



AVIRA RESOURCES
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16 February 2022

The Manager
Market Announcements Office
Level 40, Central Park
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AVIRA RESOURCES ACQUIRES THE OPTION TO PURCHASE LITHIUM PROSPECT

LOCATED IN REGION CONSIDERED TO BE A LITHIUM HOTSPOT

Highlights

- **The Yule River Lithium Prospect is situated in close proximity (~5kms) to the Albermale/Mineral Resources owned Wodgina Lithium deposit.**
- **The prospect consists of 3-blocks (ELA45/5770) covering an area of 9.5km². The tenement hosts the same rock types as the Wodgina Lithium Deposit.**
- **This region is considered to be highly prospective for Lithium with neighbouring, significant landholders in the region including ALB (Albermarle), PLS (Pilbara Minerals Ltd), FMG (Fortescue Metals Group Ltd).**
- **High grade rock chips up to (MINEDEX: Stannum/Metallicity): 2.45% Li₂O with 127 ppm Ta₂O₅ and 480 ppm Sn.**
- **Option to acquire prospect on commercially favourable terms subject to a six-month exclusivity period.**
- **Placement of AVW fully paid ordinary shares to raise a total of A\$2,000,000 to facilitate project exploration and increase working capital reserves.**

Avira Resources Limited (ASX: **AVW**) ("**Avira**" or "**Company**") is pleased to announce that it has entered into a binding option agreement with GTT Ventures Pty Ltd ("**GTT**" or "**Vendor**") (ACN 601 029 636) granting the Company an option to acquire a 100% interest in licence application ELA45/5770 ("**Tenement**" or "**Yule Project**") in the Marble Bar region of Western Australia.

Commenting on the transaction Avira's Executive Director said, "The addition of this Project to the exploration portfolio provides us with a fantastic opportunity to develop a project that is located in a known province for this essential material for the production of Lithium-ion batteries which in turn occupies an increasingly important position in the renewable energy space."

About the Project

The Yule River Project is situated approximately 120km by road south of Port Hedland, accessed by the Great Northern Hwy, approximately 5km from the Wodgina Lithium Deposit (ALB/MIN: 259.2 Mt @ 1.17% Li₂O) and ~30km from the Pilgangoora Lithium Deposit (PLS: 223.2Mt @ 1.27% Li₂O) with numerous Li-Ta-Sn deposits located within a 130km radius with other major projects including the



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Marble Bar (Li) Deposit and the Tabba Tabba (Ta) Deposit. This region is considered to be a Lithium hotspot with neighbouring, significant landholders in the region including ALB (Albermarle), PLS (Pilbara Minerals Ltd), FMG (Fortescue Metals Group Ltd) & ESS (Essential Metals Ltd) (Figure 1).

ELA45/5770 consists of 3-blocks covering an area of 9.5km². The tenement hosts the same rock types as the Wodgina Lithium Deposit and is along-strike from numerous MINEDEX Li-Ta prospects and occurrences (Figure 3). 10 MINEDEX occurrences located within the tenement boundary. Only 11 historical RC drill holes (1,011m) and 199 geochemical samples completed.

High grade rock chips up to (MINEDEX: Stannum/Metalicity): 2.45% Li₂O with 127 ppm Ta₂O₅ and 480 ppm Sn.

