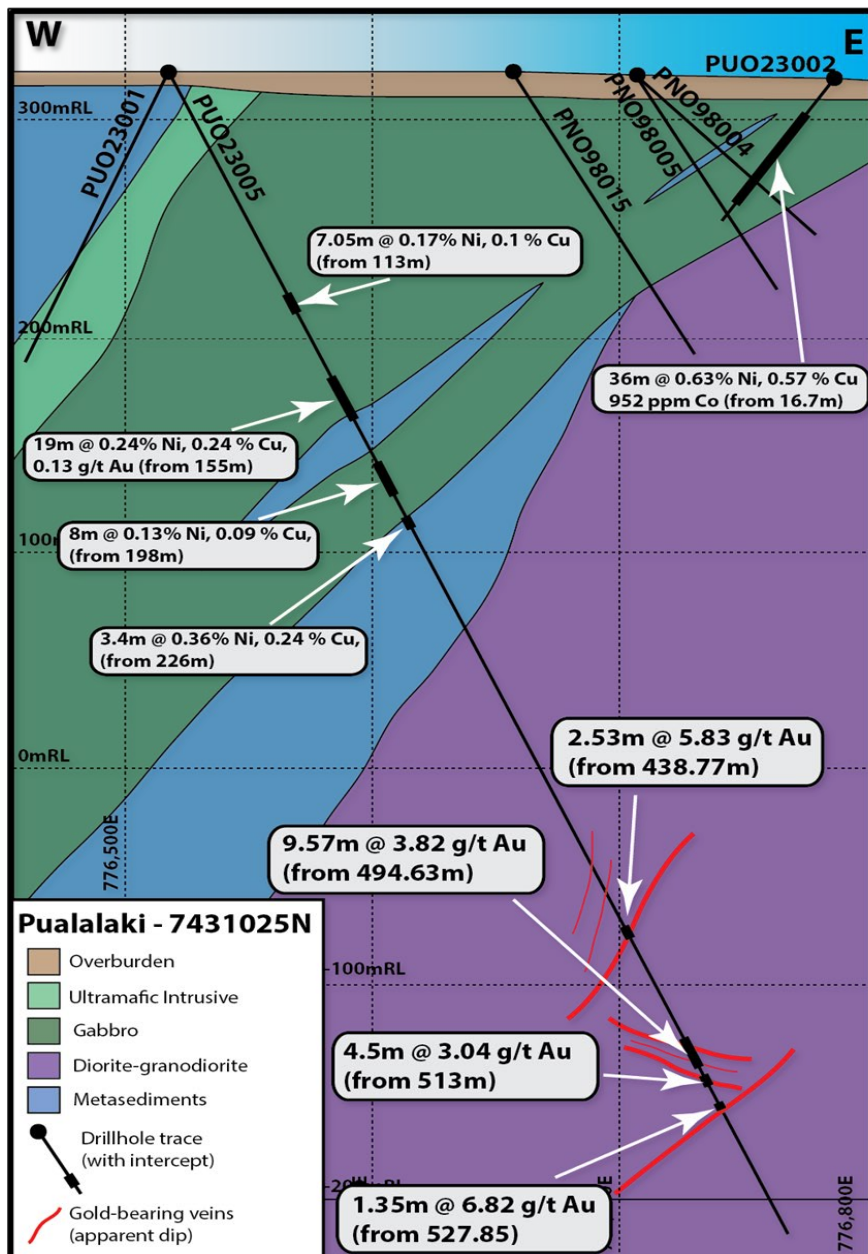


Figure 1: Drillhole cross-section for drillhole PUO23005 showing both nickel and gold mineralisation.



Several bottom-of-till (BOT) and C-horizon soil sampling anomalies (gold) remain untested by drilling and provide significant upside potential for the gold mineralisation. The southwestern gold geochemical anomaly is robust over an area of ~800m x 250m with a peak assay of 346ppb Au whereas the southeastern anomaly is less robust with a peak assay of 59.8ppb Au.

ABOUT THE PUOLALAKI PROJECT

The Puolalaki Project currently comprises a single exploration permit (Puolalaki nr 100) centred over a syn-orogenic gabbro intrusion that hosts the nickel mineralisation discovered by NAN in 1998¹. In addition to the Ni-Cu-Co mineralisation at Puolalaki, the project also contains significant, high-grade gold mineralisation across two zones within the metasediments and metavolcanics surrounding the gabbro. The project is located in Sweden's premier Gällivare mining district which is host to Europe's largest open-cut copper mine Aitik, owned by Boliden and to LKAB's Malmberget iron-ore mine.

