



12 November 2020

ANNUAL GENERAL MEETING - NOTICE AND PROXY FORM

Dear Shareholder

Avira Resources Limited is convening an Annual General Meeting of shareholders to be held on Monday 14 December 2020 at 9:00am (WST) at Suite 9, 330 Churchill Avenue, Subiaco WA 6008 (**Meeting**). In accordance with subsection 5(f) of the Corporations (**Coronavirus Economic Response**) Determination (**No. 3**) 2020, the Company will not be dispatching physical copies of the Notice of Annual Meeting (**Notice**). Instead, a copy of the Notice is available at the following link <https://www.aviraresourcesltd.com.au/>.

You may vote by attending the Meeting in person, by proxy, or by appointing an authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place as set out above. If possible, Shareholders are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, so that the Company may check the Shareholders' holding against the Company's share register and note attendance.

Voting by Proxy

Appointment of Proxy: Shareholders who are entitled to attend and vote at the Meeting, may appoint a proxy to act generally at the Meeting and to vote on their behalf. The proxy does not need to be a Shareholder. A Shareholder that is entitled to cast two or more votes may appoint two proxies and should specify the proportion of votes each proxy is entitled to exercise. If a Shareholder appoints two proxies, each proxy may exercise half of the Shareholder's votes if no proportion or number of votes is specified.

Voting by proxy: A Shareholder can direct its proxy to vote for, against or abstain from voting on each Resolution by marking the appropriate box in the voting directions to your proxy section of the Proxy Form. If a proxy holder votes, they must cast all votes as directed. Any directed proxies that are not voted will automatically default to the Chairman, who must vote the proxies as directed in the Proxy Form. Proxy Forms must be received by 9:00am (WST) on 12 December 2020. Details on how to lodge your Proxy Form can be found on the enclosed Proxy Form. If you have any questions about your Proxy Form, please contact the Company Secretary by telephone at +61 8 6489 1600.

If COVID-19 social distancing restrictions change prior to the Meeting, the Company will advise via an ASX announcement as to any changes in the manner in which the Meeting will be held and as to whether shareholders will still be able to attend in person and participate in the usual way. The Notice is important and should be read in its entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant or other professional adviser.

Yours faithfully
By order of the Board

Sonu Cheema
Company Secretary
Avira Resources Limited

AVIRA RESOURCES LIMITED
ACN 610 855 064
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:00 AM WST

DATE: 14 December 2020

PLACE: Suite 9, 330 Churchill Avenue, Subiaco WA 6008

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 9:00 AM WST on 12 December 2020.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 30 June 2020.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR SONU CHEEMA

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 14.2 of the Constitution, Listing Rule 14.5 and for all other purposes, Mr Sonu Cheema, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

5. RESOLUTION 4 – APPROVAL OF THE DIRECTORS' FEE SACRIFICE EQUITY PLAN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That pursuant to Listing Rule 7.2 (exception 13) and for all purposes, approval is given for the Company to adopt an employee incentive scheme titled Directors' Fee Sacrifice Equity Plan and for the grant of Plan Share Rights under that plan (and the issue of Shares on the exercise of the Plan Share Rights) on the terms described in the Explanatory Statement”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

6. RESOLUTION 5 – ISSUE OF PLAN SHARE RIGHTS TO DIRECTOR – SONU CHEEMA

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 4, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Plan Share Rights to Mr Sonu Cheema (or his nominee) under the Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – ISSUE OF PLAN SHARE RIGHTS TO DIRECTOR – DAVID DELOUB

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 4, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Plan Share Rights to Mr David Deloub (or his nominee) under the Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – ISSUE OF PLAN SHARE RIGHTS TO DIRECTOR – DAVID WHEELER

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 4, for the purposes of Listing Rule 10.14 and for all other purposes, approval is given for the Company to issue Plan Share Rights to Mr David Wheeler (or his nominee) under the Plan on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement and voting prohibition statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 200,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Dated: 11 November 2020

By order of the Board

Sonu Cheema
Director and Company Secretary

VOTING EXCLUSION STATEMENTS

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

Resolution 4 – Adoption of Incentive Option Plan	A person who is eligible to participate in the employee incentive scheme or an associate of that person or those persons.
Resolution 5 – Issue of Plan Share Rights to Director - Cheema	Any person referred to in Listing Rule 10.14.1, 10.14.2 or 10.14.3 who is eligible to participate in the employee incentive scheme in question (including each Director under Resolutions 5 to 7) or an associate of that person or those persons.
Resolution 6 – Issue of Plan Share Rights to Director - Deloub	
Resolution 7– Issue of Plan Share Rights to Director - Wheeler	
Resolution 8 – Ratification of prior issue of Options	A person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

