



29 April 2019

## AVIRA RESOURCES LIMITED QUARTERLY ACTIVITIES REPORT (MARCH 2019)

Avira Resources Limited (ASX: AVW) (**Avira** or the **Company**) wishes to advise on the following activities during the quarter ending 31 March 2019.

### Corporate Activities

In addition to managing the exploration programs within the Pyramid project, The Company continued to identify and assess a number of additional exploration opportunities presented with a view to enhancing the existing exploration portfolio. These opportunities included early stage exploration in both Queensland and Western Australia.

Whilst complementary in nature these early stage projects were not sufficiently developed to warrant detailed due diligence. The Company will continue to assess further opportunities as and when presented.

### Operational Activities

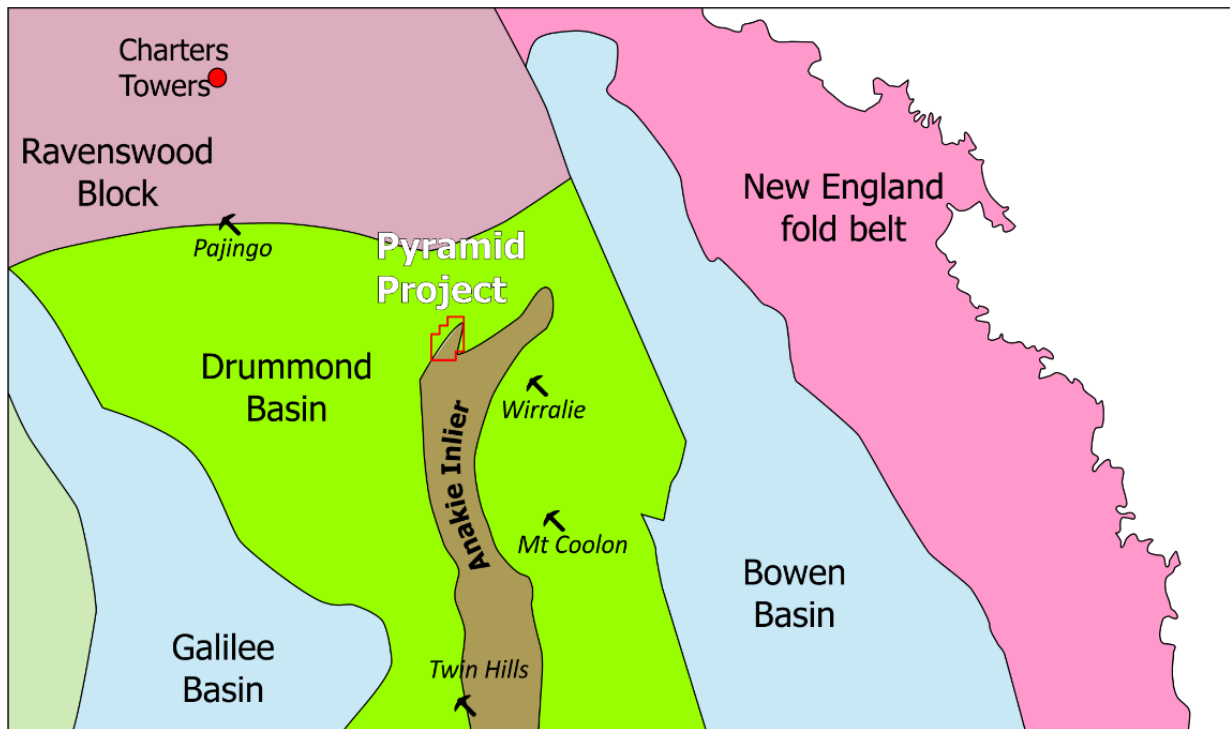
#### Pyramid Gold Project, Queensland

##### Overview

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

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

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



**Figure 1. Location of the Pyramid Project on the boundry of the Anakie Inlier and Drummond Basin.**

**Exploration activities**

The East Pyramid Range programme was to mirror the more comprehensive multi-element soil sampling survey undertaken by Terra Search over the West Pyramid Range during 2014.

The key components of the latter survey were sieved soil samples at a 200m line spacing x 50m sample spacing, which delineated gold target areas and multi-element metal zoning along the 8km strike length of the West Pyramid Range. (Figs 3 to 6). Sieved soils (-80 mesh) were analysed for low level gold (fire assay ICP) and multi elements by PXRF.

Results of the recent surface geochemical sampling and geological prospecting over the East Pyramid Range highlighted the prospectivity for intrusive related gold mineralisation.

