



AVIRA RESOURCES LIMITED QUARTERLY ACTIVITIES REPORT (MARCH 2018)

Highlights

- Completion of entitlement issue and placement raising \$773k
- Executive Director appointed.
- Commencement and completion of Phase 1 of AVW's exploration program on the Pyramid gold project in North QLD.

Avira Resources Limited (ASX: **AVW**) (**Avira** or the **Company**) wishes to advise on the following activities during the quarter ending 31 March 2018.

Corporate Activities

Capital raising and restructure

A Non-renounceable Rights Issue (**Offer**) was made to existing shareholders in December 2017 on a 1 for 1 basis of 87,088,295 fully paid ordinary shares (Shares) at \$0.003 per Share to raise \$261,265.

The Company received acceptances for a total of 25,714,060 Shares and applications for a further 61,374,235 Shares under the shortfall offer raising the full subscription of \$261,265. These Shares were issued on 3 January 2018 and trading commenced on 4 January 2018.

A placement to raise \$512,470 via the issue of 170,823,410 Shares at \$0.003 per Share was approved by shareholders at the general meeting held on 22 December 2017. These Shares were also issued on 3 January 2018, with trading commencing on 4 January 2018. Also, 50,000,000 options were issued to Cicero Advisory Services Pty Ltd on 3 January 2018.

The funds raised from the Offer and the placement have been applied towards debt repayment with the balance being applied to operational activities and working capital.

Board & management changes

Mr David Deloub moved from Non-Executive Director role to Executive Director of the Company as announced on 24 January 2018. Mr Deloub's appointment is covered by a Board approved Executive Services Agreement.

The Company also confirmed the following internal board redesignations effective on 24 January 2018.

ASX RELEASE

30 April 2018

ASX CODE

AVW

REGISTRY

Computershare

SHARES ON ISSUE

378,333,333

Avira Resources Limited

Suite 9, Level 2,
330 Churchill Avenue
Subiaco WA 6008
Australia

T: 61 8 6489 1600
F: 61 8 6489 1601

www.mgt.net.au
admin@aviraenergy.com

ABN: 38 131 715 645

- Mr Gary Kuo, previously the Managing Director and an Executive Director of the board, ceased to serve as Managing Director and Executive, but remains a Non-Executive Director.

- Mr Jonathan Back, previously the Executive Chairman of the board, ceased to serve as an executive, but remains a Non-Executive Chairman.

Settlement of Niflheim secured loan to AVW and Directors Loans

Both the secured loan with Niflheim Resources Pte Ltd and the outstanding Directors loans were settled during the quarter ending 31 March 2018.

Operational Activities

Pyramid Gold Project, Queensland

Overview

The Pyramid Gold Project is located approximately 120 km southeast of Charters Towers, northern Queensland, in the Burdekin Dam – Sellheim River region, and comprises EPM 12887, EPM 25154 and EPM 19554 which close to the north eastern margin of the Drummond Basin, near its contact with the Bulgonunna Block. Basement sequences of the Anakie Inlier are located to the west and within the eastern portion of the project area. The majority of historical exploration work has focused on EPM 12887.

The topography of the EPC 12887 is dominated by the West Pyramid Range and the parallel East Pyramid Range. The West Pyramid Range contains a plus 6km mineralized structure which extends from the Gettysberg and Sellheim prospects in the NNE to the Marrakesh and Pradesh prospects to the SSE. Gold and base metal mineralization, as defined by geological prospecting and surface sampling, occurs along the extent of this structure.

The East Pyramid Range is characterized by Late Carboniferous to Permian age intrusive related hydrothermal systems, which are associated with prominent bulk tonnage gold systems in North Queensland. Mt Leyshon, Ravenswood-Mt Wright and Kidston are multi-million ounce examples of this style of mineralisation in North Queensland.

2018 Exploration program

The Company completed a Reverse Circulation (RC) drilling program at the Project in 2015, with drilling at Gettysburg returning broad zones of high grade gold mineralisation within and adjacent to a low grade envelope defined from earlier drilling. Better results included 35m at 6.1g/t from 33m, including 5m at 37.1g/t from 33m, in MGTRC016 and 34m at 2.83g/t from 15m, including 15m at 5.63g/t from 24m in MGTRC018.