VOTING PROHIBITION STATEMENTS

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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Resolution 4 – Adoption of Incentive Option Plan	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p> <p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>(b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolution 5 – Issue of Plan Share Rights to Director - Cheema	<p>A person appointed as a proxy must not vote, on the basis of that appointment, on this Resolution if:</p> <p>(a) the proxy is either:</p> <p style="padding-left: 20px;">(i) a member of the Key Management Personnel; or</p> <p style="padding-left: 20px;">(ii) a Closely Related Party of such a member; and</p> <p>(b) the appointment does not specify the way the proxy is to vote on this Resolution.</p>
Resolution 6 – Issue of Plan Share Rights to Director - Deloub	<p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>
Resolution 7– Issue of Plan Share Rights to Director - Wheeler	<p>However, the above prohibition does not apply if:</p> <p>(a) the proxy is the Chair; and</p> <p>the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.</p>

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the meeting. If you do not bring your Proxy Form with you, you can still attend the meeting but representatives from the Company's share registry will need to verify your identity.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9489 1600.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at www.aviraresourcesltd.com.au.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3. RESOLUTION 2 – RE-ELECTION OF DIRECTOR – MR SONU CHEEMA

3.1 General

Listing Rule 14.4 and clause 13.2 of the Constitution provide that, other than a managing director, a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is the longer. However, where there is more than one managing director, only one is entitled to be exempt from this rotation requirement.

Mr Sonu Cheema, who has served as a Director since 29 November 2017, retires by rotation and seeks re-election.

3.2 Qualifications and other material directorships

Mr Cheema has over 10 years' experience working with public and private companies in Australia and abroad.

Mr Cheema has over 10 years' experience working with public and private companies in Australia and abroad. He currently serves as the Company Secretary of eMetals Limited (ASX: EMT), Yojee Limited (ASX: YOJ), Avira Resources Limited (ASX: AVW), Comet Resources Limited (ASX: CRL) and Technology Metals Australia Limited (ASX: TMT). He has completed a Bachelor of Commerce majoring in Accounting and is a CPA member.

Mr Cheema's core competencies and key areas of focus include financial reporting, management and governance.

3.3 Independence

If re-elected the Board considers Mr Sonu Cheema will be an independent Director.

3.4 Board recommendation

The Board has reviewed Mr Sonu Cheema's performance since his appointment to the Board and considers that Mr Sonu Cheema's skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Sonu Cheema and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – APPROVAL OF 7.1A MANDATE

4.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

Resolution 3 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

If Resolution 3 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 3 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

4.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 3:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum Price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in section 4.2(b)(i), the date on which the Equity Securities are issued.

(b) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's Pyramid Gold Project (funds would then be used for project, feasibility studies and ongoing project administration) and general working capital.

(c) **Risk of Economic and Voting Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 3 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue as at 28 October 2020.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.006	\$0.012	\$0.018
			50% decrease	Issue Price	50% increase
Funds Raised					
Current	1,375,000,000 Shares	137,500,000 Shares	\$825,000	\$1,650,000	\$2,475,000
50% increase	2,062,500,000 Shares	206,250,000 Shares	\$1,237,500	\$2,475,000	\$3,712,500
100% increase	2,750,000,000 Shares	275,000,000 Shares	\$1,650,000	\$3,300,000	\$4,950,000

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,375,000,000 Shares on issue as at the date of this Notice of Meeting.
2. The issue price set out above is the closing market price of the Shares on the ASX on 28 October 2020.
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.

5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(d) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(e) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 22 November 2019 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 14 December 2019, the Company has not issued any Equity Securities pursuant to the Previous Approval.

4.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

5. RESOLUTION 4 - APPROVAL OF THE DIRECTORS' FEE SACRIFICE EQUITY PLAN

5.1 General

Resolution 4 seeks Shareholder approval for the adoption of an employee incentive scheme titled "Directors' Fee Sacrifice Equity Plan" (**Plan**) and for the issue of Plan Share Rights under the Plan in accordance with Listing Rule 7.2 (Exception 13(b)).

The Board proposes to implement an equity-based plan (**Plan**) for Directors to receive Share rights (either directly or through a nominee) in the Company by electing to sacrifice a proportion or all of their annual cash fees on a voluntary basis (**Plan Share Rights**). The Plan Share Rights are rights to be issued Shares in the Company Shares issued following the exercise of a Plan Share Right will have restrictions on their disposal. No consideration is payable for the grant of Plan Share Rights under the Plan, nor is any consideration payable on exercise of the Plan Share Rights under the Plan

The object of the Plan is to encourage Directors to participate in the Plan and acquire Plan Share Rights by sacrificing a percentage of their existing fees and to accordingly participate in the future growth of value of the Company's Shares.

The Plan gives greater flexibility to the Company's remuneration framework and ensures that the Company can continue to attract, retain, and reward Directors as well as ensuring that the interests of the Directors and the Shareholders are aligned.

5.2 Listing Rule 7.2 (Exception 13(b))

As summarised in Section 4.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary shares it had on issue at the start of that period.

Listing Rule 7.2 (Exception 13(b)) provides that Listing Rule 7.1 does not apply to an issue of securities under an employee incentive scheme if, within three years before the date of issue of the securities, the holders of the entity's ordinary securities have approved the issue of equity securities under the scheme as exception to Listing Rule 7.1.

