

## QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2021

**Avenira Limited** (ASX:AEV) (“**Avenira**” or “**the Company**”) provides its activity report for the quarter ending on the 31 March 2021 (“**the Quarter**”).

### Highlights:

#### JUNDEE SOUTH GOLD PROJECT (Avenira 100%)

- Avenira identifies two potential gold trends at Jundee South
- Target MF02 resample results significantly upgraded with 7m @ 1.36g/t Au from 35m to EOH, incl 1m @ 5.22g/t Au from 39m intersected in JSA20\_058
- Potential for +700m of mineralised strike length around MF02
- Drilling at the YaN11 Target extends the historic intercept to the north west with new gold intercepts
- Follow up RC drilling program planned in mid 2021 at MF02 and YaN11 targets upon completion of further resampling and geological interpretation
- Two Prospecting Licences pegged south of Avenira’s flagship Jundee South Project located on magnetic trends along strike from and containing similar stratigraphy to the Flushing Meadows gold resource.

#### Corporate

- Executed agreements with substantial shareholder Au Xingao Investment Pty Ltd for a \$3 million secured loan facility
- Loan Facility provides Avenira with capital to fund the development of the Jundee South Gold Project and for other approved purposes.

#### Jundee South Gold Project

The Yandal Greenstone belt is located in the north-eastern part of the Norseman-Wiluna belt of the Archaean Craton in Western Australia. It is one of few Archaean greenstone belts containing multiple million-ounce deposits, including Jundee, Bronzewing and Darlot (Figure 1).

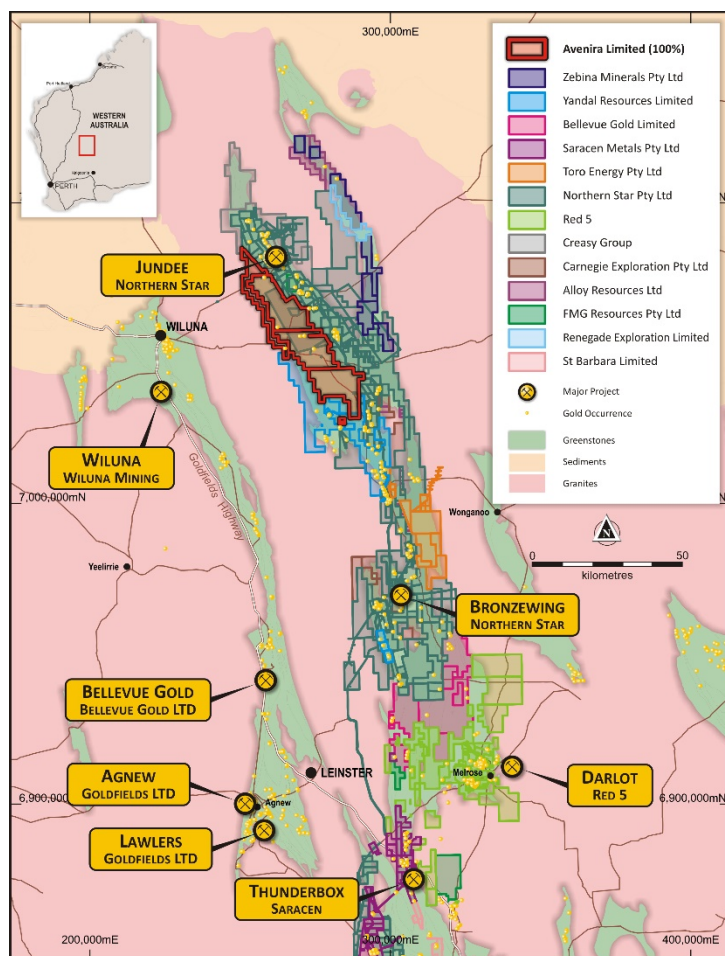


Figure 1: Jundee South Project location map

## Maiden Aircore Drilling Program Results

On 3 February 2021, the Company received all composite sample results from its maiden aircore drilling program at Jundee South which was carried out in H2 of 2020. This program comprised 259 aircore (AC) holes for 20,147m (ASX announcement 15 December 2020).

In addition, Avenira commenced resampling of anomalous 4m composite intercepts at one metre sampling intervals. The Company is still waiting for a portion of these assay results. However, resampling results received to date and for non-resampled anomalous composites are contained in Table 1.

