



AVIRA RESOURCES  
LIMITED

**ANNUAL FINANCIAL REPORT**

**30 JUNE 2022**

ACN 131 715 645

## **CORPORATE DIRECTORY 2022**

### **DIRECTORS**

David Deloub  
*Executive Director*  
David Wheeler  
*Non-Executive Chairman*  
Sonu Cheema  
*Non-Executive Director*

### **COMPANY SECRETARY**

Sonu Cheema

### **REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS**

Avira Resources Limited  
Level 9, 330 Churchill Avenue  
Subiaco, WA 6008  
Telephone: +61 8 6489 1600  
Facsimile: +61 8 6489 1601  
Email: [reception@cicerocorporate.com.au](mailto:reception@cicerocorporate.com.au)  
Web: [www.aviraresourcesltd.com.au](http://www.aviraresourcesltd.com.au)

### **STOCK EXCHANGE LISTING**

Avira Resources Limited is listed on the Australian Securities Exchange Limited (ASX) under the code AVW.

### **SHARE REGISTRY**

Computershare Investor Services Pty Ltd  
GPO Box 52, Melbourne, Victoria 3001  
Telephone: 1300 552 270 (within Australia)  
+61 3 9415 4000 (outside Australia)

### **BANKERS**

National Australia Bank

### **SOLICITORS TO THE COMPANY**

Steinepries Paganin  
Level 4, The Read Buildings,  
16 Milligan Street,  
Perth WA 6000 Australia

### **INDEPENDENT AUDITORS**

HLB Mann Judd (WA Partnership)  
Level 4, 130 Stirling Street  
Perth WA 6000

### **CORPORATE GOVERNANCE STATEMENT**

The Corporate Governance Statement for Avira Resources Limited can be found at the 'About Us', Corporate Governance. [www.aviraresourcesltd.com.au/corporate-governance](http://www.aviraresourcesltd.com.au/corporate-governance)

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## DIRECTORS' REPORT

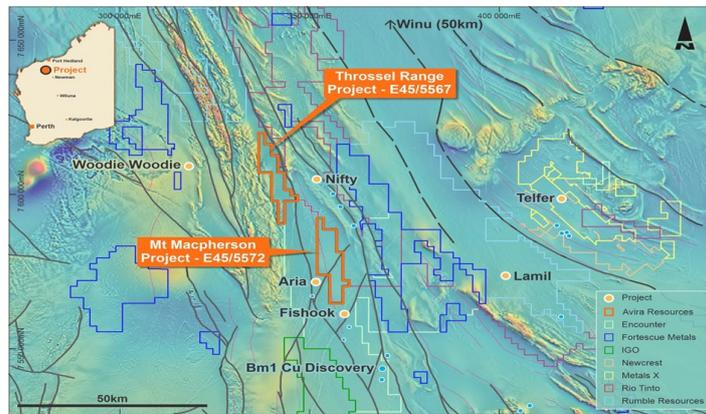
### Overview

The principal activities of the consolidated entity during the financial year included mineral exploration, identification and evaluation activities associated with mineral exploration.

### Operational Activities

#### Paterson Range projects, WA

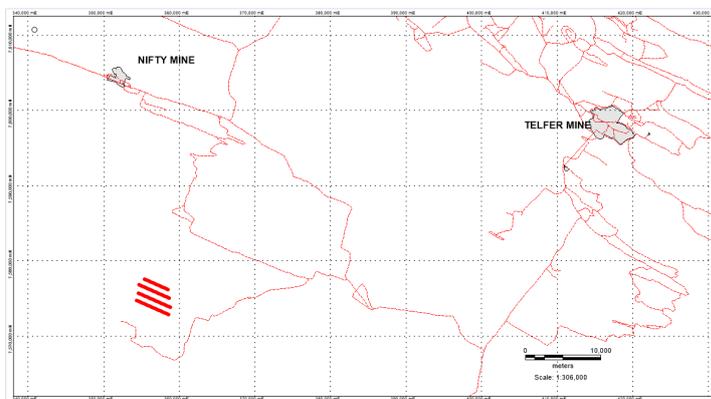
The Company currently holds two tenement packages within the Paterson Range province, host to a number of substantial gold, copper and manganese mines and deposits including the Telfer gold-copper mine, Woody Woody manganese and Nifty copper mines.



**Figure 1. Location of the Paterson Projects in relation to major mines and emerging prospects.**

#### Mount Macpherson

The Company have engaged Southern Geoscience Consultants (SCG) to complete a moving electromagnetic (MLETM) survey on our Mt MacPherson project located near Telfer in W.A. (Figures 2). The detail of the program includes approximately 17km of moving loop MLETM lines to be completed over a target area previously identified by airborne magnetics. The EM station spacings are planned to be 200m with 100m in-fills where necessary.