As previously advised (ASX release February 20th 2018) Terra Search Pty Ltd (a Townsville based minerals exploration contractor) was engaged to plan a series of drill holes at the Gettysberg prospect within EPM 12887 at the Company's Pyramid Gold Project in northern Queensland.

This planning phase included;

- 3D modelling of the Gettysburg drill data set.
- Identification of interpreted extensions to known high grade mineralised shoots.
- Drill target identification and hole design.

This work identified a total of seven RC holes designed to infill and extend the previously defined mineralisation at Gettysburg, targeting a series of high grade mineralised shoots. The definition of a series of high grade mineralised shoots is expected to have a material impact on the average grade across the defined mineralisation at Gettysburg.

The Company selected four of the seven RC holes proposed by Terra Search (2 long holes @ 200 m each, and two short holes, for a total of 550 m) to be representing phase 1 of a larger infill and step-out drilling program. These holes are designed to prove the structural model and enable ongoing targeted testing of additional high grade mineralised shoots.

Figure 1 shows the location of the seven designed RC holes on a 3D model of the Gettysburg mineralisation, with collar details of the four completed Phase 1 drill holes (additional details provided in Table 1).

Terra Search has used the updated 3D model of the Gettysburg prospect, which combined structural and lithological mapping and re-evaluation of two diamond core holes drilled in 2015, to identify areas of the mineralisation with scope for extensions to known lenses and shoots, and to propose a drill program to test these extensions.

The modelling by Terra Search divided the Gettysburg mineralisation in to Zones 1 to 3, numbered from south to north (see Figure 1). Zone 1 (or Devils Den zone) consists of gently ENE-plunging shallow mineralisation that appears to be controlled by a dextral shear of a similar orientation to a structure that bounds the Gettysburg mineralisation to the south.

Zone 1 contains some of the highest grade mineralisation, however the higher grade mineralisation appears relatively discontinuous based on the current drill density. The drilling completed at Zone 1 in this program, consisting of two holes for 150m, was designed to enhance the continuity of the higher grade mineralisation in the northern part of this zone.

Mineralisation at Zone 2 is divided in to a lower (footwall) north dipping zone with apparently limited continuity at depth and an upper (hanging wall) zone associated with brecciated sandstone that is more continuous at depth. Drilling completed at Zone 2 in this program, consisting of two holes for 400m, was designed to extend the footwall zone by >70m to the east and ~50m down dip and infill / extend the hanging wall zone, as well as test continuity between Zone 2 and Zone 3.