CORPORATE ACTIVITIES

CAPITAL RAISE

During the quarter the Company completed a Placement raising \$805,000 (before costs) through the issue of 805,000,000 fully paid ordinary shares @ \$0.001 (**Placement Shares**). Investors received one (1) attaching unlisted option for every two (2) Placement Shares issued (**Placement Options**). The Placement Options are exercisable at \$0.003, each with an expiry of 30 June 2027.

The Company issued 530,000,000 Placement Shares on 8 May 2024 pursuant to the Company's Listing Rule 7.1 issue capacity, the remaining 275,000,000 Placement Shares and 402,500,000 Placement Options were issued on 26 June 2024 after Shareholder approval was granted at a General Meeting held 21 June 2024.

The funds raised via the Placement were intended to be primarily applied to due diligence and proposed exploration at Meru Copper-Gold Project, the Company's existing projects and working capital.

CAPITAL EXPENDITURE

Payments of Director fees totalled \$55k (exclusive of GST) during the June quarter. The outflows from operating (\$136k), exploration and evaluation (\$287k) during the June quarter predominantly comprised of:

- Exploration field activities including;
 - Logistics planning, reconnaissance and geological mapping
 - Exploration Due Diligence, Analysis and reporting for existing and assets under joint venture
 - Exploration and evaluation - Stage 2 Earn-In for the Puolalaki Ni-Cu-Co Project in Sweden (*Refer ASX release dated 19 July 2024*)
 - General Field expenses linked to activities conducted and storage
 - Exploration and evaluation based executive salary
- Technical consulting fees including; consulting geologists and geo physicists
- Tenement administration, access, management and reporting
- Corporate, advisory, legal project due diligence and administrative expenses

¹ South Atlantic Resources Ltd (VSE:SCQ) Press Release dated April 22, 1998 "NAN Discovers Copper-Nickel-Cobalt Mineralization in Northern Sweden". North Atlantic Natural Resources AB was a Swedish subsidiary of Vancouver Stock Exchange listed company South Atlantic Resources Ltd.



SUBSEQUENT EVENTS

Meru copper-gold project, Kenya – EIA Ended

On 24 April 2024 Avira announced it had entered into an Earn-In Agreement (EIA) with Goitom Mining Limited (**Goitom**) to earn up to an 80% interest in the Meru Copper-Gold Project (**Meru**) located in central Kenya.

Following the execution of the EIA, the Company and its in-country representatives commenced commercial and technical due diligence on the project. Following due diligence operations, the Company has decided not to proceed with the proposed earn-in to the Meru copper project.

While disappointed with the outcome of the Meru project due diligence, this process has resulted in the Company's representatives identifying further potential project opportunities within Kenya across gold and base metals. This evaluation process remains ongoing and the Company will keep shareholders updated with any developments in this regard.

Tenement surrender - Paterson Range, WA

Following the end of the quarter Avira surrendered its two tenement packages Mount Macpherson E45/5572 and Throssel Range E45/5567 located within the Paterson Range province of Western Australia. With the Company's focus and resources aimed squarely on the Puolalaki Project in Sweden and new opportunities these exploration assets were considered non-core with the surrender resulting in time and cost savings.

ENDS

For, and on behalf of, the Board of the Company, and authorised for release.

David Deloub
Managing Director
Avira Resources Limited

Shareholders and other interested parties can speak to Mr. Sonu Cheema if they have any queries in relation to this announcement: +61 8 9463 2463.

TENEMENT TABLE – 30 June 2024

LEASE	NAME	AREA	AREA UNITS	GRANT DATE	EXPIRY DATE	HOLDER	EA
Paterson Range (WA)*							
E45/5572	Mt Macpherson	41	Sub-Blocks	13-July-2020	12-July-2025	Mt Macpherson	E45/5572
E45/5567	Throssel Range	32	Sub-Blocks	19-Aug-2020	18 Aug - 2025	Avira	E45/5567
Puolalaki (Sweden)**							
NR100	Puolalaki	16	Kms ²	21-Dec-2018	21-Dec-2027	Scott Geological AB	N/A

*Both E45/5567 and E45/5572 were surrendered subsequent to 30th June 2024.