**Figure 2. Map of the Mount Macpherson location showing location access and the proposed VTEM lines in Red.**

SGC have been contracted to provide;

- Survey planning based on supplied targeting information
- The MLTEM crew and associated equipment to perform the surveys.
- MLTEM modelling on any anomalies detected in the survey.
- A logistics, processing, and modelling / interpretation report to
- Final digital products including, located data, modelling (3D DXFs) and PDF reporting

Preliminary survey planning has been completed with the planned use of 200x200m loops sufficient to cover any expected anomalies.

### **Throssel Range**

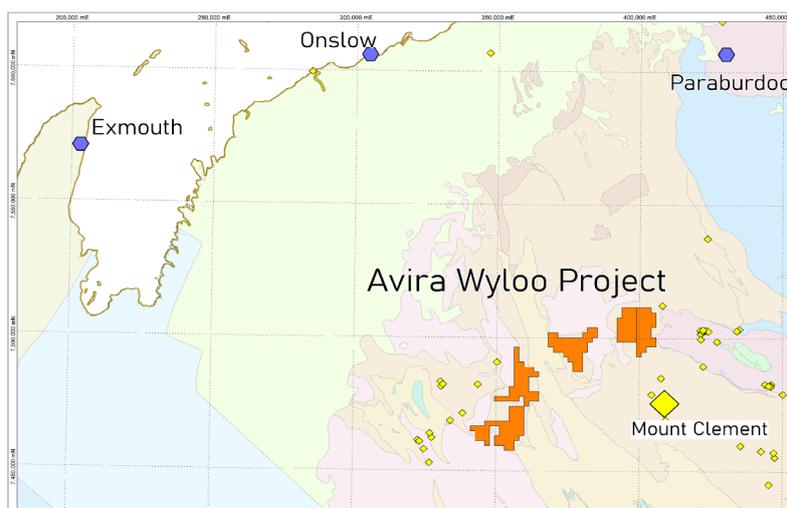
Soil sampling was conducted over the Throssel Range tenement in two phases, with sample locations planned in the swales between sand dunes to minimise the influence of wind blown sand. Infill lines were conducted to target conductors associated with dolerites hosted within the Archaean basement, which had been identified from the Airborne EM survey.

Geochemical assay results were generally low level throughout the area. No high-level anomalism appears to be present within Cu, Au or base metals. No clear anomalism lies over any of the conductive trends in the EM survey. The gold results are generally below detection limit, with a few +1ppb results. No clear trends are evident, and it can be concluded that no significant Au mineralising event has been detected by the sampling. The Company will continue exploration of the Throssell Range and Mount Macpherson projects in the coming year. The focus of exploration efforts will be to design and complete a ground based electromagnetic survey of priority conductors identified from the airborne EM survey. This focused ground-based program is designed to delineate deeper bedrock conductors, which will form priority RC drill targets.

If the follow-up EM identifies targeted anomalies, the company intends to mobilise a drill rig and crew as soon as practicable pending receipt and interpretation of the geophysical data generated from this program. The timing of drilling will be contingent upon receipt of all land access and heritage clearances and satisfactory weather conditions. The Company has prepared a programme of works, and (if required) a heritage clearance survey to open up access tracks and base lines to support drilling activities.

### **Wyloo (copper/gold) project, WA**

The Wyloo Project consists of a series of exploration tenement packages totalling 179 sub blocks covering 586km<sup>2</sup> in five Exploration Licence applications located in the Ashburton region of Western Australia. The Company considers the ground to be prospective for Mount Clement style epithermal sediment-replacive Au-Ag-Cu hosted within the Wyloo group sediments.



**Figure 3. Location of Avira's Wyloo Project in relation to Mount Clement.**

A field trip to the Wyloo group of tenement applications was undertaken in December 2021 and focussed on determining appropriate access and field checking prospective magnetic and radiometric signatures observed in open source government data predominantly on applications E08/3330 and E08/3332.

Avira continues to pursue the granting of the respective Exploration Licences that comprise the Wyloo project. A number of objections remain unresolved and negotiations to establish the required Heritage and Land Access Agreements continues. The Company would expect these outstanding matters to be completed within the second half of 2022 which would then facilitate planned ground based exploration programs. The details of which will be provided in due course.

### **Yule River Lithium Project**

On the 16 February 2022 Avira announced that it had entered into a binding Option Agreement with GTT Ventures Pty Ltd) to acquire its holdings in licence application ELA45/5770 in the Marble Bar region of Western Australia (Yule River Project).

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.

