



AVIRA RESOURCES
LIMITED

30 October 2019

AVIRA RESOURCES LIMITED QUARTERLY ACTIVITIES REPORT (SEPTEMBER 2019)

Avira Resources Limited (ASX: AVW) (**Avira** or the **Company**) wishes to advise on the following activities during the quarter ending 30 September 2019.

Corporate Activities

In addition to progressing the exploration programs within the Pyramid project in Northern Queensland, The Company recently made application for an exploration licence over highly prospective ground in the Paterson Province located in the Pilbara region in Western Australia (Throssell Range Project). This Project is considered prospective for gold-copper-cobalt mineralisation and is considered to be commentary to the Pyramid Range Project and in alignment with the Company's broader strategy of identifying and investing in projects that it believes are highly prospective and scalable.

Operational Activities

Pyramid Gold Project, Queensland - The Company recently completed a follow-up geochemical exploration program on its exploration assets located in the East Pyramid Range in North Eastern Queensland.



Figure 1. Location of the Pyramid Project in North East Queensland.



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The lag geochemical sampling and analysis undertaken in previous exploration program 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 and third quarters of 2019. Planning for exploration field work commenced May 2019 with the field work completed in early July 2019.

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.

The soil and rock chip multi-element geochemistry sampling program that Terra Search completed for Avira Resources/MGT has confirmed that large scale intrusive related gold systems are developed along the East Pyramid Range. These systems have 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.

Gaps in coverage and anomalous zones in the 2018 survey were respectively infilled and extended in 2019. Soil coverage was extended to the SE over breccia, porphyry intrusions and identified surface gold zones from Tandoori to Sugarloaf.

Closer sample spacing is present around the highlighted resulting in 261 sites and 512 -80 mesh and coarse fraction -2mm, +80 mesh soil samples. Geological prospecting followed up targets with 13 additional rock chip samples with standards.

This most recent exploration program presents a good case to interpret the results as a strongly altered and leached system which supports the likelihood of gold and/or base metal (eg copper) zones at depth.

Avira Resources Limited

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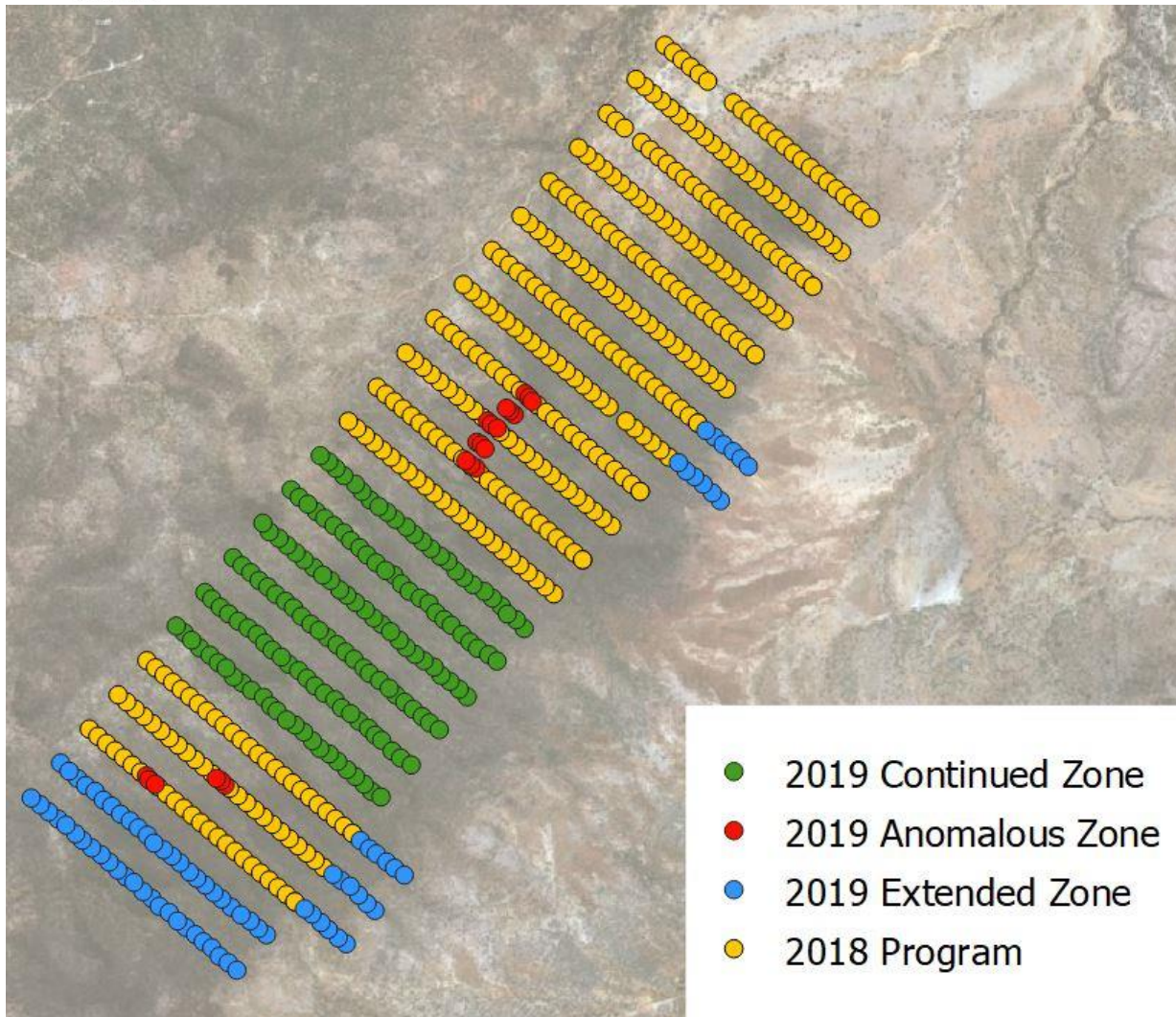


