



30 July 2019

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

Avira Resources Limited (ASX: AVW) (**Avira** or the **Company**) wishes to advise on the following activities during the quarter ending 30 June 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 both domestically and offshore.

Whilst complementary in nature, these early stage projects were not sufficiently developed to warrant detailed due diligence. As part of its broader strategy, the Company continues 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 in North East Queensland.**

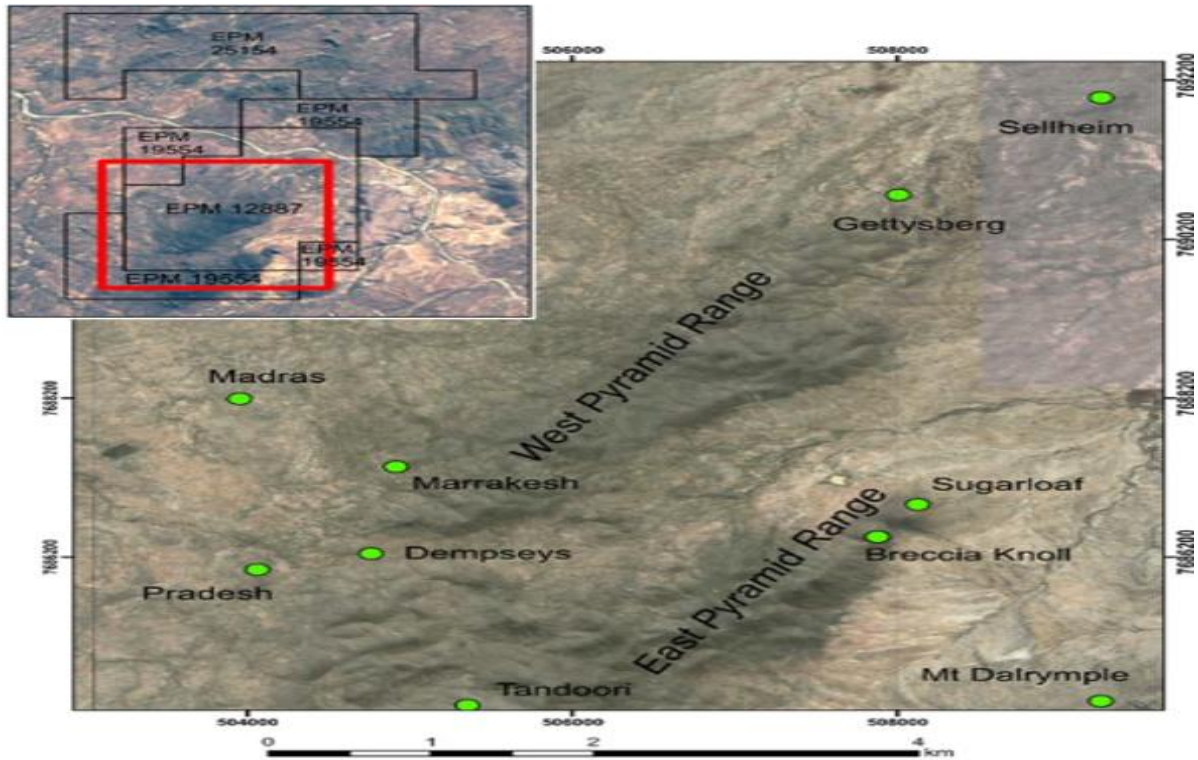
### **Exploration activities**

The Company has invested significant time and resources into reviewing and planning for an exploration program to commence in the first and complete in the second quarter of 2018. Additional detail on the parameters and status of the planned exploration program are provided in the 2018 Exploration Program section below.

#### Pyramid exploration program target location

The currently targeted East Pyramid Range contains clear cut high level intrusive related gold targets sharing similar surface expressions, mineralisation and alteration settings to the large scale, bulk tonnage gold systems of north Queensland, for example Mt Leyshon, Mt Wright, Kidston.

The structures identified to date are gold bearing, but of a general low tenor, geochemical zoning is evident in wide space sampling undertaken over 20 years ago. More chemical elements and more efficient surveys are now possible because of advances in technology, satellite positioning and instrumentation.