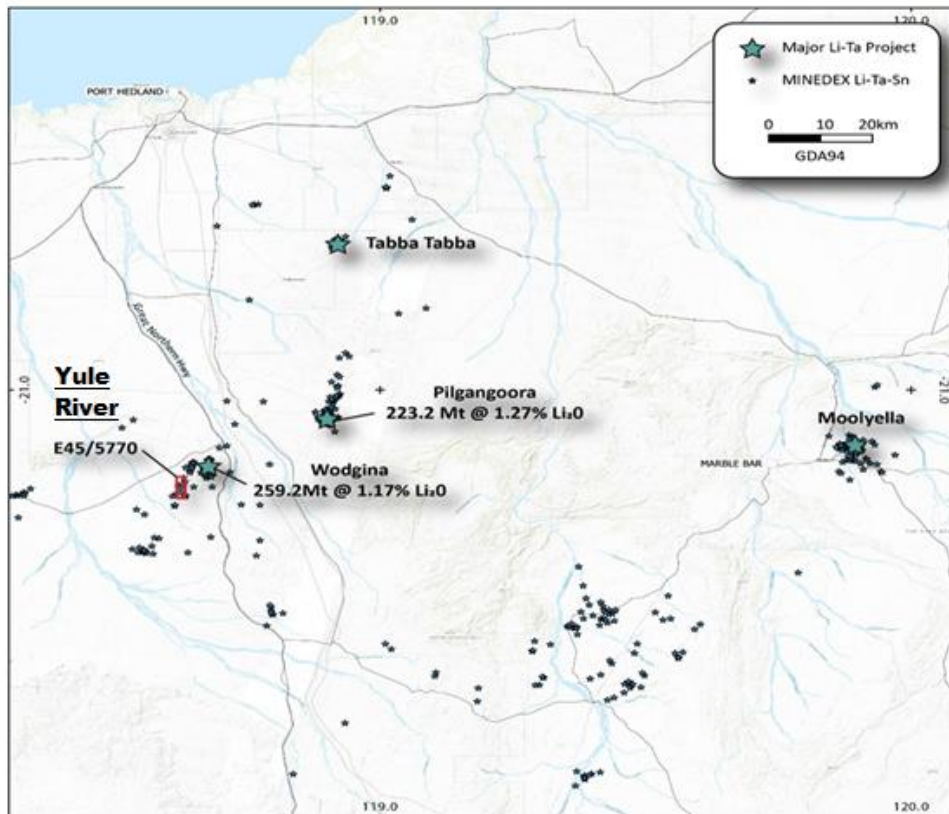


Figure 1. Location of the Yule River Project (ELA45/5770) in relation to mines and emerging prospects.

The Yule Project is currently undergoing compilation and re-assessment of previous WAMEX data, complemented by a planned field reconnaissance trip to ground truth identified access and assess the pegmatite dyke orientations and general considerations of undertaking a drilling campaign in this region. Secondary assessments of the mapping completed by previous explorers will look for priority areas within the host lithologies within the tenure.

The planned field trip to the Yule River Project is to be undertaken in March 2022 and is focused on determining appropriate access and field checking prospective structures and non-magnetic signatures observed in open-source government data.



A closer assessment of magnetically low areas within the Honeyeater Basalt (figure 2) will be made to determine the width of LCT (lithium-caesium-tantalum) pegmatite dyke swarms and potential for coalescence at depth within the mapped pegmatites.

Extensive rock chips were collected by previous explorers and two of the identified Li anomalous zones have not been tested by drilling. These may be similar to the already drill tested Tria prospect which has an anomalous drill hole intercept of 22 m at 0.18% Li₂O including 2 m at 0.46% Li₂O (WAMEX A115322) within the magnetically low zone. The highest grade rock chip at the Duus prospect is also inadequately tested by drilling.