The Jundee South Project area is located within 3km of the Jundee Mine and covers more than a 60km strike of highly prospective greenstone stratigraphy. The project area contains major regional structures interpreted to control gold mineralisation throughout the Yandal Greenstone Belt and contains a number of historically defined gold occurrences.

Access is via a well-established road system. Accommodation and facilities including flight services are well established in the district, given the number of operating mines in the area.



**Table 1. Mineralised Aircore Intercepts**

Hole	Target	Depth From (m)	Depth To (m)	Width (m)	Grade (g/t Au)	Comment
<b>Resampled Intervals (&gt;0.2 g/tAu)</b>						
JSA20_058	MF02	35	42	7	1.36	Quartz vein in felsic volcanic. The hole finished in mineralisation
including		39	40	1	5.22	
JSA20_125	YaN11 (gcmSHRB36)	81	84	3	0.45	Redox Front
JSA20_123		104	105	1	0.78	Quartz veining with relict sulphide
JSA20_129		89	90	1	0.57	Redox front
<b>Composite Intervals (&gt;0.1g/t Au)</b>						
JSA20_333	YaN11 (gcmSHRB36)	68	76	8	0.25	Intermediate porphyry
JSA20_333		96	100	4	0.30	Weathered sulphide veining in intermediate volcanic
JSA20_334		72	76	4	0.18	Foliated mafic rock
JSA20_332		32	36	4	0.14	Quartz veined weathered felsic
JSA20_223	SH04	52	56	4	0.13	Weathered Dolerite
JSA20_304	cypIWR584	60	64	4	0.10	Weathered sulphide veining in Gabbro

#### *Significance of intercepts – Target MF02*

The anomaly intersected in hole JSA20\_058 is associated with quartz-veined felsic volcanic rocks. The intercept of 7m @ 1.36g/t Au is open at depth and has an open potential strike length of +720 metres due to its unconfirmed orientation.

This presents an encouraging target for deeper drill testing during the RC program scheduled for Q2, 2021. Figure 3 displays chip piles from hole JSA20\_058 and Figure 4 displays the location of drilling at the MF02 target.

#### *Significance of intercepts – Target YaN11 (gcmSHRB36)*

Target YaN11 contains the historic intercept 4m@9.68g/t Au in hole gcmSHRB36. Aircore drilling to test for strike extensions around this anomaly intercepted several anomalies as outlined in Table 1 and displayed in Figure 5.

The most significant intersection was contained in hole JSA20\_125, which has identified potential for a 360 metre strike extension to the anomaly in gcmSHRB36, subparallel to NW striking aeromagnetic linear features.

This anomaly is associated with a redox front, a zone in the regolith profile where soil conditions change from oxidising to reducing, normally with an associated change in colour of drill spoil. This may result in a concentration of gold in these vertical positions which have been remobilised from



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mineralised locations nearby due to weathering processes. As such, there may be higher grade mineralisation present adjacent to the intercept.

The geology of this area is complex, with the presence of felsic porphyries, foliated basalts and intermediate volcanics with varying degrees of quartz veining and sulphide development. This provides a high priority target for follow-up resampling (where required), geological interpretation and RC drilling.

#### *Significance of intercepts – Target SH04*

This composite anomaly is hosted in weathered dolerite, a similar rock to that hosting gold mineralisation in the adjacent Jundee Gold Mine. Felsic intrusives are also present adjacent to the intercept which may provide a source of heat and fluid associated with gold mineralisation. Drill spoil from associated hole JSA20\_223 is displayed in Figure 6.

Resampling of the intersection and geological interpretation is required for this target to confirm its similarities to the adjacent Jundee stratigraphy and suitability for follow-up drilling.

#### *Significance of intercepts – Target cypIWR584*

This composite anomaly is hosted in gabbro, a mafic rock which may provide a suitable locale for gold deposition. In this case, the anomaly sits along a N-S trending magnetic feature and is open along strike to the NNW for up to 1,300 metres. Drill chips from the associated hole are shown in Figure 7.

This composite anomaly requires resampling and geological interpretation to assess the need for follow-up work.

#### *Ongoing Work*

Resampling of gold assays returning 0.1g/t Au or more continues.

A geological interpretation based on data from the recent Aircore drilling has commenced and will be used to assist with planning of an RC program scheduled for next quarter, of which targets MF02 and YaN11 from this release will comprise two of the proposed targets. Results from other targets drilled during this phase of drill testing are being assessed.