The Lag geochemical sampling has identified a multi-element anomaly in the south east corner of the survey area, where high As, Fe, Pb, S suggest a mineralised potential structure with follow up exploration activity planned to occur in the second quarter of 2019.

**Planned Exploration.**

Results of the recent surface geochemical sampling and geological prospecting over the East Pyramid Range have highlighted the prospectivity for intrusive related gold mineralisation. Distribution of multi-element geochemistry in recent soil and rock chip sampling has confirmed historical exploration which indicted that large scale intrusive related gold systems are developed along the East Pyramid Range. Au and Pb in rock chip sampling highlight the zone at the northern end of the range.

Zoning is evident in the multi-element geochemistry. Gold zones correlate with As and Pb, and are often associated with high level felsic intrusives with well-developed sericitic and sulphidic alteration.

Lag geochemical sampling has helped identify a multi-element anomaly in the south east corner of the survey area, where high As, Fe, Pb, S suggest a mineralised potential structure that warrants follow up. Interestingly, this anomaly is only subtly present in the - 80 mesh data and confirms the value of coarse fraction lag sampling.

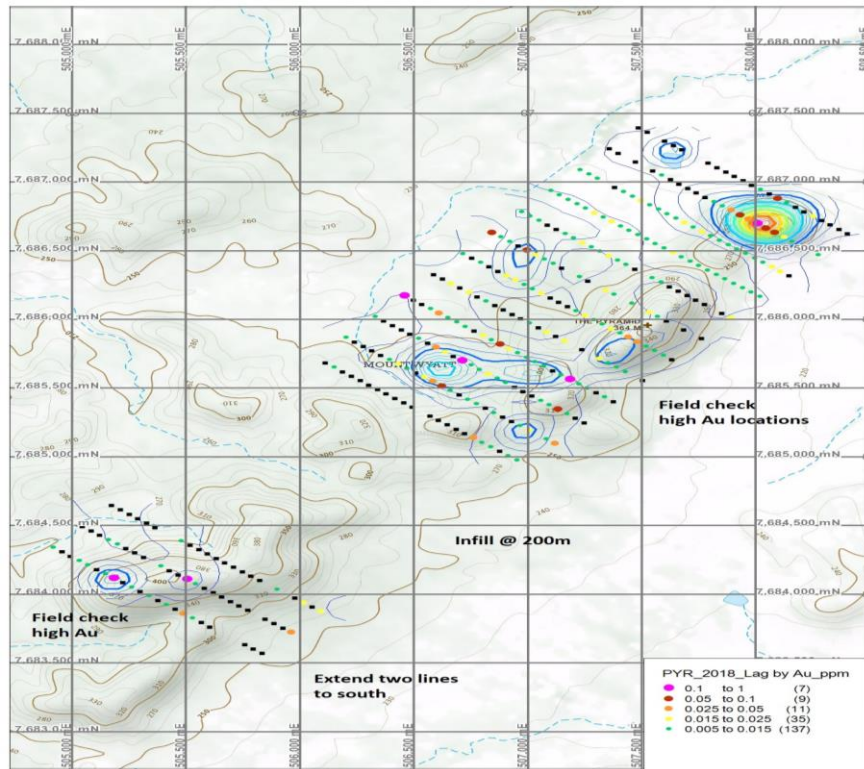
Proposed follow-up exploration planned to commence in the second quarter of 2019 is set out below and also annotated on Figs 2 to 4.

1. Extension of soil survey to infill missing lines and extend lines in south east anomaly area.
2. Ground follow up of high gold zones and points located by soil and lag sampling.
3. Ground follow up of the high As, Fe, Pb, S lag anomaly suggesting a potentially mineralised structure in the south east corner of the survey area.
4. Use of a combination of existing geological mapping, remote sensing and Principal Component Analysis (PCA) to better delineate geological boundaries and potentially mineralising structures.
5. Expansion of the area of coverage with a further soil sampling program.
6. A ground magnetics survey over the area. This would have the potential to not only track the dykes under cover but may also identify important altered zones which were a focus for mineralisation.

