



AVIRA RESOURCES LIMITED

Suite 4/Level 2, 189 Kent Street,
Sydney, NSW 2000, Australia

T: +61 2 9262 11222

ACN 131 715 645

5 December 2017

NON-RENOUNCEABLE RIGHTS ISSUE – CLEANSING NOTICE PURSUANT TO SECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001

This notice is given by Avira Resources Limited (ASX: AVW) (**Company**) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) (**Act**), as notionally modified by ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84 (**ASIC Instrument**).

On 5 December 2017, the Company announced that it would be offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a non-renounceable pro-rata rights issue (**Rights Issue**) on the basis of one (1) Share for every one (1) Share held at 7:00pm (AEDT) on the record date of 8 December 2017.

Shares under the Rights Issue will be offered at \$0.003 per Share. The maximum number of Shares which may be issued under the Rights Issue is 87,088,295 (subject to rounding of fractional entitlements) to raise up to approximately \$261,265 (before costs). The Rights Issue will not be underwritten.

An Offer Document will be mailed to eligible shareholders on 12 December 2017, together with a personalised Entitlement and Acceptance Form. For informational purposes, a sample copy of this Offer Document has been attached to this notice.

The Company hereby gives notice under section 708AA(2)(f) of the Act that:

- (a) the Company will offer the Shares under the Rights Issue for issue without disclosure to investors under Part 6D.2 of the Act, as notionally modified by the ASIC Instrument;
- (b) the Company is providing this notice under section 708AA(2)(f) of the Act, as notionally modified by the ASIC Instrument;
- (c) at the date of this notice, the Company has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to the Company; and
 - (ii) section 674 of the Act;
- (d) at the date of this notice, there is no information that is “excluded information” within the meaning of section 708AA(8) and section 708AA(9) of the Act; and

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- (e) the potential effect that the issue of the Shares under the Rights Issue will have on the control of the Company is as follows:
- (i) if all eligible shareholders take up their entitlements under the Rights Issue, the issue of Shares under the Rights Issue will have no effect on the control of the Company and all shareholders will hold the same percentage interest in the Company, subject only to changes resulting from ineligible shareholders being unable to participate in the Rights Issue;
 - (ii) in the event that there is a shortfall to the Rights Issue, shareholders who do not subscribe for their full entitlement of Shares under the Rights Issue will be diluted relative to those shareholders who subscribe for some or all of their entitlement of Shares. It is noted that the three largest substantial holders of the Company (Armstrong Industries HK Limited and associates, Joseph Energy (Hong Kong) Limited and Hong Kong Jingaofengda Business Co Limited) will be limited in accepting their full entitlement if to do so would result in a person increasing their voting power in the Company from a starting point above 20% (in the absence of any other exceptions in section 611 of the Corporations Act such as the 3% creep exception) or from below 20% to above 20% and therefore there will be no effect on the control of the Company as a result of the Rights Issue. However, this restriction in accepting their full entitlement will not occur where the Company issues a sufficient amount of the shortfall or Shares under the placement of an additional 170,823,410 Shares at \$0.003 per Share announced to ASX on 8 November 2017 at the same time as the issue of Shares under the Rights Issue.

Signed for and on behalf of the Company:



GARY KUO
MANAGING DIRECTOR
AVIRA RESOURCES LIMITED