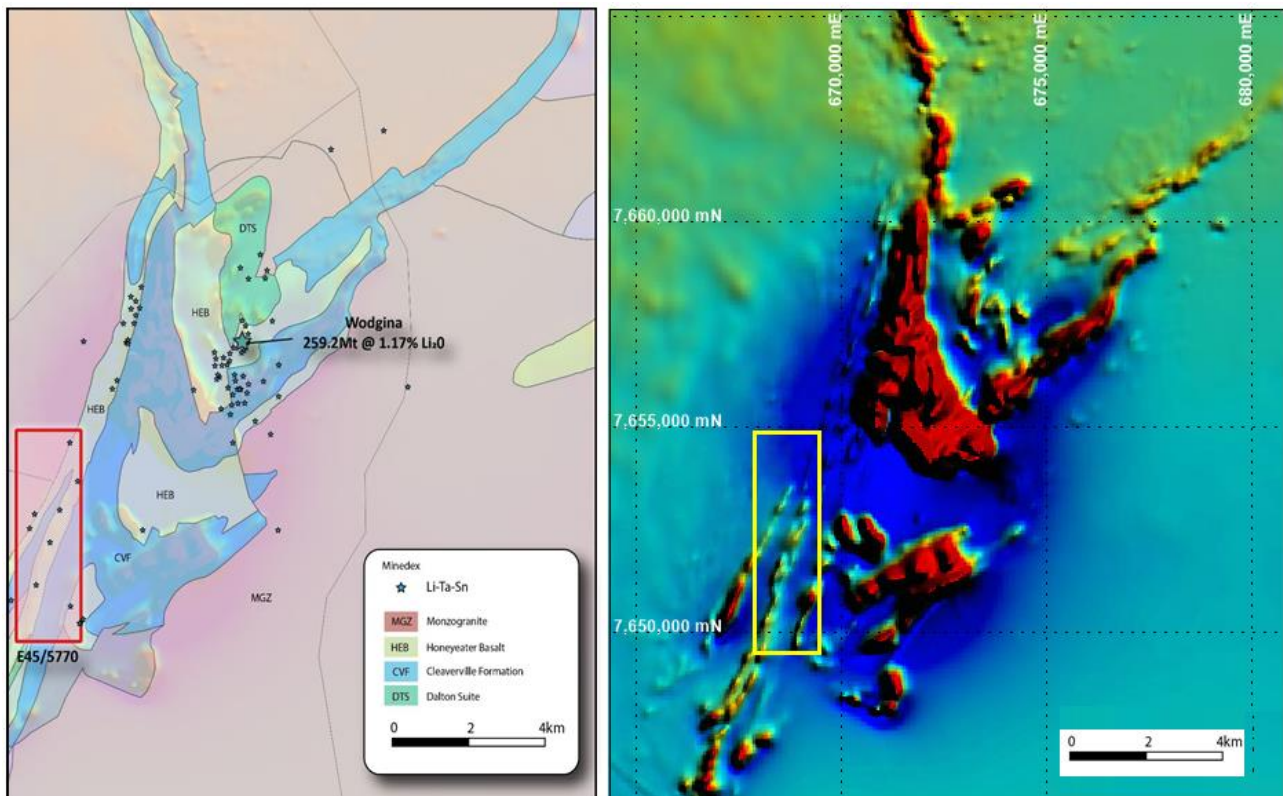


Figure 2: Local Geology and magnetics of the Yule River Tenement ELA45/5770 – note Honeyeater Basalt with patchy magnetic signal similar to Wodgina.

Field traverses following up 0.11% Cs₂O rock chips at the Stannum prospect and two anomalous zones of rock chips (red circles in figure 3) in the south of the tenement application will be primary reconnaissance activities. At the Tria prospect apparently shallow dipping LCT pegmatites were encountered below weakly anomalous surface samples. Stacked pegmatites are known to occur in the Wodgina and Pilgangoora deposits and an assessment of likely dips in the outcrops will be routinely collected in the target areas. More broadly the system is anomalous for Tin (Sn), Tantalum (Ta), Niobium (Nb) and weak anomalous in Rubidium (Rb). Bedrock may contain areas of enrichment in these elements with small alluvial shows of Sn and Ta recorded by previous explorers.