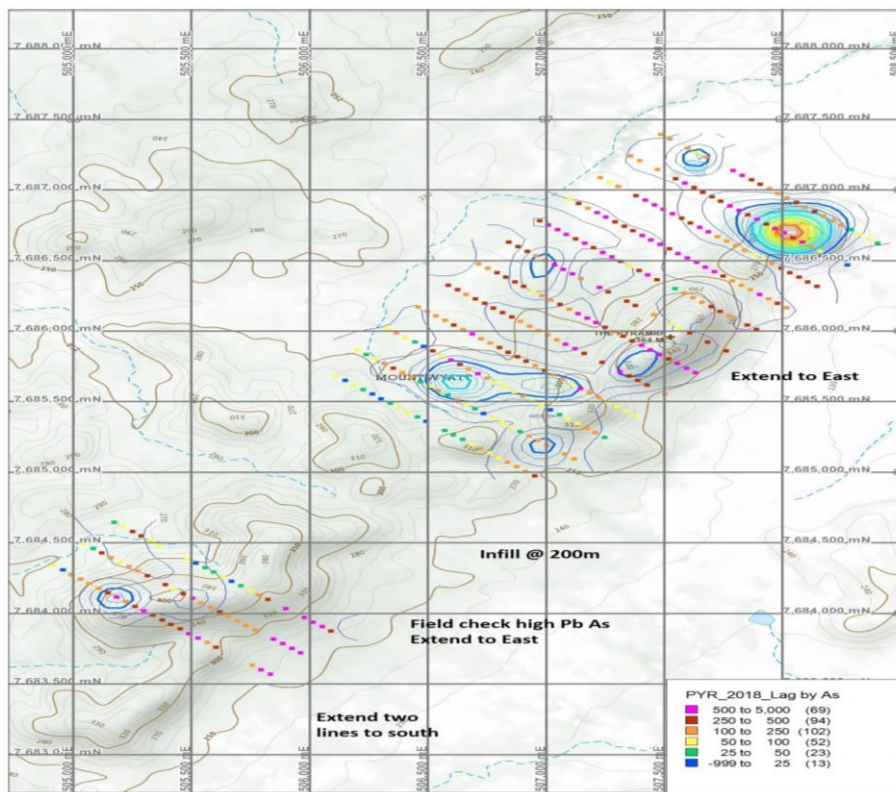
The Company has engaged Terra Search to complete an extension Geochem Survey at East Pyramid Range to infill gaps and extend to SE current coverage over the breccia, porphyry intrusions and identified surface gold zones from Tandoori to Sugarloaf. with line spacing of 200m and 50m sample spacing resulting in 550 soil samples.

Geological prospecting will follow up targets with rock chipping of an estimated 85 samples with standards. A ground magnetic survey is also being considered to cover the East Pyramid Range.

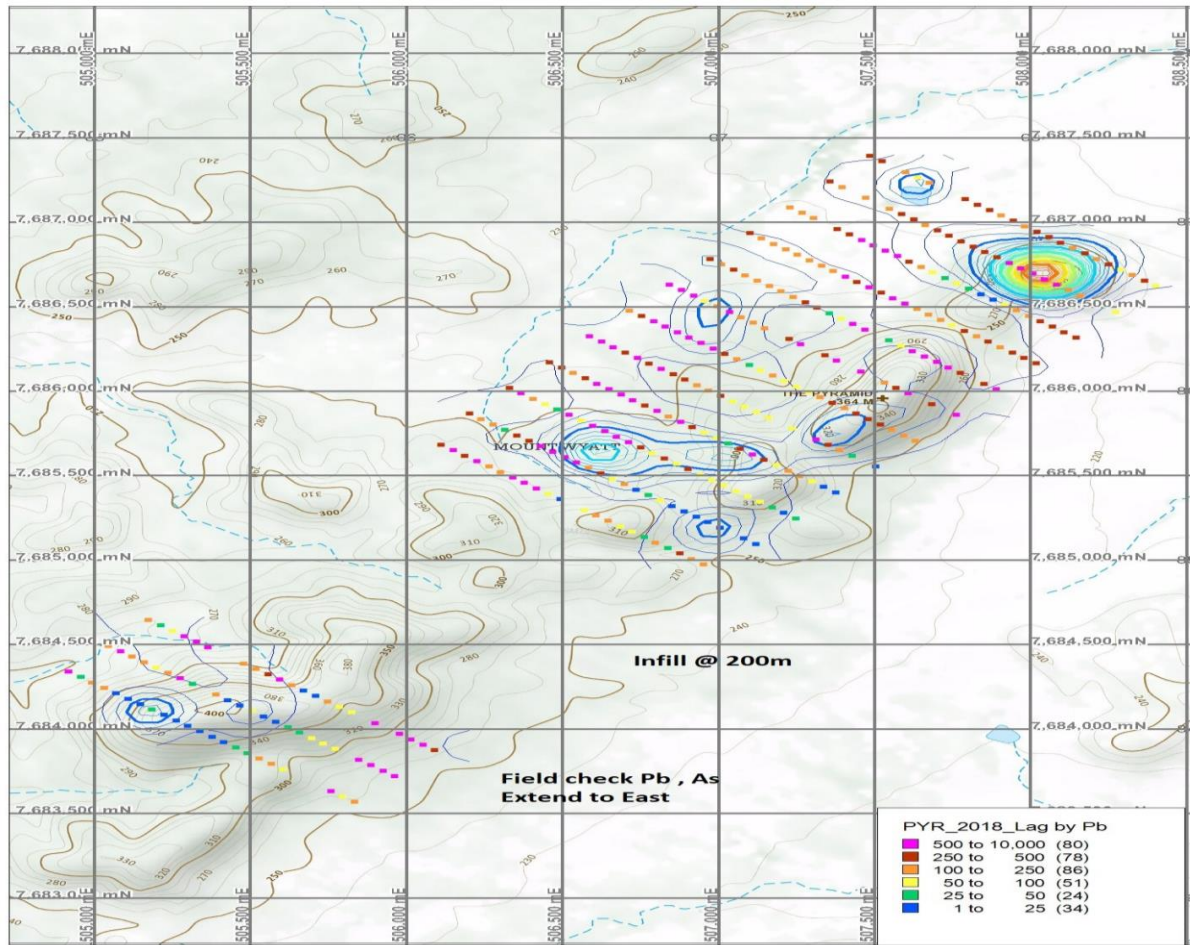
The estimated costed work program of approximately \$120k includes; Geological prospecting. Geochem sampling and interpretation and Ground Magnetic survey over the East Pyramid Range extension through May and June 2019.