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**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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The Agreement and the obligation of the Parties to complete the sale and purchase of the Assets were subject to and conditional upon:

- exercise of the Option by the Purchaser;
- the Purchaser having received all necessary shareholder approvals required in order to give effect to Settlement, including the issue of the Consideration 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 the Vendor and Kariyarra Aboriginal Corporation;
- the Purchaser and Vendor 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 Purchaser undertaking a capital raising at an issue price of \$0.005 ("Raising"), which the Vendor or 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.

The recently completed work program was focussed on determining the prospectivity of nonmagnetic signatures observed in open-source government data and outcrops identified with aerial imagery (Refer ASX release 24 March 2022).

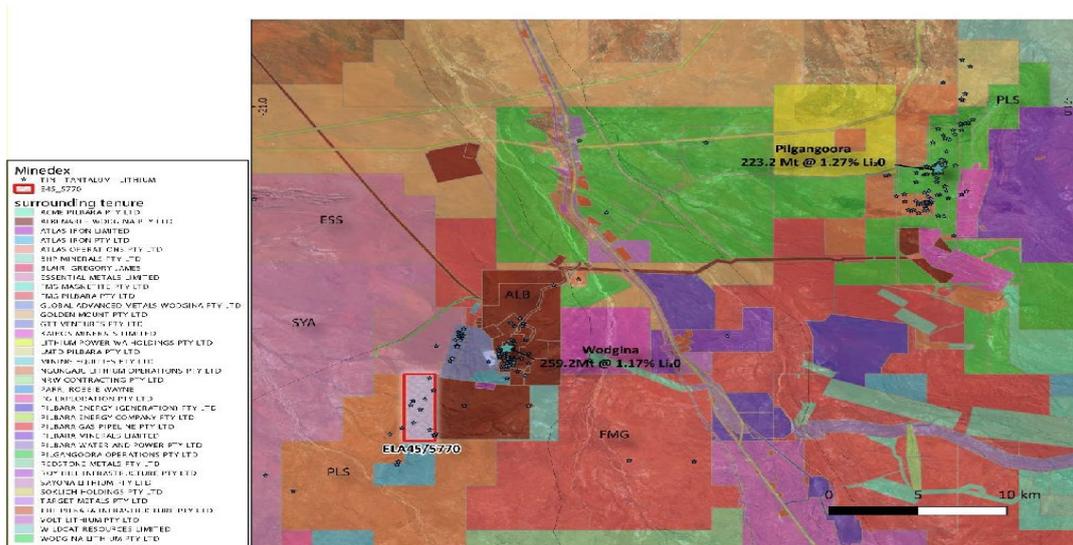
The Yule River Project is situated approximately 120km by road south of Port Hedland, accessed by the Great Northern Hwy, approximately 5km from the Wodgina Lithium Deposit (ALB/MIN: 259.2 Mt @ 1.17% Li<sub>2</sub>O) and ~30km from the Pilgangoora Lithium Deposit (PLS: 223.2Mt @ 1.27% Li<sub>2</sub>O) with numerous Li-Ta-Sn deposits located within a 130km radius with other major projects including the Marble Bar (Li) Deposit and the Tabba Tabba (Ta) Deposit (Refer ASX release 16 February 2022).

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

The project area consists of 3-blocks covering an area of 9.5km<sup>2</sup> hosting hosts the same rock types as the Wodgina Lithium Deposit and is along-strike from numerous MINEDEX Li-Ta prospects and occurrences.

Element	Be	Cs	Li2O	Nb	Rb	Sn	Ta
UNITS	ppm	ppm	%	ppm	ppm	ppm	ppm
DETECTION	0.05	0.05	0.1	0.01	0.05	0.1	0.01
METHOD	4 Acid Mass Spectrometry						
Sample No							
YR002	3.99	0.99	0.00	28.18	45.28	7.5	4.71
YR003	14.23	18	0.02	34.66	198.58	61.8	12.7
YR004	7.82	24.15	0.01	11.86	733.78	12.2	4.31
YR005	8.05	51.13	0.08	137.13	2557.4	444.6	31.31
YR006	5.2	13.24	0.01	60.85	428.31	14.2	12.68
YR007	3.6	6.83	0.01	38.17	370.99	27.3	5.35
YR008	67.97	22.47	0.03	61.9	602.16	79.4	39.86
YR009	40.23	84.32	0.14	118.61	3382.4	241	32.76
YR010	6.61	19.8	0.03	88.48	200.99	45.6	19.43
YR011	6.24	35.61	0.05	120.86	906.24	135.6	17.72
YR012	44.58	352.62	1.73	119.14	5621.6	125.9	97.93
YR013	53.99	383.64	1.61	88.02	7468.4	220.7	83.48
YR015	2.26	15.75	0.03	10.25	549.95	7.6	3.44
YR016	2.21	12.98	0.01	13.27	491.02	9.8	2.09
YR017	10.28	3.19	0.00	16.78	104.26	1.8	9.88
YR018	2.75	6.48	0.01	20.24	235.3	14.5	1.8
YR019	3.67	8.87	0.00	25.45	353.09	8.9	5.14