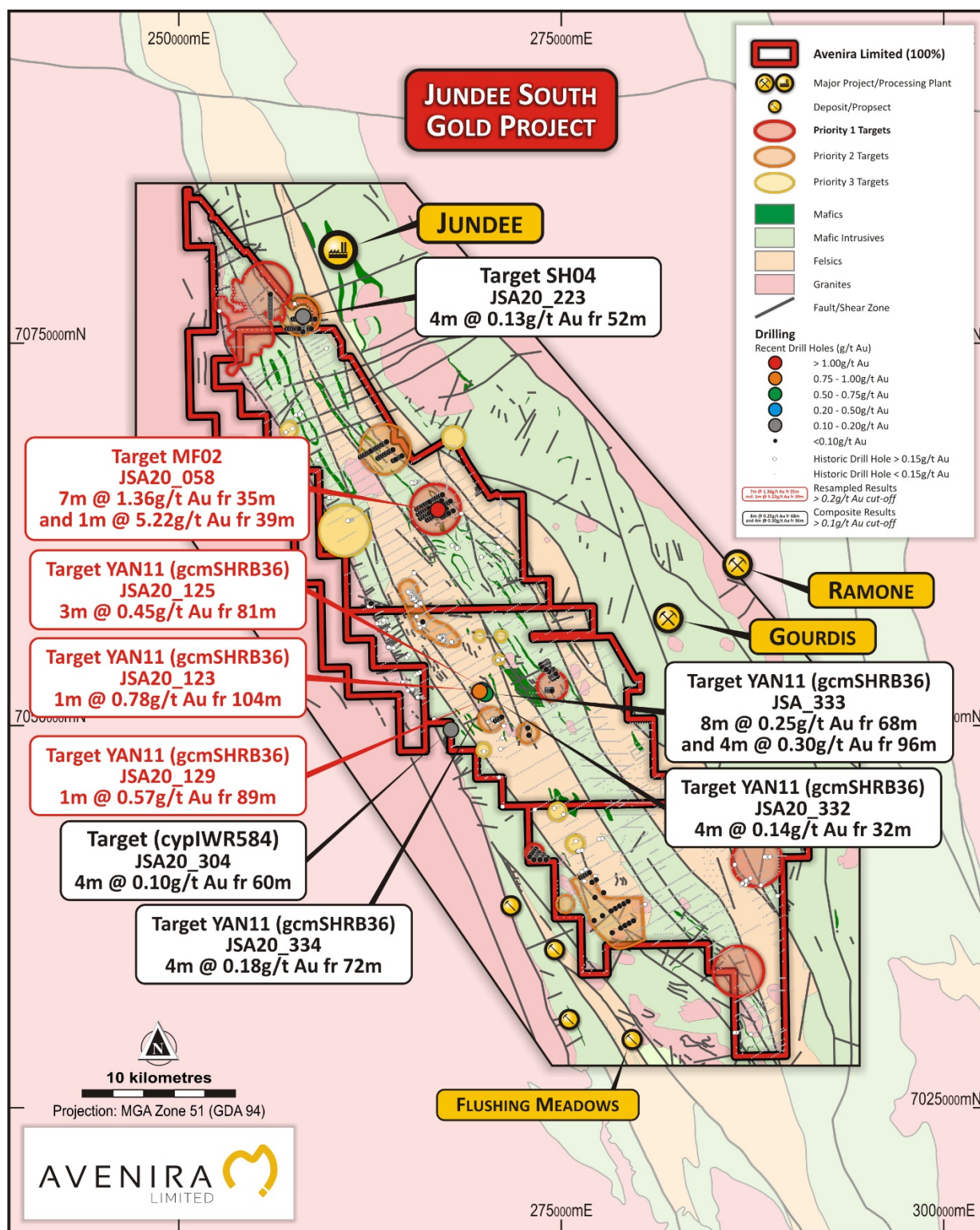


Figure 2. Location of Aircore holes drilled and anomalous analyses received



Figure 3. Mineralised zone in hole JSA20\_058 (35-42m) at Target MF02

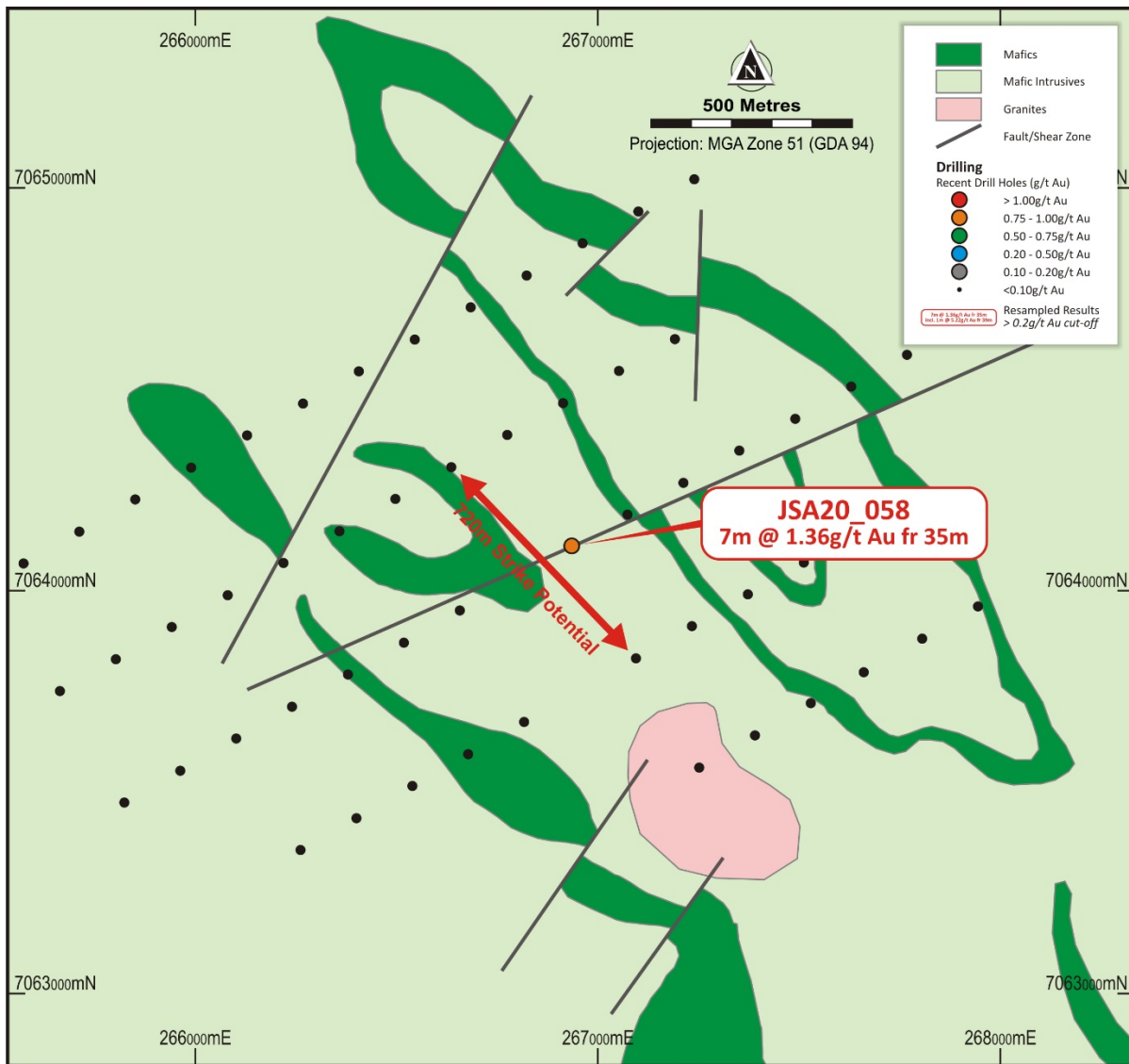


Figure 4. Location of anomaly in JSA20\_058 at the MF02 Target

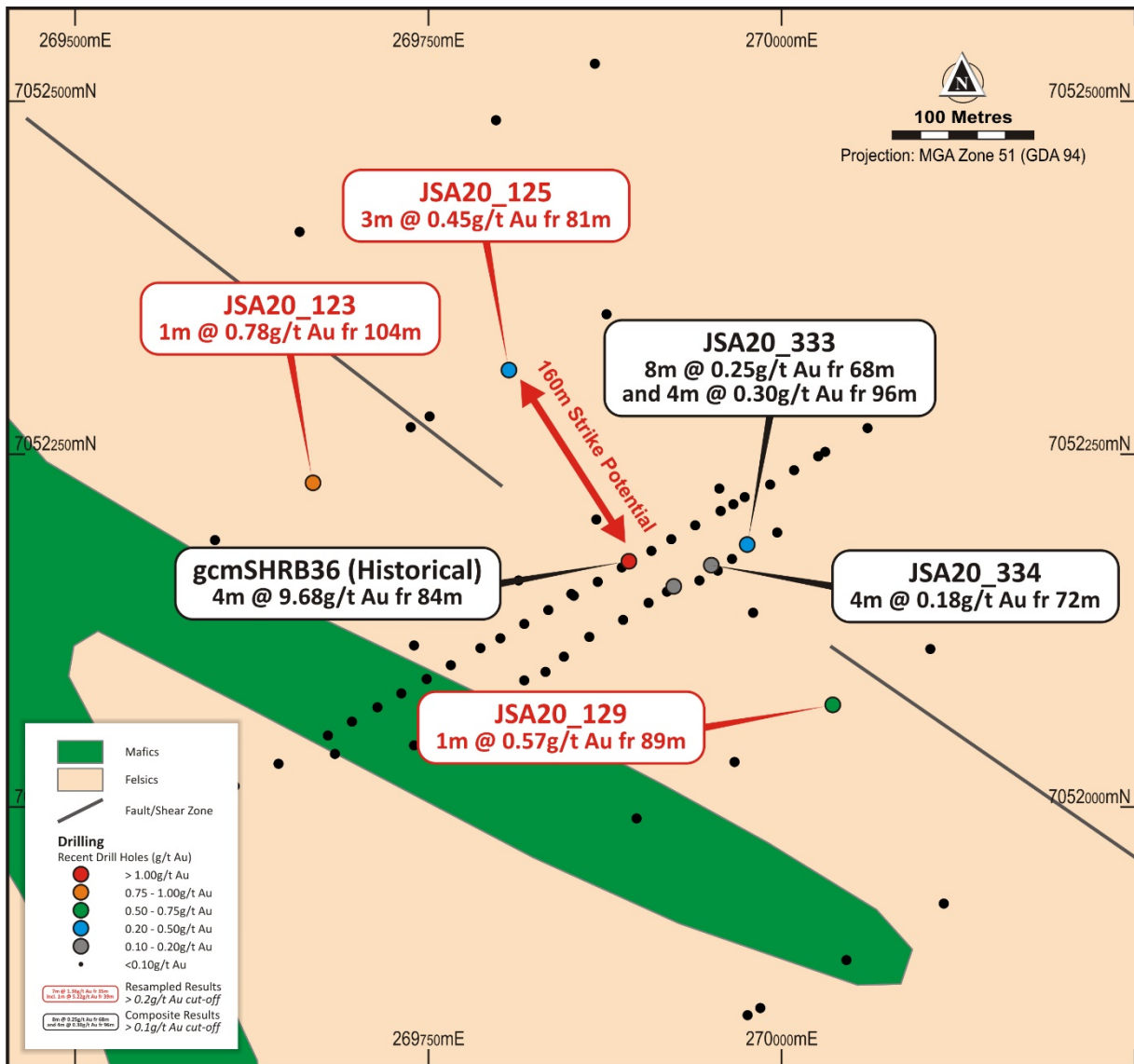


Figure 5. Location of anomalies adjacent to historical intercept gcmSHRB36 at the Target YaN11.



Figure 6. Mineralised zone in hole JSA\_223 (52-56m) from Target SH04



*Figure 7. Mineralised zone in JSA20\_304 (52-56m)*

### **Acquisition of Prospecting Licences**

On 10 March 2021, the Company acquired two Prospecting Licences south of its flagship project at Jundee South. These licences (P53/1712 and P53/1713) expand Avenira's ground position in the world class Yandal Greenstone Belt (see Figure 8).

The licences are located on a magnetic feature along which the Flushing Meadows gold deposit of Yandal Resources Limited (ASX:YRL) is located (see Figure 9). An initial geological interpretation has identified stratigraphy similar to that identified at the Flushing Meadows deposit (see Figure 10).

Immediate proposed work on these licences will comprise compilation of historic data, refining of the geological interpretation and reconnaissance exploration.