Exception 13(b) is only available if and to the extent that the number of equity securities issued under the scheme does not exceed the maximum number set out in the entity's notice of meeting dispatched to shareholders in respect of the meeting at which shareholder approval was obtained pursuant to Listing Rule 7.2 (Exception 13(b)). Exception 13(b) also ceases to be available if there is a material change to the terms of the scheme from those set out in the notice of meeting.

5.3 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the:

- (a) Company will be able to issue Plan Share Rights under the Plan to eligible participants over a period of 3 years, subject to receipt of the necessary approvals pursuant to Listing Rule 10.14;
- (b) rules for this Plan (**Rules**), as summarised in Section 6.5 below and in Schedule 1, will govern the operation and administration of the Plan; and
- (c) issue of any Plan Share Rights to eligible participants under the Plan (up to the maximum number of Plan Share Rights stated in Section 5.4(c) below) will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of any Plan Share Rights to the Directors and the Directors will accordingly not participate in the Plan. This will result in the Company paying all of the Directors remuneration in cash rather than retaining such cash to invest in the Company's projects and further the Company's operations.

For the avoidance of doubt, the Company must seek Shareholder approval under Listing Rule 10.14 in respect of any future issues of Plan Share Rights under the Plan to a related party or a person whose relationship with the Company or the related party is, in ASX's opinion, such that approval should be obtained.

For this purpose, the Company is seeking Shareholder approval for the issue of Plan Share Rights to each of the Directors pursuant to Resolutions 5 – 7 below.

5.4 Technical information required by Listing Rule 7.2 (Exception 13)

Pursuant to and in accordance with Listing Rule 7.2 (Exception 13), the following information is provided in relation to Resolution 4:

- (a) a summary of the key terms and conditions of the Plan is set out in Schedule 1;
- (b) the Company has not issued any Plan Share Rights under the Plan as this is the first time that Shareholder approval is being sought for the adoption of the Plan; and
- (c) the maximum number of Securities proposed to be issued under the Plan, following Shareholder approval, is 116,000,000. It is not envisaged that the maximum number of Securities for which approval is sought will be issued immediately.

6. RESOLUTIONS 5 TO 7 – ISSUE OF PLAN SHARE RIGHTS TO ALL DIRECTORS

As set out in Section 5.1, the Board proposes to implement the Plan and give the Directors (Messrs Sonu Cheema, David Deloub and David Wheeler) the option to receive Plan Share Rights in consideration for electing to sacrifice a portion of their cash remuneration.

6.1 Chapter 2E of the Corporations Act

Chapter 2E of the Corporations Act requires that for a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of any Plan Share Rights to any of the Directors (or their respective nominees) constitutes giving a financial benefit and each of the Company's Directors (Messrs Cheema, Wheeler and Deloub) is a related party of the Company by virtue of being a Director.

The following Sections 6.2 to 6.5 provide all information that Shareholders require in relation to Resolutions 5 to 7.

6.2 Corporations Act Considerations

The Directors have considered the application of Chapter 2E of the Corporations Act to the grant of Plan Share Rights to the Directors. As the Directors may elect to forego a percentage of the cash payment of fees and those fees are within the currently approved aggregate pool of directors' fees, the Board considers that the financial benefit given by offering Directors the opportunity to sacrifice a portion of their fees (and acquire Plan Share Rights), at no cost to the Company, constitutes reasonable remuneration to the Directors given:

- (a) the circumstances of the Company; and
- (b) the Directors' roles and responsibilities at the Company.

Given the above, the Company will rely on the exception contained in section 211(1) of the Corporations Act and is not seeking Shareholder approval pursuant to Chapter 2E of the Corporations Act in addition to the approval being sought under the Listing Rules.

6.3 Listing Rule 10.14

Approval is also sought under Listing Rule 10.14 which provides that an entity must not permit any of the following persons to acquire equity securities under an employee incentive scheme without the approval of the holders of its ordinary securities:

- 10.14.1 a director of the entity;
- 10.14.2 an associate of a director of the entity; or
- 10.14.3 a person whose relationship with the entity or a person referred to in Listing Rules 10.14.1 to 10.14.2 is such that, in ASX's opinion, the acquisition should be approved by security holders.

For a Director to acquire Plan Share Rights (and hence Shares on the exercise of such rights), the Company must obtain Shareholder approval pursuant to Listing Rule 10.14.

Listing Rule 10.16(c) provides that Listing Rule 10.14 does not apply to an issue of equity securities in satisfaction of a right to acquire such securities granted to directors under an employee incentive plan where the right was issued with the approval of Shareholders under Listing Rule 10.14.

Resolutions 5 to 7 seek the required Shareholder approval for the issue of the Plan Share Rights to each of Messrs Cheema, Deloub and Wheeler under the Plan for the purposes of Listing Rule 10.14.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 to 7 are passed at the Meeting, the issue of Shares upon the exercise of Plan Share Rights issued under the Plan will not require further Shareholder approval for the following reasons.