**Table 1: Yule River Rock Chip Assays**



**Figure 4. Samples Locations of the Yule River Project and prospect locations**

Prospective zones were checked by accessing the western side of the tenement using 4x4 vehicles; the more rugged areas were targeted using drone reconnaissance, followed by 4x4 and foot-based traverses.

The prospective thicker pegmatites were found to dip moderately to the south-southwest (south dipping pegmatites) and are 5-12m true thickness. Other narrower pegmatites dip steeply and parallel the NNE strike of the basalt host. Both pegmatite orientations show signs of fractionation from a granitic source which is inferred to occur to the west or underneath the project at depth.

Adjacent tenure to the east has been drilled into by the Wodgina tenement holders and targets the tantalite and lepidolite bearing dyke swarms that trend into the Yule River Project. The highest anomalism for areas sampled was the area previously identified by Metalicity at Stannum.



**Figure 5. Thick south dipping pegmatite bodies located within the tenement package.**

The thick, parallel, and shallow dipping nature of the south dipping pegmatites makes them an attractive exploration target (Figure 5).

Further samples from these units with anomalous Li<sub>2</sub>O values are considered to be consistent with lithium bearing micas ie: zinnwaldite concentrations in less evolved simple pegmatites. Elevated Niobium and Beryllium suggests that overall, the pegmatites are generally too close to source to be in the prospective spodumene bearing zone.



**Figure 6. Muscovite and Grey Lepidolite up to 15% by volume in Pegmatite Samples**

Rock chips contained varying amounts of lithium mica; primarily lepidolite and possible zinnwaldite (Figure 6). The absence of spodumene in the dykes has been confirmed by assay and downgrades these targets.

The steep, narrower pegmatites were found to be lepidolite bearing (Figure 6 sample YR12 showing darker mica) and have high rubidium values consistent with this interpretation. Peak Li<sub>2</sub>O values were 1.73 and 1.61% were identified in these samples YR12 and YR13 respectively.

Whilst this is a strongly mineralised target, the width, orientation, mineral type and proximity to the tenement boundary drill testing is not currently being considered.

### Annual general meeting

The Company held its AGM on Monday 29th November with all resolutions tabled (refer to ASX release dated 26 October 2021) being passed as per ASX announcement "Results of AGM" dated 29 November 2021.

### Funding

On the 23 September 2021, the Company announced it had received monies for a placement of up to 343,750,000 fully paid ordinary shares (Placement Shares) at a price of \$0.004 per share to raise \$1,375,000 before costs. Participants to the Placement received a 1 for 1 free attaching listed AVWO option exercisable at \$0.01 on or before 10 July 2022 (Placement Options).

As announced by the Company on 3 June 2022, and as approved by shareholders at the general meeting of the Company held on 29 July 2022, it conducted an offer of a new class of options at an issue price of \$0.0002 with an exercise price of \$0.008 per option expiring on 31 December 2024 (Priority Offer) (Refer to the Prospectus lodged on 8 July 2022 for details). The issue of 968,710,000 Priority Offer options at \$0.0002 is raised \$193,742 (before costs). All registered AVWO holders on the record date of 6 July 2022 with a registered address in Australia and New Zealand were eligible to participate in the Priority Offer on a 1 for 1 basis with their AVWO holding. The Company finalised quotation of the options on 12 August 2022.

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

LEASE	NAME	AREA	AREA UNITS	GRANT DATE	EXPIRY DATE	HOLDER	EA
<b>Paterson Range (WA)</b>							
E45/5572	Mt Macpherson	41	Sub-Blocks	13-July-20	12-July-25	Mt Macpherson	E45/5572
E45/5567	Throssel Range	32	Sub-Blocks			Avira	E45/5567
<b>Wyloo (WA)</b>							
E08/3329*	Tajeri Bore	26	Sub-Blocks	18-Feb-21*	N/A	Avira	N/A
E08/3330*	Mount Edith	32	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A
E08/3331*	Gilba Bore	39	Sub-Blocks	18-Feb-21*	N/A	Avira	N/A
E08/3332*	Bootaloo	43	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A
E08/3333*	Thowagee Well	39	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A

\*Under Application

**Table 2. Avira Resources Tenement Register**

#### 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 annual report 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 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

#### ASX Listing Rules Compliance

In preparing the Annual Report for the period ended 30 June 2022 and to date, the Company has relied on the following ASX announcements.