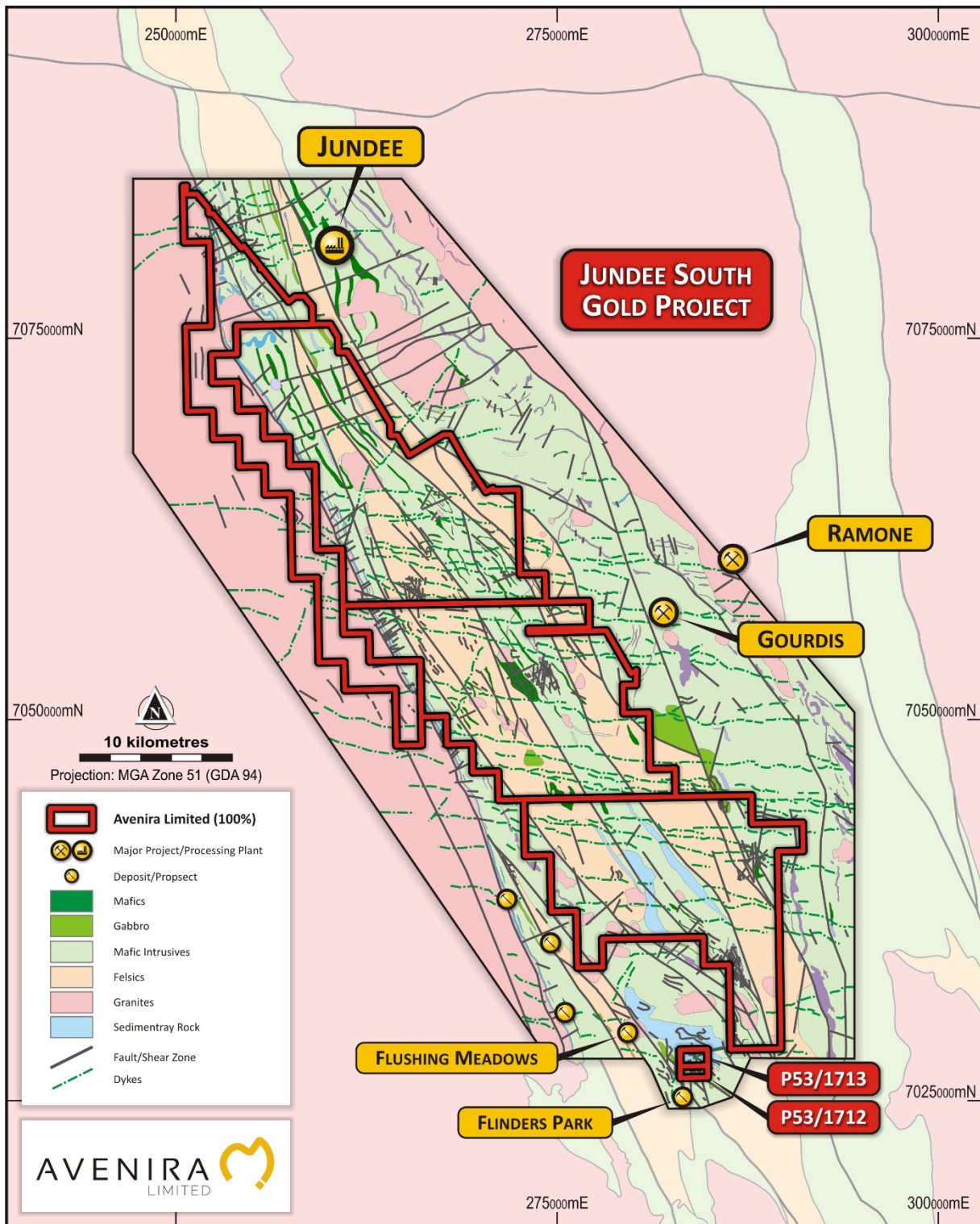


Figure 8. Location of P53/1712 and P53/1713

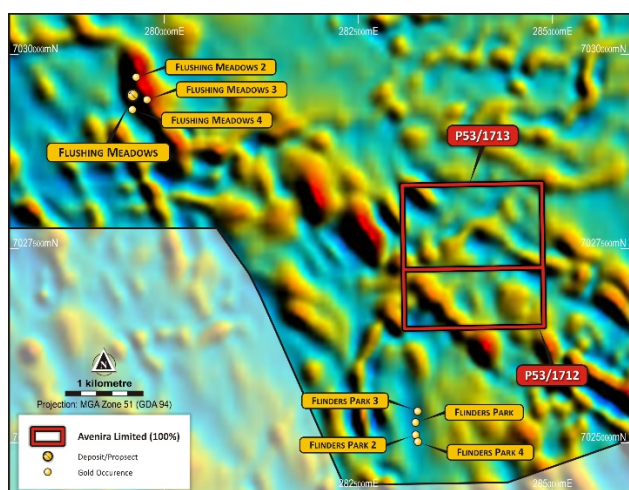


Figure 9. RTP 1VD Magnetics of P53/1712 & P53/1713

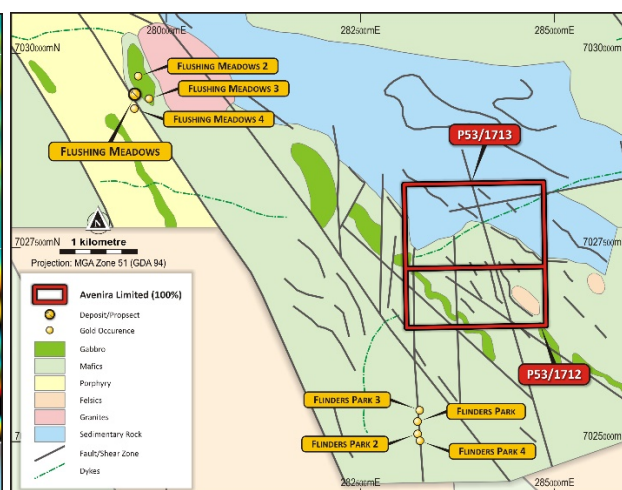


Figure 10. Geological Interpretation of P53/1712 & P53/1713

## Critical Path Activities Update

Post the reporting period discussions commenced with the board and representative of the Tarkla Matuwa Piarku Aboriginal Corporation (TMPAC) towards finalising an exploration access agreement for approximately 90% of the footprint of the Jundee South Project. Discussions have been positive and encouraging, however the process for negotiation and execution of the agreement combined with the requirement for on-ground surveys may delay the RC drilling.

## Corporate Information

### Secured Loan Facility

On 9 March 2021, the Company announced that it had executed agreements with Au Xingao Investment Pty Ltd (“**Lender**”), a substantial shareholder of the Company, for the Lender to provide a \$3 million secured loan facility to the Company (“**Loan Facility**”).

The Loan Facility will provide the Company with capital to fund the development of the Jundee South Gold Project and for other purposes as consented to by the Lender.

The Loan Facility is conditional on the Company obtaining shareholder approval under item 7 of section 611 of the *Corporations Act 2001* (Cth) and Listing Rule 10.1, which will be sought at a general meeting of the Company to be held in the coming months.

### Resignation and Appointment of Auditor

With consent from ASIC, Ernst & Young resigned as auditor of the Company effective 12 January 2021.

The Company appointed Bentleys Audit & Corporate (WA) Pty Ltd as its auditor for the period ended 31 December 2020 and year ended 30 June 2021. The Company will seek confirmation of the



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appointment of Bentleys Audit & Corporate (WA) Pty Ltd to continue as its auditor for future years at the Company's AGM to be held later this year.