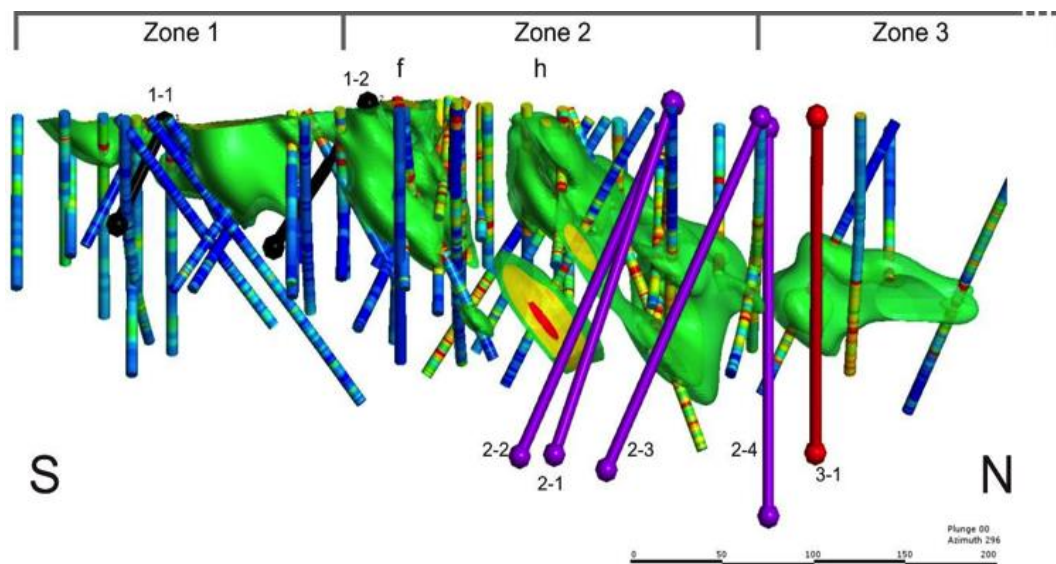


Figure 1. 3D model of Gettysburg mineralisation showing past drilling and proposed holes

Zone 3 presents as a narrow NE-trending zone of mineralisation at depth beneath unmineralised cover rocks.

Drillhole ID	Easting (MGA)	Northing (MGA)	Elevation	Azimuth	Dip	Depth	Comment
1-1	507943	7690677	199	175	-60	60	Test continuity between pods of modelled mineralisation that passes below Devils Den stream

1-2	508035	7690756	209	210	-55	90	An untested region between the Devils Den and MDD-hole breccia mineralised zones
2-3	508163	7690933	202	200	-65	200	Drill underneath 2-2 to test down dip of eastward extension in Zone 2
2-4	508104	7690966	197	210	-90	200	Test down dip continuity of Zone 2 and continuity between Zones 2 and 3

Table 1. – Gettysburg prospect, four completed Phase 1 RC holes

The company has subsequently lodged samples collected from the 4 drill holes listed in Table 1. with an assay laboratory in Townsville and is awaiting results for review and interpretation.

Southern Queensland Projects

(Includes; Yarrol EPM8402, Mt Steadman EPM12834). No significant exploration work was undertaken on the Southern Queensland Project during the March quarter.

Tenement Status

Lease	Current Area	Area Units	Grant Date	Expiry Date	Holder	EA
Pyramid						
EPM12887	16	Sub-Blocks	5-Aug-04	4-Aug-20	MGTM	EPSX00705113
EPM19554	14	Sub-Blocks	16-Dec-14	15-Dec-19	MGTM	EPSX00705113
EPM25154	49	Sub-Blocks	23-Feb-15	22-Feb-20	AVIR	EPSX00899513
Southern Queensland						
EPM12834	4	Sub-Blocks	17-Dec-99	16-Dec-18	MGTM	EPSX00600613
EPM8402	4	Sub-Blocks	13-Nov-91	12-Nov-18	MGTM	EPSX0060071

-ENDS-

Forward looking statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Ian Prentice. Mr Prentice is a consultant geologist for AVW and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice 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 Prentice consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Avira Resources Limited

ABN

38 131 715 645

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter (Mar 2018) \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(54)	(173)
(b) development	-	-
(c) production	-	-
(d) staff costs (including Director Fees)	(21)	(126)
(e) administration and corporate costs	(232)	(489)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(15)	(15)
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	13
1.9 Net cash from / (used in) operating activities	(322)	(790)

Consolidated statement of cash flows	Current quarter (Mar 2018) \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) 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	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	779	919
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(51)	(51)
3.5 Proceeds from borrowings	-	205
3.6 Repayment of borrowings	(300)	(309)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	428	764

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	6	138
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(322)	(790)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter (Mar 2018) \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	428	764
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	112	112

5.	Reconciliation of cash and cash equivalents <i>At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	112	6
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	112	6

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	17
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payment of director's fees, reimbursements and corporate administration expenses including rent.

7.	Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	152
9.2 Development	-
9.3 Production	-
9.4 Staff costs	10
9.5 Administration and corporate costs	48
9.6 Other	-
9.7 Total estimated cash outflows¹	210

¹ The estimated cash outflows contemplate the need for a capital raise during the June 2018 quarter. Funds raised would be applied as per the above estimates.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	ML20066	100%	100%	Nil
	EPM 15426	100%	100%	Nil
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

Compliance statement

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

Sign here:

Company Secretary

Date: 30 April 2018

Print name: Sonu Cheema

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.