ASX Announcement	12/08/2022	APPENDIX 3Y
ASX Announcement	12/08/2022	AVWOA – TOP 20 HOLDERS AND DISTRIBUTION SCHEDULE
ASX Announcement	12/08/2022	APPLICATION FOR QUOTATION OF SECURITIES
ASX Announcement	29/07/2022	RESULTS OF MEETING
ASX Announcement	26/07/2022	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B
ASX Announcement	11/07/2022	APPENDIX 3Y - SC
ASX Announcement	08/07/2022	OPTIONS PROSPECTUS
ASX Announcement	30/06/2022	AVW – OPERATIONAL UPDATE
ASX Announcement	29/06/2022	NOTICE OF MEETING/PROXY FORM
ASX Announcement	22/06/2022	ADDENDUM TO PRIORITY OPTIONS OFFER
ASX Announcement	15/06/2022	CHANGE IN SUBSTANTIAL HOLDING
ASX Announcement	03/06/2022	PROPOSED ISSUE OF SECURITIES
ASX Announcement	03/06/2022	EXPIRY OF LISTED OPTIONS AND PRIORITY OPTIONS OFFER
ASX Announcement	28/04/2022	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B
ASX Announcement	01/04/2022	AVW – YULE RIVER LITHIUM PROJECT UPDATE
ASX Announcement	24/03/2022	AVW – YULE RIVER LITHIUM PROJECT OPERATIONAL UPDATE
ASX Announcement	14/03/2022	HALF YEAR ACCOUNTS
ASX Announcement	24/02/2022	CLEANSING NOTICE
ASX Announcement	24/02/2022	APPLICATION FOR QUOTATION OF SECURITIES – AVW
ASX Announcement	16/02/2022	PROPOSED ISSUE OF SECURITIES - AVW
ASX Announcement	16/02/2022	PROPOSED ISSUE OF SECURITIES - AVW
ASX Announcement	14/02/2022	TRADING HALT
ASX Announcement	03/02/2022	CHANGE OF AUDITOR
ASX Announcement	31/01/2022	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

ASX Announcement	08/12/2021	CLEANSING NOTICE
ASX Announcement	08/12/2021	APPLICATION FOR QUOTATION OF SECURITIES - AVW
ASX Announcement	29/11/2021	RESULTS OF AGM
ASX Announcement	17/11/2021	JOBKEEPER NOTICE
ASX Announcement	15/11/2021	NOTIFICATION OF CESSATION OF SECURITIES - AVW
ASX Announcement	29/10/2021	QUARTERLY ACTIVITIES REPORT AND APPENDIX 5B
ASX Announcement	29/10/2021	AVW TO INITIATE GROUND BASED EXPLORATION ON WYLOO PROJECT
ASX Announcement	26/10/2021	NOTICE OF ANNUAL GENERAL MEETING/PROXY FORM
ASX Announcement	07/10/2021	AGM NOTICE 2021
ASX Announcement	05/10/2021	CHANGE IN SUBSTANTIAL HOLDING
ASX Announcement	30/09/2021	APPENDIX 4G AND CORPORATE GOVERNANCE STATEMENT
ASX Announcement	30/09/2021	AVW – ANNUAL REPORT 30 JUNE 2021
ASX Announcement	23/09/2021	CLEANSING NOTICE
ASX Announcement	23/09/2021	APPLICATION FOR QUOTATION OF SECURITIES - AVW
ASX Announcement	21/09/2021	NOTIFICATION OF CESSATION OF SECURITIES – AVW
ASX Announcement	17/09/2021	PROPOSED ISSUE OF SECURITIES – AVW
ASX Announcement	17/09/2021	AVW PLACEMENT RAISES \$1,375,000
ASX Announcement	16/09/2021	TRADING HALT
ASX Announcement	26/07/2021	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. In relying on the above Financial Report, 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 Annual Report for the period ended 30 June 2022 and to date.

The Directors of Avira Resources Limited submit herewith the annual financial report of the company for the financial year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

**DIRECTORS**

The directors of Avira Resources Limited and its controlled entities (the "Group") in office during the full year, and until the date of this Report are set out below. Directors were in office for this entire period unless otherwise stated.

<b>Name</b>	<b>Particulars</b>
David Wheeler	Non-Executive Chairman, appointed on 13 September 2018
David Ross De Loub	Executive Director, appointed on 30 November 2017
Sonu Cheema	Non-Executive Director and Company Secretary, respectively appointed on 28 November 2017 and 17 March 2020

**PRINCIPAL ACTIVITIES**

The principal activities of the company and its consolidated entities during the financial year included exploration and evaluation activities. There were no significant changes in the nature of the principal activities during the year.