The Company sought a change in auditors to an audit firm that it considered to be a better fit with the Company's size and requirements.

## **CASH POSITION**

At the end of the March 2021 Quarter, Avenira had a cash balance of \$1.6 million.

The expenditure incurred on exploration activities during the quarter as summarised in this report is approximately \$214,000. No expenditure was incurred on mining production or development activities during the quarter.

Payments totalling approximately \$114,000 were made to related parties of the Company, as shown in the attached Appendix 5B. These payments related to current fees paid to directors.

This quarterly report has been authorised for release by the Board of Avenira Limited.

## **End Notes**

The information contained in this announcement related to the Company's past exploration results is extracted from, or was set out in, the following ASX announcements which are referred to in this Quarterly Activities Report:

- The report released 3 February 2021, 'Maiden Aircore Drilling Identifies Gold Trends at Jundee South'
- The report released 10 March 2021, 'Prospecting Licences Acquired at Jundee South'



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## Appendix 1 - JUNDEE SOUTH COMPETENT PERSON STATEMENT

### Competent Persons Statement

The details contained in this report that pertain to exploration results are based upon information compiled by Mr Steve Harrison, a part-time contractor to Avenira, from the DMIRS WAMEX database or Avenira-acquired drilling data. He is satisfied that previous pertinent exploration in the project area has been accessed and reflects, in general, the prospective nature of the tenements being considered. Mr Harrison is a Member of the Australian Institute of Geoscientists (AIG) and has sufficient experience in the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (JORC Code). Mr Harrison consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