Figure 2. 2018 & 2019 Soil sampling completed in the East Pyramid Range

This most recent exploration program presents a good case to interpret the results as a strongly altered and leached system which we know contains gold. That is, there is a good possibility of Au and/or base metal (eg copper) zone at depth.

The logical next step before drilling would be to optimize the potential drill targets with some ground penetrating geophysics which would identify structures, sulphidic alterations and accumulations.

A possible work program would ultimately involve drill testing of the untested intrusive and hydrothermal centres. Ground geophysical surveys including ground magnetics and IP/EM, as well as some follow up geological prospecting and anomaly evaluation would ensure that drill targeting is optimized.

Initial drill testing would be in the order of around 1,800m to 2,200m, mostly Reverse Circulation Percussion but including some diamond core tails.

Preliminary targets and possible hole depths:



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- 2 x 250m-300m holes into Sugarloaf;
- 2 x 250m-300m holes into Breccia Hill South;
- 2 x 250m-300m holes into Tandoori area;
- 1 x 150-200m into undrilled gold zone in N-S dyke; and
- 1 x 150-200m into undrilled gold zone in E-W structure drilled by Newcrest 1995.

Indicative estimated costings of these follow-on exploration programs are currently being worked up and will be presented and considered in due course as AVW continues to identify and assess the value of additional exploration expenditure in the East Pyramid Range against other opportunities consistent with the Company's focus on creating value for its shareholders in the resource exploration space.

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 ¹	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

Throssell Range Project, Western Australia - The Project is located in the Paterson Orogen, in the East Pilbara district of Western Australia. The tenement covers rocks of the Paterson Orogen, a Neoproterozoic metamorphosed and deformed sedimentary basin which hosts significant deposits of gold, copper, tungsten, plus uranium and manganese.

The Company's geological consultants Gneiss Results Pty Ltd were engaged to review the prospectively of the tenement in relation to the known metallogeny and geology of the tenement, and to propose an exploration program for the tenement in the first two years of grant.

The tenement is considered prospective for copper-cobalt mineralization of a style similar to Nifty or Maroochydore, or similar styles of mineralization focused along basin margin faults or transcurrent faults, and/or potentially other styles identified within the region. Forward work program for the Throssell range Project is likely to begin with Airborne VTEM and subsequent ground work including;

¹ Renewal application lodged.



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rock chip sampling, mapping and outcrop/regolith investigations, followed by regional geochemistry and then drilling of any anomalies.