If Resolution 5 is passed, the Company will be able to proceed with the issue of the Plan Share Rights to Mr Cheema under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolution 6 is passed, the Company will be able to proceed with the issue of the Plan Share Rights to Mr Deloub under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolution 7 is passed, the Company will be able to proceed with the issue of the Plan Share Rights to Mr Wheeler under the Plan within three years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

Approval under Listing Rule 7.1 is not required to issue Plan Share Rights to the Directors or their nominees as approval is being obtained under Listing Rule 10.14 (Listing Rule 7.1 Exception 14).

If Resolutions 5 to 7 are not passed, the Company will not be able to proceed with the issue of any Plan Share Rights to the Directors and the Directors will accordingly not participate in the Plan. This will result in the Company paying all of the Directors remuneration in cash rather than retaining such cash to invest in the Company's projects and further the Company's operations.

Listing Rule 10.15 sets out the disclosure requirements for seeking Shareholder approval under Listing Rule 10.14

6.5 Listing Rule 10.15 Disclosure Requirements

The following information is provided in relation to Resolutions 5 to 7 for the purposes of Listing Rule 10.15:

- (a) The current Directors to whom the Plan would apply are Messrs David Deloub, David Wheeler and Sonu Cheema. As Directors, Listing Rule 10.14.1 applies to Messrs Deloub, Wheeler and Cheema. As at the date of this Notice of Meeting, the Company is not aware of any other persons referred to in Listing Rule 10.14 (apart from the Directors) may be entitled

to elect to participate in the Plan and acquire Plan Share Rights on the terms set out in this Explanatory Statement.

- (b) If each of Resolutions 5 to 7 are approved, the Company will be able to proceed with the issue of the Plan Share Rights to the respective Directors under the Plan within three years after the date of the Meeting.
- (c) Plan Share Rights may be issued to the Directors (or their nominee) no later than 3 years after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Plan Share Rights will be issued on multiple dates.
- (d) The purpose of the Plan, and the proposed issue of Plan Share Rights (rather than any other form Equity Security) is to provide an equity incentive to the Board and to conserve company funds.
- (e) The maximum number of Plan Share Rights that may be issued under the Plan each year cannot exceed the aggregate value of the annual fees payable to the Directors.
- (f) The purpose of Resolutions 5 to 7 is to permit Messrs Deloub, Wheeler and Cheema to sacrifice a portion (or all) of their respective salaries (over the following 3 financial years, being financial years ended 30 June 2021, 2022 and 2023) for the issue of Plan Share Rights pursuant to the Plan.

It is intended that any potential sacrifice and subsequent issue of Plan Share Rights would occur on a quarterly basis, as remuneration for each respective Director accrues.

Set out below is an example of the potential number of Plan Share Rights which may be issued under the Plan over a 3 year period, assuming a 5-day VWAP of \$0.0116 is used to convert the remuneration to Plan Share Rights.

	Financial Year	Remuneration ²	Sacrifice ²	Plan Share Rights	Remaining Cash Portion	100% Sacrifice ³
David Deloub	30-Jun-20 ¹	\$100,395	N/A	N/A	N/A	N/A
	30-Jun-21	\$120,000	\$40,000	3,448,276	\$80,000	10,344,828
	30-Jun-22	\$120,000	\$40,000	3,448,276	\$80,000	10,344,828
	30-Jun-23	\$120,000	\$40,000	3,448,276	\$80,000	10,344,828
	TOTAL	\$360,000	\$120,000	10,344,828	\$240,000	31,034,483

	Financial Year	Remuneration ²	Sacrifice ²	Plan Share Rights	Remaining Cash Portion	100% Sacrifice ³
David Wheeler	30-Jun-20 ¹	\$54,065	N/A	N/A	N/A	N/A
	30-Jun-21	\$60,000	\$20,000	1,724,138	\$40,000	5,172,414
	30-Jun-22	\$60,000	\$20,000	1,724,138	\$40,000	5,172,414
	30-Jun-23	\$60,000	\$20,000	1,724,138	\$40,000	5,172,414
	TOTAL	\$180,000	\$60,000	5,172,414	\$120,000	15,517,241

Financial Year	Remuneration ²	Sacrifice ²	Plan Share Rights	Remaining Cash Portion	100% Sacrifice ³
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Sonu Cheema	30-Jun-20¹	\$24,000	N/A	N/A	N/A	N/A
	30-Jun-21	\$24,000	\$12,000	1,034,483	\$12,000	2,068,966
	30-Jun-22	\$24,000	\$12,000	1,034,483	\$12,000	2,068,966
	30-Jun-23	\$24,000	\$12,000	1,034,483	\$12,000	2,068,966
	TOTAL	\$72,000	\$36,000	3,103,448	\$36,000	6,206,897

Notes:

1. *The table includes the remuneration for each director for the financial year ended 30 June 2020 for illustrative purposes. No amount of remuneration from the financial year 30 June 2020 will be sacrificed under the Plan.*
2. *The remuneration and proposed 'sacrifice' detailed for financial years ended 30 June 2021 to 2023 are indications only and are not certain. They are included for the purposes of demonstrating the potential issue of Plan Share Rights to the Directors pursuant to Resolutions 5 to 7.*
3. *This details the total number of Plan Share Rights which would be issued if each Director sacrificed 100% of their remuneration over the following 3 financial years. This is included purely for illustrative purposes and the Directors note they have no intention of sacrificing 100% of their remuneration under the Plan.*

- (g) As this is the first time that Shareholder approval is being sought for the adoption of the Plan, no Plan Share Rights have been previously issued under the Plan.
- (h) A summary of the key terms and conditions of the Plan is set out in Schedule 1. The Company confirms there are no material terms of the Plan and the Plan Share Rights not summarised in this Notice.
- (i) A Plan Share Right granted to a Director entitles the Director to be issued one (1) Share on exercise of a vested Plan Share Right. The Plan Share Rights will be issued under the terms of the Plan and will accrue monthly and will be issued quarterly in arrears.
- (j) Neither the exact number of Plan Share Rights to be issued under the Plan nor the maximum number of Plan Share Rights to be issued can be precisely calculated at this time as it depends on the proportion of the annual Director fees that are settled in Plan Share Rights under the Plan, however, the Plan provides that the maximum number of Plan Share Rights that can be issued under the Plan following Shareholder approval is 116,000,000.
- (k) The number of Plan Share Rights issued will depend on the volume weighted average price (**VWAP**) of Shares calculated for the last 5 trading days of the month in respect of which the Director's annual remuneration accrued (or if there are no Share trades over that 5 trading day period, the last traded Share price (and for the avoidance of doubt, not the most recent 5 day VWAP)).
- (l) The number of Plan Share Rights each Director may receive is calculated by dividing the amount of annual remuneration sacrificed by the VWAP.
- (m) By way of example, assuming:
- (i) each Director elected to receive the maximum number of Plan Share Rights in the financial year ending 30 June 2020 (being the full amount of their 2020 annual fees excluding superannuation); and
 - (ii) a 5 day VWAP as at the date of this Notice of \$0.0116,

the maximum number of Plan Share Rights that would be issued under the Plan would be 15,384,483 Plan Share Rights, in the following proportions:

- (iii) Mr David Deloub: 8,654,741;
 - (iv) Mr David Wheeler: 4,660,776; and
 - (v) Mr Sonu Cheema: 2,068,966.
- (n) It is noted that:
- (i) if the VWAP is lower at the time the Plan Share Rights are issued, then the number of Plan Share Rights to be issued will be higher than the number stated in paragraph 6.5(m) above; and
 - (ii) the number of Plan Share Rights issued must not exceed the maximum as stated in paragraph 6.5(j) without additional shareholder approval.
- (o) For the avoidance of doubt, Resolutions 5 – 7 permit the issue of Plan Share Rights to the Directors for a period of three years, and accordingly the number of Plan Share Rights to be issued under the Plan will likely be in excess of the example stated in paragraph 6.5(m) above, subject to the limit stated in stated in paragraph 6.5(j).
- (p) Participation in the Plan and the percentage of the Director's annual remuneration that the Director wishes to receive (either directly or through a nominee) in Plan Share Rights is at the Director's election (subject to the participation limits offered by the Company).
- (q) It is intended that the Company and each Director enters into a participation agreement (**Participation Agreement**). The period for which the sacrifice applies is a minimum of 3 months and a maximum of 12 months.
- (r) No consideration is payable for the grant of Plan Share Rights under the Plan, or on exercise of the Plan Share Rights under the Plan, as such no funds will be raised from the issue of the Plan Share Rights.
- (s) Details of any Plan Share Rights issued under the Plan will be published in each annual report of the Company relating to the period in which they have been issued together with a statement that approval for the issue of the Plan Share Rights was obtained under Listing Rule 10.14.
- (t) No loans have or will be made by the Company in connection with the grant of Plan Share Rights to any Director.
- (u) The value the Company attributes to each Plan Share Right is the ASX closing price of the Shares on the date the Plan Share Rights are issued multiplied by the number of Plan Share Rights issued, which, as at the date of this Notice is \$0.012 per Plan Share Right.
- (v) Any additional persons covered by Listing Rule 10.14 who become entitled to participate in an issue of Plan Share Rights under the Plan after Resolution 4 is approved and who were not named in this Notice will not participate until approval is obtained under Listing Rule 10.14.

7. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF OPTIONS

7.1 General

On 10 September 2020, the Company issued 200,000,000 Options at an issue price of \$0.001 per Option to raise \$200,000 (**Placement Options**).