**Figure 2. Location East Pyramid Range in relation to Pyramid Project area**

**East Pyramid Range Exploration program.**

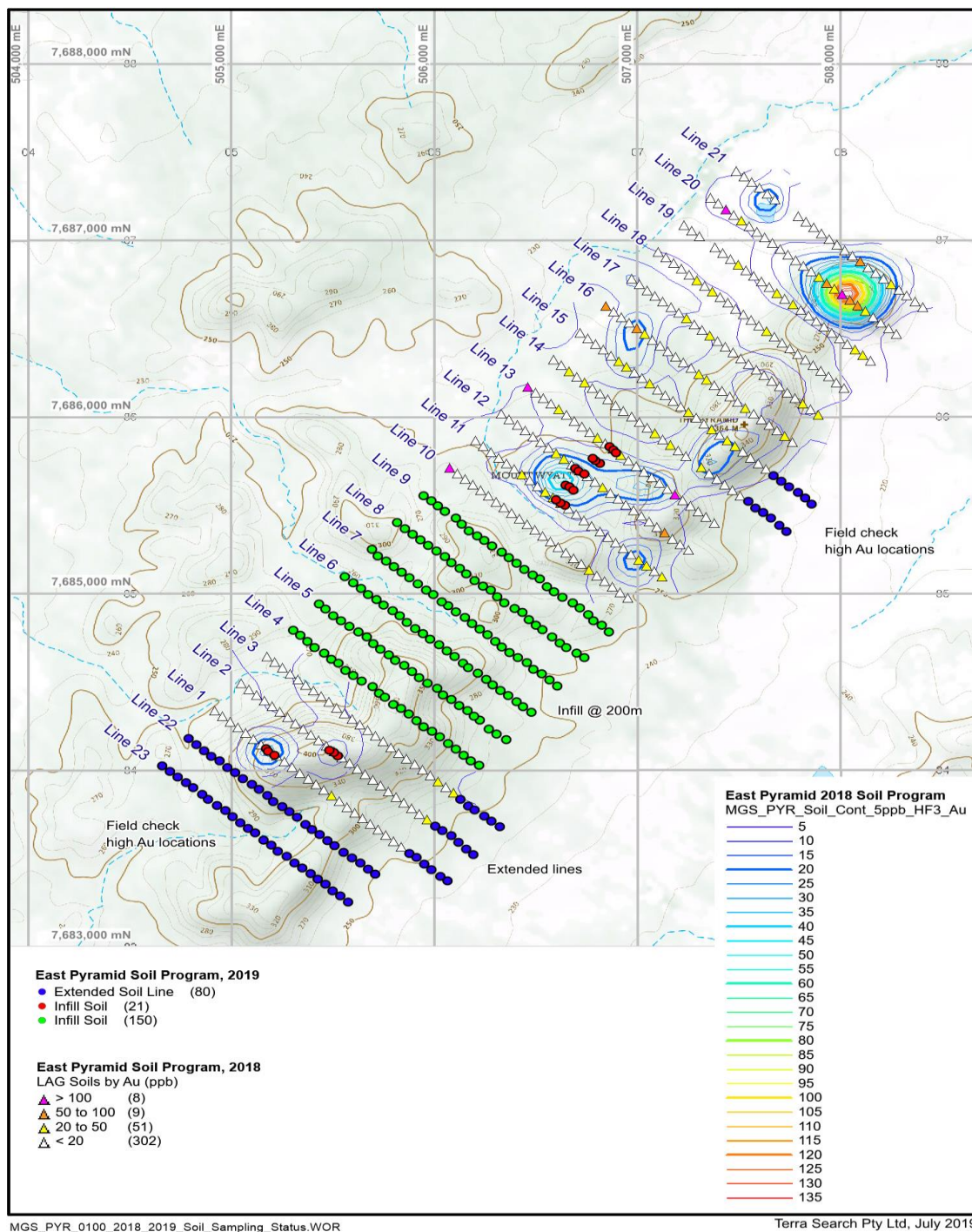
The previous phase of exploration undertaken by the Company in the area consisted of additional lag sampling including sub sampling prior to completing Au assays. XRF return pulp analysis and updating of geology map with soil, Lag and rock chip Au and multi element data surface sampling and geological prospecting within the East Pyramid Range area.