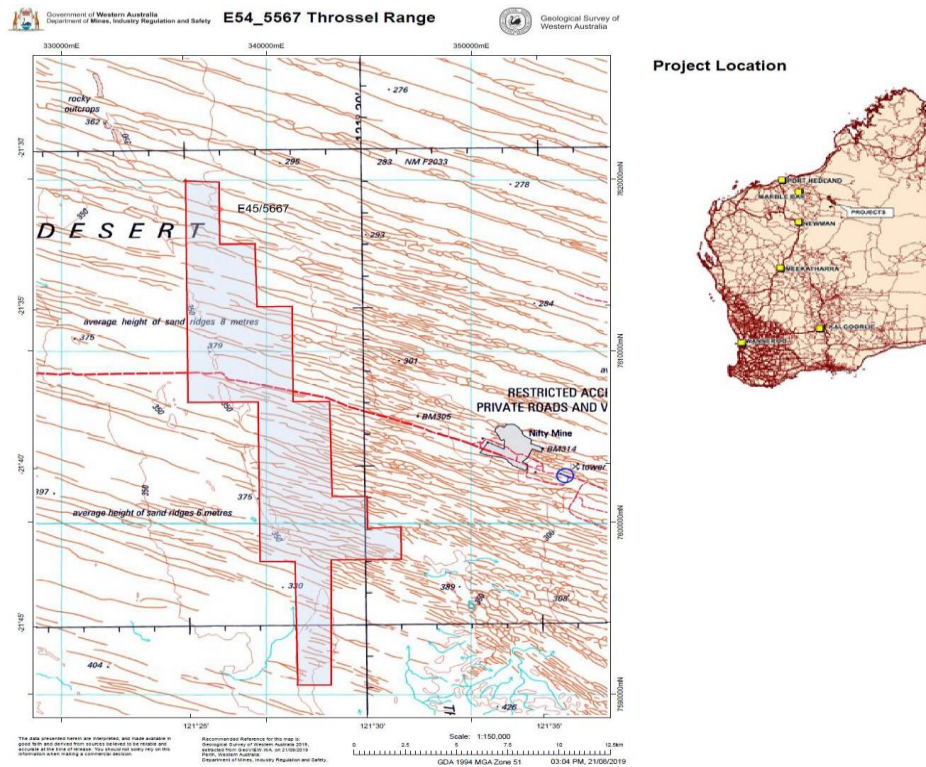


Figure 3. Location and topography of E45/5667 Throssell Range

The E45/5667 Throssell Range tenement is prospective for stratabound Cu-Co mineralization of a Nifty style, formed by replacement of pyrite within sulphidic sediment by copper-bearing fluids. The target horizon within the tenement is the Waroongunyah Formation, which outcrops over a strike length of 25km.

Nifty style mineralization occurs within generally conductive strata, which can be readily mapped by EM methods. Modern airborne EM systems are now able to directly detect and discriminate mineralized conductors from 'stratigraphic' conductors.

The tenement is also prospective for diapiir or diatreme related and Iron oxide copper-gold (IOCG) mineralization within the Tarcunyah Group. Vertical pipe-like bodies discordant to stratigraphy, localized by intersections of fault zones, are targets for exploration.

The tenement is also prospective for sediment-hosted base metal accumulations within the basin-margin fault zone along the western margin of the Paterson Orogen, with styles such as SEDEX, replacement and vein associated models.

The presence of regionally significant iron, magnesium and aluminium-enriched anomalies clustered on the basin margin fault is suggestive of some form of hydrothermal system, which requires exploration to determine if it is mineralized.

Exploration budgets, logistical planning and timetabling are currently being developed in anticipation of grant of the exploration license. The timing of the initial exploration program will be



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dependent on successful application for the exploration license, regional accessibility and capital availability.

Some of the exploration programs currently being considered include;

Airborne EM Survey

The primary method of exploration for the area is suggested to be a 200m line spacing AEM survey. A modern AEM survey will map conductive stratigraphy, provide some structural information, identify prospective conductors and map conductive regolith (eg; Permian channels), and provide areas of interest for ground truthing and drilling.

Regional Geochemistry

Regional scale geochemistry will also be considered for the tenement area. As previously mentioned, the size fraction and method of analysis would need to be investigated via a limited orientation survey, preferably over a site of known, deeply buried mineralization, prior to engaging in a more substantial regional scale geochemical program.

Drilling

Based on the results, drilling of geochemically anomalous areas with conductive targets are expected to be identified.

-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.

ASX Listing Rules Compliance

In preparing the Quarterly Report for the period ended 30 September 2019 and to date, the Company has relied on the following ASX announcements

ASX Announcement	29/10/19	AVW Completes Surface Geochemical Survey on East Pyramid
ASX Announcement	8/10/19	AVW ESTABLISHES A Foothold in Prospective Paterson Belt
ASX Announcement	27/09/19	AVW - Annual Report 30 June 2019
ASX Announcement	30/07/19	Quarterly Activities Report and Appendix 5B
ASX Announcement	29/04/19	Quarterly Activities Report and Appendix 5B
ASX Announcement	31/01/19	Quarterly Activities Report and Appendix 5B

Compliance Statement

This report contains information extracted from reports cited herein. These are available to view on the website www.aviraresourcesltd.com.au. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Quarterly Report for the period ended 30 September 2019 and to date.

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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 Sep 2019

Consolidated statement of cash flows	Current quarter (Sep 2019) \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(65)	(65)
(b) development	-	-
(c) production	-	-
(d) staff costs (including Director Fees)	(27)	(27)
(e) administration and corporate costs	(57)	(57)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
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)	-	-
1.9 Net cash from / (used in) operating activities	(149)	(149)

Consolidated statement of cash flows	Current quarter (Sep 2019) \$A'000	Year to date (3 months) \$A'000
2. Cash flows from investing activities		
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)	-	-
2.6 Net cash from / (used in) investing activities	-	-
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
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	-	-
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)	-	-
3.10 Net cash from / (used in) financing activities	-	-
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	869	869
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(149)	(149)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter (Sep 2019) \$A'000	Year to date (3 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	720	720

5.	Reconciliation of cash and cash equivalents <i>At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	720	869
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	720	869

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 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

**Current quarter
\$A'000**

34

-

Payment of director's fees, reimbursements and corporate administration. This is apportioned for time allocated to exploration and administrative activities.

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	78
9.2 Development	-
9.3 Production	-
9.4 Staff costs	38
9.5 Administration and corporate costs	76
9.6 Other	-
9.7 Total estimated cash outflows¹	192

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
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	E45/5667 Throssell Range	Application	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 October 2019

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.