



AVIRA RESOURCES
LIMITED

27 June 2018

CAPITAL RAISING

Avira Resources Limited (ASX: **AVW**) (**Avira** or the **Company**) is pleased to announce that it has signed a mandate with CPS Capital Group Pty Ltd ("**CPS**"), a Perth based corporate advisory firm, to assist with the completion of a share placement ("**Placement**") to raise approximately \$916,250. In addition, the Company has entered into a series of Convertible Loans to raise an additional \$519,000 (before fees) prior to the completion of the Placement (together the "**Capital Raising**").

For the purpose of ASX listing Rule 3.10.3 Avira provides the following information in relation to the Capital Raising.

THE CAPITAL RAISING

The issue of shares on conversion of the Converting Loan and pursuant to the Placement is subject to shareholder and regulatory approvals as required.

Convertible Loans

The Convertible Loans totalling \$519,000 have a maturity date of 31 August 2019 and an interest rate of 12% calculated daily, accrued monthly and payable in cash on maturity or conversion. The conversion price is equal to the issue price of shares under the Placement, being \$0.003, which would result in 173,000,000 shares being issued on conversion of the maximum principal amount of \$519,000.

The Convertible Loans are convertible at the election of the lender subject to the Company obtained all necessary shareholder approvals required under the Corporations Act and the ASX Listing Rules to issue the shares with the issue to occur 7 days after the conversion election is made by the lender.

Placement

A Placement to raise up to \$916,250 via the issue of up to 305,416,667 new shares at \$0.003. The Placement is conditional on the ASX reinstating the Company's securities to quotation.

In addition, it is noted that \$746,000 (248,666,667 shares) of the Placement is subject to shareholder approval with a notice of meeting to be lodged as soon as is practicable.

Use of Funds

Funds raised under the Capital Raising will be used to satisfy the Company's working capital requirements including funding the proposed follow on phases of the Pyramid exploration program.

Use of Funds:

Expenditure Category	Amount
Converting Loans	\$519,000
Capital Raising funds	\$916,250



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TOTAL	\$1,435,250
Expenses of the Capital Raising	\$111,115
Exploration Program Costs (Phased Geo chemical and drilling program on Pyramid)	\$470,000
Exploration Program Costs (Technical analysis on Mt Steadman and Yarrol)	\$85,000
Exploration Project Generation	\$100,000
Administration Costs	\$300,275
Working capital	\$368,860
TOTAL	\$1,435,250

Notes:

¹ Exploration expenditure comprises the costs set out in the table below.

Phase	Program	Description	# Holes	Total meters	Estimated Cost	Timetable
Phase 2(a)	Breccia Hill - Tandoori	Surface program and modelling including geo-chem, XRF and areal mapping	N/A	N/A	\$55,000	June 2018
Phase 2(b)		Estimated drilling program	6	900	\$135,000	August 2018
Phase 3(a)	Marrakesh - Madras	Surface program and modelling including geo-chem, XRF and areal mapping	N/A	N/A	\$55,000	September 2018
Phase 3(b)		Estimated drilling program	4	600	\$90,000	November 2018
Phase 4	Sellheim - Pradesh	In-fill and step-out drilling program	6	900	\$135,000	January 2019
TOTAL			16	2,400	\$470,000	

The Company also intends to review new opportunities that may be presented to the Board from time to time with a view to increasing shareholder value.

Capital structure

The effect of the Capital Raising on the capital structure of the Company assuming full subscription under the Placement and the maximum principal under the Converting Loan being converted into shares is as follows:

Shares	Number
On issue at the date of this announcement	378,333,333
To be issued on conversion of the Convertible Loans	173,000,000
To be issued pursuant to the Placement	305,416,667
Total shares on issue on completion of the Capital Raising	856,750,000



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Options	Number
Exercisable at \$0.01 on or before 31 Dec 2019	50,000,000
Exercisable at \$0.01 on or before 16 September 2021	2,909,090
Exercisable at \$0.01 on or before 16 September 2021 (vesting on and from 16 September 2018)	1,454,545
Exercisable at \$0.01 on or before 16 September 2021 (vesting on and from 16 September 2019)	1,454,545
Exercisable at \$0.01 on or before 16 September 2021 (vesting on and from 16 September 2020)	1,454,548
Total options on issue	57,272,728

COMMERCIAL ARRANGEMENTS

For successfully raising the capital under the Placement the Company has agreed to pay CPS:

- A mandate execution fee of \$25,000 payable upon ASX lifting the suspension on AVW trading.
- A management fee of 1% of funds raised via the Placement.
- A placement fee of 6% of funds raised via the Placement.
- A monthly corporate advisory fee of \$10,000 per month (for a minimum terms of 12 months).

For the arrangement of the series of Convertible Loans the Company has agreed to pay the arrangers an arrangement fee equivalent to 6% of the face value of the loans.

TIMETABLE

Further details of the Placement offer period will be announced once the ASX has confirmed the reinstatement to quotation of the Company's securities.

Suspension from official quotation

The Company is continuing to address this issue and work with the ASX to have the securities reinstated to quotation as soon as practicable. The Company will continue to update the market with any developments to this timing.

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