**DIVIDENDS**

There were no dividends paid or declared by the consolidated entity during the financial year.

**REVIEW OF OPERATIONS**

Please refer to Operations Report located on pages 4 to 12.

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**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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**SIGNIFICANT CHANGES IN STATE OF AFFAIRS**

In the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the financial year under review not otherwise disclosed in this report or in the financial statements.

**EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR**

In August 2022, the Company completed a Priority Options Offer of 968,710,000 quoted options at an issue price of \$0.0002 per Option to raise \$193,742 before costs.

There has not been any other matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the Group in future financial years.

**LIKELY FUTURE DEVELOPMENTS**

Disclosure of information regarding the likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations are focussed on the consolidated entity. Accordingly, this contemplates information regarding exploration work programs to be undertaken through a staged process pursuant to exploration results derived. For the near term, the review of operations contains forthcoming exploration work program details.

**ENVIRONMENTAL REGULATIONS**

The operations and proposed activities of the consolidated entity are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the consolidated entity's activities are expected to have an impact on the environment. It is the consolidated entity's intention to conduct its activities to the required standard of environmental obligation, including compliance with all applicable environmental laws. Mining operations may have previously been conducted on some of the Company's project areas and old workings including tailings dumps may remain from these operations. There may be a liability to rehabilitate these areas, details in relation to the abandonment and restoration obligation are included in Note 1(j) of the Notes to the financial statements.

**INDEMNIFICATION OF OFFICERS AND AUDITORS**

The Company has insured all the Directors of Avira Resources Limited and its controlled entities against liabilities incurred while performing duties as Directors or Officers to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits the disclosure of the nature of the liabilities covered and amount the amount of the premium paid. The consolidated entity has not indemnified its auditor.

**INFORMATION ON DIRECTORS AND SENIOR MANAGEMENT:**

**Mr David Wheeler – Non-Executive Chairman**

Mr Wheeler has more than 30 years of Executive Management, Directorship, and Corporate Advisory experience. He is a foundation Director and Partner of Pathways Corporate a boutique Corporate Advisory firm that undertakes assignments on behalf of family offices, private clients, and ASX listed companies. David has successfully engaged in business projects in the USA, UK, Europe, NZ, China, Malaysia, Singapore and the Middle East. Mr Wheeler is a Fellow of the Australian Institute of Company Directors. Mr Wheeler also acts as a director of Athena Resources Limited (ASX: AHN), Cradle Resources Ltd (ASX:CXX), Cycliq Group Ltd (ASX: CYQ), Delecta Limited (ASX: DLC), Health House International (ASX: HHI), Protean Energy Ltd (ASX: POW), PVW Resources Limited (ASX: PVW) and Tyranna Res Ltd (ASX: TYX).

**Mr David Deloub – Executive Director**

Mr Deloub has over 30 years of experience in the finance and corporate sectors and holds a degree in economics and post graduate qualifications in banking and finance. Mr Deloub was a director of Patersons Capital Partners, a boutique advisory firm focusing on strategic and financial advice to ASX listed small cap companies. He has considerable corporate finance, business development, management and operational experience in Australia, the United States and Africa. Mr Deloub also acts as a director of Stonehorse Energy Limited (ASX: SHE)

**Mr Sonu Cheema – Non-Executive Director and Company Secretary**

Mr Cheema has over 10 years' experience working with public and private companies in Australia and abroad. He currently serves as the Company Secretary of eMetals Limited (ASX: EMT), Yojee Limited (ASX: YOJ), Silver City Minerals Limited (ASX: SCI), Comet Resources Limited (ASX: CRL) and Technology Metals Australia Limited (ASX: TMT). He has completed a Bachelor of Commerce majoring in Accounting and is a CPA member.

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

### DIRECTORS' MEETINGS

The following table sets out the number of directors' meetings held during the financial year and the number of meetings attended by each director (while they were a director).

Directors	Directors' meeting eligible to attend	Attended
David Ross Deloub	3	3
Sonu Cheema	3	3
David Wheeler	3	3

### DIRECTORS' EQUITY HOLDINGS

At the date of this report the following table sets out the current directors' relevant interests in shares and options of Avira Resources Limited.