The Company engaged the services of CPS Capital Group Pty Ltd (ABN 73 088 055 636) (**CPS Capital**), to manage the issue of the Placement Options (**Placement Issue**). The Company agreed to pay CPS Capital a management fee of 1% plus GST for managing the Placement Issue and a fee of 5% plus GST for funds raised under the Placement. The Company also agreed to reimburse CPS Capital for certain expenses incurred by CPS Capital in connection with managing the Placement Issue.

7.2 Listing Rule 7.1

As summarised in Section 4.1, above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

The issue of the Placement Options does not fit within any of these exceptions and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Options.

7.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Options.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Options.

7.4 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, Placement Options will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Options.

If Resolution 8 is not passed, the Placement Options will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Options.

7.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) the Placement Options were issued to professional and sophisticated investors who are clients of CPS Capital. The recipients were identified by CPS Capital who sought expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 200,000,000 Placement Options were issued and the Placement Options were issued on the terms and conditions set out in Schedule 2;
- (d) the Placement Options were issued on 10 September 2020;
- (e) the issue price was \$0.001 per Placement Option. The Company has not and will not receive any other consideration for the issue of the Placement Options (other than in respect of funds received on exercise of the Placement Options);
- (f) the purpose of the issue of the Placement Options was to raise \$200,000, which has been and will continue to be applied towards:
 - (i) expenses incurred in funding the issue of the Placement Options
 - (ii) exploration and evaluation expenses; and
 - (iii) administration and general working capital purposes.
- (g) the Placement Options were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 8 of the Notice.

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in section of the Explanatory Statement.

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Avira Resources Limited (ACN 610 855 064).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means the explanatory statement accompanying the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Plan Share Rights has the meaning ascribed to that term in Section 5.1.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

SCHEDULE 1 – SUMMARY OF THE RULES OF THE DIRECTORS' FEE SACRIFICE EQUITY PLAN

- (1) **Purpose** The objective of this Plan is to preserve the Company's cash reserves, facilitate the acquisition of Plan Share Rights that can be exercised into Shares by Directors serving on the Board in a manner that will align their interests with shareholders and provide Directors with the flexibility to choose to receive part or whole of their annual remuneration in the form of Plan Share Rights which can be exercised into Shares. Its purpose is also to ensure that the Company can continue to attract, retain and motivate skilled and experienced Directors.
- (2) **Eligibility** All of the Company's existing Directors and their nominees (**Nominees**) are eligible to participate in the Plan. Any additional people who become Directors, and are therefore eligible to participate in the Plan, will not be able to participate until either (i) Shareholder approval to the additional Director is obtained under Listing Rule 10.14 or (ii) ASX grants a waiver of this Listing Rule. There is no guarantee such a waiver will be granted or applied for.
- (3) **Entitlement** The Board may make an invitation to a Director under the Plan to receive (either directly or through a Nominee) part or all his or her total annual remuneration excluding Superannuation Guarantee contributions (**Annual Remuneration**) in the form of Plan Share Rights. Each individual Director may receive no more than 100% of their remuneration in Plan Share Rights.
- (4) **Plan Share Rights** One Plan Share Right can be exercised into one Share.
- (5) **Grant of Plan Share Rights** The rights to be issued to a Director, based on the amount of Board fees to be sacrificed on a pre-tax basis, will be in the form of Plan Share Rights (which are fully vested immediately on the date of grant), which the Board will use reasonable endeavours to issue within 10 Business Days of the end of each calendar quarter in the event a Participation Agreement under the Plan is entered into and in any case, no later than three years after the date of the Meeting.
- (6) **Participation Agreement** The Board must give to each Director it invites to participate under the Plan a participation agreement (**Participation Agreement**) to complete, sign and return to the Company, which will contain:
- (a) the percentage of the Director's Annual Remuneration that may be sacrificed for Plan Share Rights (as applicable), that can be no more than as permitted under the Plan and the Listing Rules (**Nominated Percentage**);
 - (b) the period for which the sacrifice applies (which is a minimum of 3 months and a maximum of 12 months), including a proposed commencement date; and
 - (c) provisions to allow the Director to nominate a Nominee through which to participate in the Plan and to provide any such Nominee's name and address.

By completing, signing and returning to the Company the Participation Agreement given to a Director, the Director and any Nominee offers to participate under the Plan and, on acceptance by the Board of the offer, a contract is formed between the Company, the Participant and the Director. The Board may, in its absolute discretion, accept or reject this offer and is under no obligation to provide a Director with any reason for doing so. The Board must provide written notification to the Director of its decision to accept or reject the offer within 5 Business Days after the receipt of the offer.

(7) **Participant** Upon acceptance of the Participation Agreement by the Board, the Director (and his or her Nominee) becomes a participant in the Plan (Participant) and agrees to be bound by the Rules and, from the time of issue of any Shares under the Plan, to be bound by the constitution of the Company.

(8) **Termination of participation** The participation of a Participant in the Plan will terminate upon:

- (a) the Participant (or in the case of a Nominee, the appointing Director) ceasing to be a director;
- (b) the Board terminating the participation of the Participant; or
- (c) the Director providing a notice in writing to this effect to the Company.