### Previously Reported Results

There is information in this report relating to Mineral Resource estimates which was previously reported on 15 Mar 2013 and 30 Apr 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

### Forward-Looking Statements

This release may include forward-looking statements. Forward-looking statements may generally be identified by the use of forward-looking verbs such as anticipate, aim, expect, intend, plan or similar words, which are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Avenira Limited. Actual values, results or events may be materially different to those expressed or implied in this release. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this release speak only at the date of issue. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Avenira Limited does not undertake any obligation to update or revise any information or any of the forward-looking statements in this release or any changes in events, conditions or circumstances on which any such forward-looking statement is based.



## Appendix 2 - WONARAH TENEMENTS AND MINERAL RESOURCE STATEMENT

### Schedule of Avenira Limited Tenements as at 31 March 2021

Location	Tenement Name	Tenement	Nature of Company's Interest
Western Australia	Jundee South	E53/1856	100%
Western Australia	Jundee South	E53/1859	100%
Western Australia	Jundee South	E53/2078	100%
Western Australia	Jundee South	E53/2079	100%
Western Australia	Jundee South	P53/1712 (Application)	100%
Western Australia	Jundee South	P53/1713 (Application)	100%
Northern Territory	Arruwurra	EL29840	100%
Northern Territory	Wonarah	EL29849	100%
Northern Territory	Dalmore	EL32359	100%

### Mineral Resource Statement

WONARAH PROJECT, NORTHERN TERRITORY, AUSTRALIA												
Cut off P <sub>2</sub> O <sub>5</sub> %	Resource Category	Tonnes	P <sub>2</sub> O <sub>5</sub>	Al <sub>2</sub> O <sub>3</sub>	CaO	Fe <sub>2</sub> O <sub>3</sub>	K <sub>2</sub> O	MgO	MnO	Na <sub>2</sub> O	SiO <sub>2</sub>	TiO <sub>2</sub>
		Mt	%	%	%	%	%	%	%	%	%	%
10	Measured	78.3	20.8	4.85	28	1.11	0.43	0.25	0.04	0.1	39.7	0.21
	Indicated	222	17.5	4.75	23.2	1.49	0.47	0.2	0.04	0.09	48.3	0.22
	M+I	300	18.3	4.77	24.4	1.4	0.46	0.21	0.04	0.09	46.1	0.22
	Inferred	512	18	4.8	24	2.1	0.5	0.2	0.08	0.05	46	0.2
15	Measured	64.9	22.4	4.47	30	1.1	0.37	0.19	0.04	0.09	37	0.19
	Indicated	133	21.1	4.77	28	1.53	0.47	0.21	0.04	0.09	39.7	0.22
	M+I	198	21.5	4.67	28.7	1.39	0.44	0.2	0.04	0.09	38.8	0.21
	Inferred	352	21	4.5	28	2.0	0.5	0.2	0.10	0.06	39	0.2

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AVENIRA LIMITED

ABN

48 116 296 541

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$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 (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(175)	(703)
(e) administration and corporate costs	(170)	(861)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Net GST / VAT refund	80	243
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(263)</b>	<b>(1,306)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	(214)	(1,127)
(e) investments	(300)	(300)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date ( 9 months) \$A'000</b>
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	--
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	(75)
	(e) 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>(514)</b>	<b>(1,502)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,364
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(197)
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>3,167</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	2,422	1,286
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(263)	(1,306)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(514)	(1,502)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date ( 9 months) \$A'000</b>
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	3,167
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>1,645</b>	<b>1,645</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	-	-
5.2	Call deposits	1,645	2,422
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>1,645</b>	<b>2,422</b>

**6. Payments to related parties of the entity and their associates**

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

<b>Current quarter \$A'000</b>
114
-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments



7. <b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. <b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (Item 1.9)	(263)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(214)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(477)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	1,645
8.5 Unused finance facilities available at quarter end (Item 7.5)	-
8.6 Total available funding (Item 8.4 + Item 8.5)	1,645
8.7 <b>Estimated quarters of funding available (Item 8.6 divided by Item 8.3)</b>	3.45

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: 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.

27 April 2021

Date: .....

Authorised by: .....The Board of Avenir Limited.....

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.