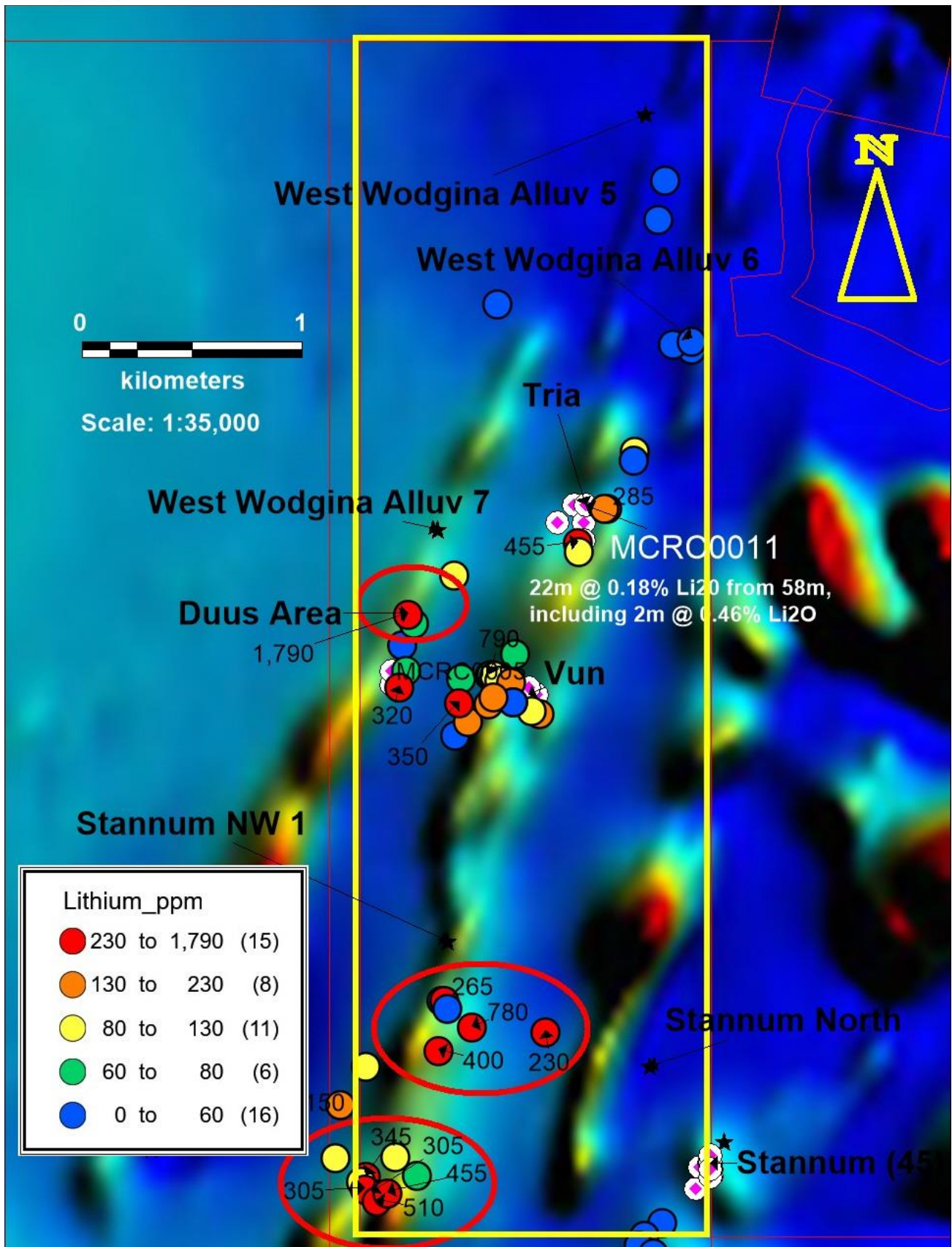


Figure 3: Geochemical rock chip anomalism (untested top quartile values in red) over 40m TMI magnetics ELA45/5770, drillholes in white (enclosing purple diamond)



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Terms of Option and Acquisition

As set out above, Avira has entered into an agreement with GTT Ventures Pty Ltd pursuant to which GTT has granted an option to Avira ("**Option**") to purchase exploration licence application ELA 45/5770 in the Marble Bar region of Western Australia ("**Option Agreement**"). The proposed key terms and conditions of the Option Agreement are set out below:

Option Period

- The Option expires on the date that is six (6) months following the date of execution of the Option Agreement.
- In the event that ELA 45/5770 has not been granted by this date, the option period shall be automatically extended by a further six (6) months.