Directors	Ordinary Shares Current holding	Options over Ordinary Shares Current holding
David Ross Deloub	-	-
Sonu Cheema	5,000,000	999,923
David Wheeler	-	-

### REMUNERATION OF KEY MANAGEMENT PERSONNEL

Information about the remuneration of key management personnel is set out in the Remuneration Report on the pages below. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

## **REMUNERATION REPORT (AUDITED)**

### **PRINCIPLES USED TO DETERMINE THE NATURE AND AMOUNT OF REMUNERATION**

Due to the size of the Board, it has been deemed that the Remuneration Committee is not required and the Board as a whole will perform the duties of a Remuneration Committee. The remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component with the flexibility to offer specific long term incentives based on key performance areas affecting the Company's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best directors and executives to manage the Company.

The Board's policy for determining the nature and amount of remuneration for Key Management Personnel is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the Board. All executives receive a base salary (which is based on factors such as length of service and experience) and superannuation. The Board reviews executive packages annually and determines policy recommendations by reference to executive performance and comparable information from industry sectors and other listed companies in similar industries.
- The Board may exercise discretion in relation to approving incentives, bonuses and options. The policy is designed to attract and retain the highest calibre of executives and reward them for performance that results in long term growth in shareholder wealth.
- All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Share-based payments are recorded at fair value in accordance with the requirements of AASB 2 Share-Based Payment.
- The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews the remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Company.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and directors and executive performance. Currently, this is facilitated through the issue of options to the directors and executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Company currently has no performance based remuneration component built into director and executive remuneration packages.

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

**REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL**

Information about the remuneration of directors and key management personnel are set out in the following tables.

**Details of key management personnel**

The directors and other members of key management personnel of the Group during the year were:

Name	Particulars
David Wheeler	Non-Executive Chairman, appointed on 13 September 2018
David Ross Deloub	Executive Director, appointed on 30 November 2017
Sonu Cheema	Non-Executive Director <sup>2</sup> and Company Secretary <sup>1</sup> , appointed on 28 November 2017 <sup>1</sup> and 17 March 2020 <sup>2</sup>

**(a) Key management personnel compensation**

2022	Short-term employee benefit	Post- employment benefit		Long- term benefits	Share- based payments	
	Cash salary and fees	Superannuation	Termination benefit	Long Service Leave	Options	Total
	\$	\$	\$	\$	\$	\$
<b>Directors</b>						
David Deloub	127,330	15,133	-	-	-	142,463
David Wheeler	51,667	-	-	-	-	51,667
Sonu Cheema <sup>1</sup>	32,000	-	-	-	-	32,000
	<u>210,997</u>	<u>15,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>226,103</u>

<sup>1</sup>The Group entered into an agreement with Cicero Group Pty Ltd (an entity in which Sonu Cheema is shareholder and director) (Cicero) defining the terms of engagement for the provision of administration services by Cicero as a contractor to the Group. Cicero will provide book-keeping, company secretarial and administration services to the Company for a monthly fee of \$8,000 plus GST.

2021	Short-term employee benefit	Post- employment benefit		Long- term benefits	Share- based payments	
	Cash salary and fees	Superannuation	Termination benefit	Long Service Leave	Options	Total
	\$	\$	\$	\$	\$	\$
<b>Directors</b>						
David Deloub	96,680	6,654	-	-	-	103,334
David Wheeler	51,667	-	-	-	-	51,667
Sonu Cheema <sup>1</sup>	120,000	-	-	-	-	120,000
	<u>268,347</u>	<u>6,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>275,001</u>

<sup>1</sup>The Group entered into an agreement with Cicero Group Pty Ltd (an entity in which Sonu Cheema is shareholder and director) (Cicero) defining the terms of engagement for the provision of administration services by Cicero as a contractor to the Group. Cicero will provide book-keeping, company secretarial and administration services to the Company for a monthly fee of \$10,000 plus GST.

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

**Executive contracts**

Remuneration arrangements for Key Management Personnel are formalised in employment agreements or service contracts. The key terms of the executive's agreements/contracts are:

Name	Contract duration	Notice period from Company	Notice period from the employee/contractor
<b>Executive Directors</b>			
David Deloub	3 year Service Agreement commencing 15 <sup>th</sup> Jan 2018 (ext to 14 <sup>th</sup> Jan 2023)	3 months	3 months

The Group entered into an agreement with Cicero Corporate Services Pty Ltd (an entity in which Sonu Cheema is shareholder and director) (Cicero) defining the terms of engagement for the provision of administration services by Cicero as a contractor to the Group. Cicero will provide book-keeping, company secretarial and administration services to the Company for a monthly fee of \$8,000 plus GST.

**(b) Share-based compensation**

There were no shares issued as part of compensation during the year ended 30 June 2022. No ordinary shares of Avira Resources Limited were issued during the year end 30 June 2022 on the exercise of options granted under the Avira Resources Limited's Employee Option Plan. No further shares have been issued since that date.