**Subject to a Farm-in Agreement as announced on 10 Oct 22 - Refer Key Terms of HOA.



About Avira Resources Limited

Avira Resources (AVW) is an ASX listed mining exploration company. The Puolalaki Project currently comprises a single exploration permit (Puolalaki nr 100) centred over a syn-orogenic gabbro intrusion that hosts the nickel mineralisation discovered by NAN in 1998². In addition to the Ni-Cu-Co mineralisation at Puolalaki, the project also contains significant, high-grade gold mineralisation across two zones within the metasediments and metavolcanics surrounding the gabbro. The project is located in Sweden's premier Gällivare mining district which is host to Europe's largest open-cut copper mine Aitik, owned by Boliden and to LKAB's Malmberget iron-ore mine.

Competent Persons Statement - Puolalaki

The information in this document that relates to exploration results is based on information compiled by Amanda Scott, a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No.990895). Amanda Scott is a full-time employee of Scott Geological AB. Amanda Scott has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Amanda Scott consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Competent Persons Statement - Meru

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation obtained by Mr Mark Gasson. Mr Gasson is a consultant geologist for Avira and a member of the AusIMM. Mr Gasson has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Gasson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

² South Atlantic Resources Ltd (VSE:SCQ) Press Release dated April 22, 1998 "NAN Discovers Copper-Nickel-Cobalt Mineralization in Northern Sweden". North Atlantic Natural Resources AB was a Swedish subsidiary of Vancouver Stock Exchange listed company South Atlantic Resources Ltd.

ASX Listing Rules Compliance

In preparing the Quarterly Report for the period ended 30 June 2024 and to date, the Company has relied on the following ASX announcements.

ASX Announcement	19/07/2024	AVW EARNS 51% INTEREST IN THE PUOLALAKI NI-CU-CO-AU PROJECT
ASX Announcement	22/05/2024	Addendum - Quarterly Activities Report
ASX Announcement	29/04/2024	OVERSUBSCRIBED CAPITAL RAISE
ASX Announcement	24/04/2024	Meru Copper Gold EIA - 10.32% Cu and 4.68g/t Au
ASX Announcement	20/03/2024	ASSAY UPDATE FROM PUOLALAKI NI-CU-CO PROJECT
ASX Announcement	12/02/2024	RESULTS CONFIRM SIGNIFICANT ZONE OF NI-CU MINERALISATION
ASX Announcement	09/12/2024	PUOLALAKI PHASE 2 DIAMOND DRILLING UPDATE
ASX Announcement	08/12/2023	DIAMOND DRILLING COMMENCES AT PUOLALAKI
ASX Announcement	24/11/2023	PHASE 2 DIAMOND DRILLING TO COMMENCE AT PUOLALAKI
ASX Announcement	03/10/2023	SKYTEM AIRBORNE EM SURVEY IDENTIFIES 14 ANOMALIES
ASX Announcement	29/08/2023	FINAL ASSAY RESULTS REVEAL GOLD & NICKEL MINERALISATION
ASX Announcement	26/07/2023	Quarterly Activities Report and Appendix 5B
ASX Announcement	03/07/2023	SKYTEM AIRBORNE EM SURVEY TO COMMENCE AT PUOLALAKI
ASX Announcement	22/05/2023	BROAD ZONE OF NI-CU-CO MINERALISATION CONFIRMED

Compliance Statement

This report contains information extracted from reports cited herein. These are available to view on the website. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Quarterly Report.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Avira Resources Limited

ABN

38 131 715 645

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(55)	(207)
(e) administration and corporate costs	(136)	(350)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (ATO/VAT Payments / Receivables)	53	138
1.9 Net cash from / (used in) operating activities	(136)	(412)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(287)	(827)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(287)	(827)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	805	805
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(54)	(54)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (marketing costs)	(35)	(35)
3.10 Net cash from / (used in) financing activities	716	716

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	215	1,030
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(136)	(412)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(287)	(827)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	716	716

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(5)	(4)
4.6	Cash and cash equivalents at end of period	503	503

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	503	215
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (High Interest Account)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	503	215

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	55
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
-		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(136)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(287)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(423)
8.4 Cash and cash equivalents at quarter end (item 4.6)	503
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	503
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.19
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes, pursuant to the ASX release dated 24 April 2024 and 29 April 2024, the Company announced the oversubscribed capital raise of \$805,000 to be completed in two Tranches (T1-\$530k) and (T2-\$275k).	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, please refer response in section 8.8.1. The Company having announced the completion of Stage 2 Earn-In on 19 July 2024, anticipates lower exploration spending in the September quarter of 2024 due to timing differences.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, please refer response in section 8.8.1

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:31 July 2024.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.