Conditions Precedent

The Option Agreement and the obligation of the parties to complete the sale and purchase of the Tenement is subject to and conditional upon:

- exercise of the Option by the Company as the purchaser;
- the Company having received all necessary shareholder approvals required in order to give effect to Settlement, including the issue of the Consideration Shares and Performance Shares and any other approvals required under the Corporations Act or the ASX Listing Rules (including under item 7 of section 611 of the Corporations Act to the extent required);
- the execution of a final form Heritage Agreement by GTT and Kariyarra Aboriginal Corporation;
- the Company and GTT using best endeavours to execute the required documents to enforce the 1% Net Smelter Royalty over all minerals extracted from ELA 45/5770. If the parties are unable to agree on terms within 2 months of the Execution Date, the parties agree to revert to the Energy & Resources Law Association (formerly AMPLA) standard form Minerals Royalty Agreement to enforce the Net Smelter Royalty; and
- the Company undertaking a capital raising at an issue price of \$0.005 ("**Raising**"), which GTT or its nominee has a firm allocation of the greater of \$1,000,000 or 50% of the Raising, within three (3) days of the execution date of the Option Agreement.

Consideration

- Option (exclusivity) Fee - a non-refundable cash payment of \$150,000, payable on execution of the Option Agreement ("**Option Fee**").
- Option Exercise Fee – on exercise of the option will incur a fee of:
 - Cash consideration of \$1,000,000; or
 - Equity based consideration of \$1,000,000 in the capital of Avira fully paid ordinary shares ("**Shares**") with the issue price of the Shares calculated at the higher of \$0.005 and a 10% discount to the 20-day VWAP payable upon the date of exercise of the Option by Avira and subject to approval at the Company's next general meeting of shareholders.

About the capital raising

The Company is also pleased to announce that it has received firm commitments from sophisticated and professional investors to subscribe for 400 million Shares at \$0.005 per Share to raise \$2,000,000 ("**Placement**" or "**Raising**") before costs.

Funds raised via the Placement will be applied to progressing the development of the existing and new exploration projects held by the Company, business development and for general working



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capital. The Placement Shares will rank equally with existing fully paid ordinary shares on issue and are intended to be issued without shareholder approval under the Company's current capacity as follows:

- 228,121,000 Placement Shares to be issued pursuant to ASX Listing Rule 7.1; and
- 171,879,000 Shares to be issued pursuant to ASX Listing Rule 7.1A¹.

The Placement price represents a 2% premium to the 15-day VWAP of AVW shares as at 11 February 2022 of \$0.0049 and a 20% discount to the Company's last closing price of \$0.006.

CPS Capital Group Pty Ltd (ABN: 73 088 055 636) (CPS) have been engaged by the Company as the Lead Manager to the Placement. CPS and or its Nominees will receive a Management fee of 1%, plus GST, for managing the Share placement and a Placement fee of 5%, plus GST, for funds raised via the Placement.

¹The Shares to be issued under 7.1A are conditional on the minimum pricing condition under ASX Listing Rule 7.1A.3 being satisfied. Where this does not occur, the issue of those Shares will be subject to Shareholder approval at the Company's next General Meeting of Shareholders (GM).

-ENDS-

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

David Deloub
Executive Director
Avira Resources Limited

Shareholders and other interested parties can speak to Mr Sonu Cheema if they have any queries in relation to this announcement: +618 6489 1600.

About Avira Resources Limited

Avira Resources (AVW) is an ASX listed mining exploration company. In addition to the Wyloo Project tenement exploration licence applications located in the Ashburton Basin, the Company holds two tenement packages within the Paterson Range province which is host to a number of substantial gold, copper and manganese mines and deposits, including the Telfer gold-copper mine. The Avira projects are situated in the Yeneena basin sedimentary rock formation that hosts both the Nifty and Maroochydore copper deposits and the Woody Woody Manganese mine.