**Fig 2. Recommended soil program extensions on image of Lag Au in Soil East Pyramid Range. Ground magnetic survey of 50m line spacing (120 line km) to cover same grid area.**



**Fig 3. Recommended soil program extensions on image of Lag As in Soil East Pyramid Range. Ground magnetic survey to 50m line spacing (120 line km) to cover the same grid area.**



**Fig 4. Recommended soil program extensions on image of Lag Pb in Soil East Pyramid. Ground magnetic survey to 50m line spacing (120 line km) to cover the same grid area.**

**Southern Queensland Projects**

No significant exploration work was undertaken on the Southern Queensland Project during the March quarter.

**Tenement Status**

LEASE	NAME	AREA	AREA UNITS	RENEWAL LODGED	GRANT DATE	EXPIRY DATE	HOLDER	EA
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**Mount Garnet**

ML 20066	Valetta - Sugarbag	1.5	Hectares		30-Jan--92	30-Jun-21	AVIRA	EPSL00266113
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**Pyramid**

EPM 12887	Pyramid	16	Sub-Blocks		4-Aug-20	4-Aug-20	MGTM	EPSX00705113
EPM 19554	Pyramid 3	14	Sub-Blocks		15-Dec-19	15-Dec-19	MGTM	EPSX00705113
EPM 25154	Pyramid 2	49	Sub-Blocks		22-Feb-20	22-Feb-20	AVIRA	EPSX00899513

**Southern Queensland**

EPM 12834	Mount Steadman	4	Sub-Blocks		16-Dec-20	16-Dec-20	MGTM	EPSX00600613
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EPM 8402V	Yarrol	4	Sub- Blocks	2 years	13-Nov- 91	12-Nov-20	MGTM	EPSX00600713
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**-ENDS-**

**Forward looking statements**

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

**Competent Persons Statement**

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Ian Prentice. Mr Prentice is a consultant geologist for AVW and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Prentice consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

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

#### Name of entity

Avira Resources Limited

#### ABN

38 131 715 645

#### Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter (Mar 2019) \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(68)	(224)
(b) development	-	-
(c) production	-	-
(d) staff costs (including Director Fees)	(25)	(74)
(e) administration and corporate costs	(84)	(347)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	5
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(176)</b>	<b>(638)</b>

<b>Consolidated statement of cash flows</b>	<b>Current quarter (Mar 2019) \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	--	1,347
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(155)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,192</b>



<b>Consolidated statement of cash flows</b>		<b>Current quarter (Mar 2019) \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,130	400
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(176)	(638)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,192
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>954</b>	<b>954</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
	<i>At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>		
5.1	Bank balances	954	1,130
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>954</b>	<b>1,130</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	25
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

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

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

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

<b>9. Estimated cash outflows for next quarter</b>		<b>\$A'000</b>
9.1	Exploration and evaluation	128
9.2	Development	-
9.3	Production	-
9.4	Staff costs	32
9.5	Administration and corporate costs	101
9.6	Other	-
<b>9.7</b>	<b>Total estimated cash outflows<sup>1</sup></b>	<b>261</b>

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

### Compliance statement

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

Sign here:  .....

Date: 29 April 2019

Company Secretary

Print name: Sonu Cheema

### Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.