Results of the recent surface geochemical sampling and geological prospecting over the East Pyramid Range highlighted prospectively for intrusive related gold mineralisation. (Refer to March 2019 quarterly report).

In summary, the lag geochemical sampling and analysis undertaken in the March 2019 quarter 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 noting that this anomaly was only present in the -80 mesh data and confirming the value of coarse fraction lag sampling. On this basis, follow up exploration activity was planned for the second quarter of 2019.

Planning for exploration field work commenced May 2019 with the field work completed in early July 2019. The time delay from original timetable was due to inclement weather conditions in region and scarcity of available field crews. The program consisted of extension of the previous soil survey to infill missing lines and extend lines in south east anomaly area including;

1. Ground follow up of high gold zones and points located by soil and lag sampling.
2. 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.
3. Use of a combination of existing geological mapping, remote sensing and Principal Component Analysis (PCA) to better delineate geological boundaries and potentially mineralising structures.
4. Expansion of the area of coverage with a further soil sampling program.



**Figure 3. Map of geo-chem surveys conducted at East Pyramid Range.**

The program was designed to infill gaps from previous geo-chem exploration undertaken by the company and to extend current coverage to the SE over the breccia, porphyry intrusions and identified surface gold zones from Tandoori to Sugarloaf.

Line spacing of 200m and 50m sample spacing resulting in 540 soil samples being collected including QA/QC to ensure JORC 2012 compliance. Breakdown as follows;

- I. 270 -80 mesh soil samples.



- II. 270 -5mm + 2mm Coarse fraction/Lag samples
- III. 15 Rock chip samples.

Lag samples were delivered to the assay lab along with coarse -1mm soils to be sieved to -80mesh as a number of sites were too damp to collect -80mesh and had to be collected as -1mm. On completion, these will then be returned and inserted in with the rest of the -80 mesh soil samples. The full batch of -80 mesh soils will then be sent for analysis and interpretation. Multi element geo-chem with PXRF data collected as part of the campaign is currently being collated and interpreted.

Depending on results received from current assay a Ground, magnetic survey over the East Pyramid Range extension will be considered to undertaken in the third quarter of 2019.

### Southern Queensland Projects

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

### Tenement Status

LEASE	NAME	AREA	AREA UNITS	RENEW	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		5-Aug-04	4-Aug-20	MGTM	EPSX00705113
EPM 19554	Pyramid 3	14	Sub-Blocks		16-Dec-14	15-Dec-19	MGTM	EPSX00705113
EPM 25154	Pyramid 2	49	Sub-Blocks		23-Feb-15	22-Feb-20	AVIRA	EPSX00899513

#### Southern Queensland

EPM 12834	Mount Steadman	4	Sub-Blocks		17-Dec-99	16-Dec-20	MGTM	EPSX00600613
EPM 8402V	Yarrol	2	Sub-Blocks		13-Nov-91	12-Nov-20	MGTM	EPSX00600713

**-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")

30 June 2019

Consolidated statement of cash flows	Current quarter (Jun 2019) \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(31)	(256)
(b) development	-	-
(c) production	-	-
(d) staff costs (including Director Fees)	(31)	(105)
(e) administration and corporate costs	(64)	(412)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
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)	41	5
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(85)</b>	<b>(723)</b>

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter (Jun 2019) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>2.</b>	<b>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</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>
<b>3.</b>	<b>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</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>1,192</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	954	400
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(85)	(723)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter (Jun 2019) \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
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>869</b>	<b>869</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</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>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	869	954
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>869</b>	<b>954</b>

<b>6.</b>	<b>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	37
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.</b>	<b>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	



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

<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	70
9.6 Other	-
<b>9.7 Total estimated cash outflows<sup>1</sup></b>	<b>230</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**

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

Sign here: .....

Company Secretary

Date: 30 July 2019

Print name: Sonu Cheema

**Notes**

- 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

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

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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.