Upon a participation in the Plan terminating, the Participant may be eligible for to be issued the pro-rata number of Plan Share Rights as would have accrued up to the date such participation terminates.

(9) **Resignation as Director** In the event that a Participant, or the Director for whom the Participant is a Nominee, resigns as a director, the Company must issue to the Participant (in respect of the quarter in which he resigns), the pro rata number of Plan Share Rights for the period of the quarter (as applicable under the Participation Agreement) prior to the resignation.

(10) **Accrual of Plan Share Rights** An entitlement to Plan Share Rights will accrue to Participants on a monthly basis.

(11) **Timing of issue** The Company will issue and allot Plan Share Rights to the Participants under the Plan on a quarterly basis, within 10 Business Days of the end of each calendar quarter, in respect of a relevant Participation Agreement.

(12) **Number of Plan Share Rights to be granted** The number of Plan Share Rights to be issued to a Participant will be calculated monthly in arrears after the Director's Annual Remuneration being sacrificed has accrued and will equal, for each Participant, the number calculated after dividing the dollar value of the Director's Annual Remuneration sacrificed by that Participant by the Plan Share Price.

(13) **Plan Share Price** in relation to a month in which Annual Remuneration is accrued, an amount equal to the volume weighted average price per Share traded on the ASX over the last five (5) trading days of the month in which the Annual Remuneration accrued, or, if there were no such trades in that period of time, an amount equal to the last traded price per Share (and for the avoidance of doubt, not the most recent 5 day VWAP).

(14) **Board's discretion in relation to the issue** If at any time the Board determines that the allocation of Plan Share Rights to a Director under the Plan would result in the Company contravening the Corporations Act, the Listing Rules, the Constitution, or any applicable local laws, or is otherwise inappropriate in the circumstances, the Board must not issue the Plan Share Rights. The Board may defer the allocation of Plan Share Rights for a maximum of 6 months, pay to the Director in cash the corresponding amount of his or her annual Director fee, or terminate the Director's participation in the Plan.

(15) **Plan Share Rights may not be disposed of or transferred or encumbered** Plan Share Rights may not be disposed of or transferred or otherwise dealt with and lapse immediately on any purported disposal, transfer or dealing unless the transfer is

effected by operation of law on death or legal incapacity to the Participant's legal personal representative.

- (16) **Vesting of Rights** Plan Share Rights granted under these Rules will be fully vested on the date of grant.
- (17) **Exercise of Rights** Unvested Plan Share Rights may not be exercised. To exercise a vested Plan Share Right, the Participant must deliver a signed Notice of Exercise at any time on or prior to the Expiry Date. A holding of Plan Share Rights can be exercised in whole or in part at any time up to and including the Expiry Date on exercise of a Plan Share Right, the Board will issue one Share for each Plan Share Right to Participants. The Shares that result from the exercise of Plan Share Rights are Plan Shares.
- (18) **Expiry Date** means, in relation to a Plan Share Right, the date on which the first to occurs of the following:
- (a) a Participant (or where applicable, the Related Director) resigns as a Director.
 - (b) the end of the 15-year period commencing when the Participant was issued the Plan Share Right.
- (19) **Restrictions on issue of Plan Shares** If, as a result of any applicable law or the Company's Share Trading Policy, a Plan Share cannot be issued, the Plan Share will then be issued as soon as such an issue can be made in compliance with all applicable laws and the Share Trading Policy. If the issue of Plan Shares is postponed following their due date for issue, the number of Plan Shares to be issued will not change despite the fact that the prevailing Share price may rise or fall during the postponed period.
- (20) **Disposal restrictions attached to Shares** All Plan Shares acquired by Participants as a consequence of the exercise of Plan Share Rights may not be sold or disposed of in any way until such time as their disposal would not breach either the Company's Share Trading Policy, or Division 3 of Part 7.10 of the Corporations Act. The Company may impose a CHES holding lock on Plan Shares to ensure the Participant does not sell them earlier than permitted under the Rules.
- (21) **No hedging** A Participant must not enter an arrangement with anyone if that arrangement would have the effect of limiting the Participant's exposure to risk in relation to Plan Share Rights or Plan Shares.
- (22) **Plan Share entitlements** Plan Share Rights do not carry any voting rights in the Company, do not confer any right to participate in the surplus profits or assets of the Company upon winding up of the Company and do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (23) **Bonus issues, rights issues and capital reorganisation** Plan Share Rights does not entitle a holder (in their capacity as a holder of a Plan Share Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues. Additionally, if at any time the issued capital of the Company is reconstructed, all rights of a holder of Plan Share Rights will be changed in a manner consistent with the applicable Listing Rules and the Corporations Act at the time of reorganisation.