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 does not guarantee 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 John McDougall. Mr McDougall is a consultant geologist for AVW and a member of the Australian Institute of Geoscientists. Mr McDougall 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

Avira Resources Limited

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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 McDougall consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

JORC CODE, 2012 EDITION – TABLE 1

- SECTION 1 SAMPLING TECHNIQUES AND DATA (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> Sampling techniques 	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<p>Historic Rock chips are logged as grab and composite samples within WAMEX report A115322 Annual Technical Report E45_4677 Nov2017, only 3 of the anomalous Lithium bearing samples were grab samples with highest grade sample a composite. Stannum rock chip is a grab sample highlight from Mindex. RC drilling results are a split from 1m downhole samples.</p>
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	RC drilling
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	No discrepancies reported in recovery through the pegmatite host
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	All chips were geologically logged and files are available with report A115322



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	
<ul style="list-style-type: none"> Sub-sampling techniques and sample preparation 	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	Sub sampling and size was appropriate to the style of mineralisation
<ul style="list-style-type: none"> Quality of assay data and laboratory tests 	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	Assay techniques for Li and reporting of Li ₂ O is appropriate to the mineralisation style. No assay QC is presented in A115322
<ul style="list-style-type: none"> Verification of sampling and assaying 	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	No adjustment has been made to historical data
<ul style="list-style-type: none"> Location of data points 	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	Data is in MGA94 Zone 50. Historic rock chip and collar locations collected by handheld GPS



Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> Data spacing and distribution 	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Rock chip sampling is not systematic; however, some anomalous areas are spatially distant to drilling.</p>
<ul style="list-style-type: none"> Orientation of data in relation to geological structure 	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<p>Drill thicknesses are interpreted as near true thickness on historical sections (shallow dipping pegmatite).</p>
<ul style="list-style-type: none"> Sample security 	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<p>Not applicable – Historic Data</p>
<ul style="list-style-type: none"> Audits or reviews 	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<p>Primary data was checked in the A115322 files</p>

Section 2 Reporting of Exploration Results

Criteria listed in the preceding section also apply to this section.

Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> Mineral tenement and land tenure status 	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>ELA45/5770 is under option by Avira and is described in the body text.</p>
<ul style="list-style-type: none"> Exploration done by other parties 	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>Several other surveys have been undertaken for Tantalum mineralisation; however these are not directly relevant to the lithium prospectivity. Lithium was not assayed by explorers prior to Metalicity's work A115322</p>



Criteria	JORC Code explanation	Commentary
<ul style="list-style-type: none"> Geology 	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	Lithium mineralisation in LCT Pegmatites
<ul style="list-style-type: none"> Drill hole Information 	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	See figure 3 for locations of historic drilling. Drilling at Stannum for Ta were 50-80m holes. The drilling at Tria, Vun and Duus prospects were 50-130m total depth.
<ul style="list-style-type: none"> Data aggregation methods 	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	No data aggregation bias in historic - 1m RC samples
<ul style="list-style-type: none"> Relationship between mineralisation widths and intercept lengths 	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	Vertical holes in flat dipping pegmatites
<ul style="list-style-type: none"> Diagrams 	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	No new discovery, collars in plan Figure 3



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<ul style="list-style-type: none"> Balanced reporting 	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<p>All Li ranges reported in Figure 3</p>
<ul style="list-style-type: none"> Other substantive exploration data 	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<p>Previous assessment of Hymap data and geochemical sampling for Sn, Ta has occurred.</p>
<ul style="list-style-type: none"> Further work 	<ul style="list-style-type: none"> The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<p>Areas of focus are indicated in Figure 3 circled in red. Mapping of pegmatite in these areas is priority.</p>