- (24) **Cessation of office of Director** If a Participant, or the Director for whom the Participant is a Nominee, ceases to be a Director any unexercised Plan Share Rights held by that Participant will be exercised automatically the day following cessation, and the Board will act to remove any CHES holding lock applied by the Company to Plan Shares held by or on behalf of the Participant, unless otherwise determined by the Board and notified to the Participant in order to comply with all applicable laws and the Company's Share Trading Policy.
- (25) **Rights attaching to Plan Shares** The Plan Shares issued on the exercise of Plan Share Rights will rank equally, in relation to dividends, voting and all other rights, with all other existing Shares.
- (26) **Quotation of Plan Shares on ASX** If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued within the time required by the Listing Rules after the date of issue.
- (27) **Employee Share Scheme taxing provisions to apply** Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies to all Plan Share Rights and Plan Shares under this Plan.
- (28) **Registration** Plan Share Rights issued under the Plan (and Plan Shares issued on their exercise) must be registered in the name of the Participant. As soon as practicable after the issue of any Plan Share Rights or Plan Shares, the Company must issue a holding statement in the name of the Participant that specifies the number of Plan Share Rights or Plan Shares issued to that Participant.
- (29) **Suspension and termination of the Plan** The Plan may be suspended at any time by the Board. The period of suspension is at the discretion of the Board. The Board may terminate the operation of the Plan at any time by resolution of the Board. The suspension or termination of the Plan will not prejudice the existing rights of Participants (and where applicable, the Related Directors).
- (30) **Administration** The Plan will be administered by the Board, (or the Board may appoint another party to administer the Plan on its behalf) and the Board is authorised to establish such guidelines for the administration of the Plan as it deems appropriate in its sole discretion, with the Board's decisions being final and binding on all participants.
- (31) **Board's discretion and final decision** Except as otherwise expressly provided in the Plan, the Board has absolute and unfettered discretion to act or refrain from acting under or in accordance with the Plan and in the exercise of any power or discretion under the Plan. A decision of the Board as to the interpretation, effect or application of the Rules will be final and conclusive, and binding on all Participants
- (32) **Maximum number of Plan Share Rights that can be issued** The maximum number of Plan Share Rights that can be issued under this Plan with Shareholder approval (which Shareholder approval is in addition to the Shareholder approval to originally approve the Plan) is 116,000,000.
- (33) **Limitation under *Income Tax Assessment Act 1997* (Cth)** Despite any other provision of these Rules, no Participant is entitled to be issued Plan Share Rights under this Plan if, before or immediately after that person is issued with the Plan Share Rights the person and their associates holds a beneficial interest in more than 10% of the total Shares on issue or that would be on issue if all Plan Share Rights issued under the Plan were exercised, and the person and their associates are in a position to cast, or to control the casting of, more than 10% of the

maximum number of votes that might be cast at a general meeting of the Company if all Plan Share Rights issued under the Plan were exercised.

- (34) **Board determinations and amendments to the Plan** The Board may at any time by written instrument or by resolution amend all or any of the provisions of the Rules. However, no amendment may reduce a Participant's existing rights in respect of any invitation that had commenced prior to the date of the amendment other than:
- (a) with the Participant's consent.
 - (b) for the purpose of complying with law, or regulation, or Listing Rules.
 - (c) to correct a manifest error or mistake.
 - (d) to address possible adverse tax consequences for the Company or Participants generally.
- (35) **Not exclusive method of remuneration** This Plan is not the exclusive method of providing remuneration to Directors and does not preclude it from authorising or approving other forms of remuneration.
- (36) **No right to retain Office** Neither the establishment of the Plan nor the entry into of a Participation Agreement nor the payment of an award nor the vesting of Plan Share Rights or any other action under the Plan shall be held to confer upon any Participant, or the Director for whom the Participant is a Nominee, the right to continue to hold office as Director or affect any rights the Company may have to remove the Participant, or the Director for whom the Participant is a Nominee, from the office of Director.
- (37) **Relationship to other plans** Participation in this Plan does not affect participation in or payment under any other plan of the Company, except as otherwise determined by the Board.
- (38) **Governing law** the Rules are governed by the laws of Western Australia and the Commonwealth of Australia.

SCHEDULE 2 – TERMS AND CONDITIONS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.01 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 10 July 2022 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the

Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder of an Option are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

Need assistance?



Phone:

1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **9:00 AM (WST) on Saturday, 12 December 2020.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 184558

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Avira Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Avira Resources Limited to be held at Suite 9, 330 Churchill Avenue, Subiaco WA 6008 on Monday, 14 December 2020 at 9:00 AM (WST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 to 7 (except where I/we have indicated a different voting intention in step 2) even though Resolutions 1 and 4 to 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 to 7 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Director - Mr Sonu Cheema	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval of 7.1A Mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval of the Directors' Fee Sacrifice Equity Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Issue of Plan Share Rights to Director - Sonu Cheema	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Plan Share Rights to Director - David Deloub	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issue of Plan Share Rights to Director - David Wheeler	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Ratification of prior issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 Securityholder 2 Securityholder 3 / /
 Sole Director & Sole Company Secretary Director Director/Company Secretary Date

Update your communication details (Optional)

Mobile Number Email Address By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