**c) Key management personnel equity holdings**

**Fully paid ordinary shares of Avira Resources Limited**

2022	Balance at the start of the year No.	Received during the year on exercise of options No.	Net other change No.	Balance at the end of the year No.
<b>Executive Directors</b>				
David Ross Deloub (Direct)	-	-	-	-
<b>Non-Executive Directors</b>				
David Wheeler (Direct)	-	-	-	-
David Wheeler (Indirect)	-	-	-	-
Sonu Cheema (Direct)	5,000,000	-	-	5,000,000
Sonu Cheema (Indirect)	-	-	-	-

**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

**Options of Avira Resources Limited**

2022	Balance at the start of the year No.	Received during the year on exercise of options No.	Net other change No.	Balance at the end of the year No.
<b>Executive Directors</b>				
David Ross Deloub (Direct)	-	-	-	-
<b>Non-Executive Directors</b>				
David Wheeler (Direct)	-	-	-	-
David Wheeler (Indirect)	-	-	-	-
Sonu Cheema (Direct)	-	-	-	-
Sonu Cheema (Indirect)	999,923	-	-	999,923

**End of Remuneration Report**

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**DIRECTORS' REPORT**  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

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**TRADING IN THE COMPANY'S SECURITIES BY DIRECTORS, OFFICERS AND STAFF**

Upon listing on the ASX, the Board adopted a share trading policy which applies to all directors, officers and employees of Avira Resources Limited and its subsidiary companies. The policy was set up in order to avoid 'insider trading.' The trading policy restricts employees, directors and officers from trading in AVW securities during certain 'prohibited periods.' A full copy of the policy can be found at [www.aviraresourcesltd.com.au](http://www.aviraresourcesltd.com.au)

**NON-AUDIT SERVICES**

No fees for non-audit services were paid or are payable to the external auditor during the year ended 30 June 2022 (2021: \$7,000).

**PROCEEDINGS ON BEHALF OF THE COMPANY**

No person has applied for leave of Court to bring proceedings on behalf of the consolidated entity or intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or any part of these proceedings. The consolidated entity was not party to any such proceedings during the year.

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration is included on page 14 of the financial report. This directors' report has been made and signed in accordance with a resolution of the directors made pursuant to s.298(2) of the Corporations Act 2001.

On behalf of the Directors



David Deloub

Executive Director

Dated: 30 September 2022

## AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Avira Resources Limited for the year ended 30 June 2022, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia  
30 September 2022



**D I Buckley**  
Partner

**hlb.com.au**

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AVIRA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	Consolidated 2022 \$	Consolidated 2021 \$
<b>Continuing operations</b>			
Other Revenue	3	95,802	10,092
Gain on sale of non-current assets		-	3,766
Employee benefits expense		(218,523)	(119,741)
Exploration expenses		(150,000)	(58,208)
Impairment of deferred exploration and evaluation expenditure		-	(233,355)
Fair value loss on financial assets		(10,631)	(37,500)
Advisory and consulting fees		(102,500)	(163,244)
Corporate services		(126,000)	(121,260)
Administration expenses		(149,483)	(165,255)
Other expenses	4	(254,909)	(214,726)
Loss before tax		(916,244)	(1,099,431)
Income tax expense/(benefit)	5	-	-
<b>Loss for the year</b>		<b>(916,244)</b>	<b>(1,099,431)</b>
Other comprehensive income		-	-
Total comprehensive loss for the year		<b>(916,244)</b>	<b>(1,099,431)</b>
Loss for the year is attributable to:			
Owners of the parent		(916,244)	(1,046,516)
Non-controlling interest		-	(52,915)
		<b>(916,244)</b>	<b>(1,046,516)</b>
From continuing operations			
Basic (cents per share)	12	(0.051)	(0.076)
Diluted (cents per share)	12	(0.051)	(0.076)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

AVIRA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AS AT 30 JUNE 2022

	Note	Consolidated 2022 \$	Consolidated 2021 \$
<b>Current assets</b>			
Cash and cash equivalents	15(a)	2,387,627	304,616
Financial assets	6	54,740	65,371
Other receivables		75,000	-
Other assets		5,475	5,475
<b>Total current assets</b>		<b>2,522,842</b>	<b>375,462</b>
<b>Non-current assets</b>			
Plant and Equipment		26,966	-
Exploration and evaluation expenditure	7	377,964	371,117
Other receivables		-	75,000
<b>Total non-current assets</b>		<b>404,930</b>	<b>446,117</b>
<b>Total assets</b>		<b>2,927,772</b>	<b>821,579</b>
<b>Current liabilities</b>			
Trade and other payables	8	131,188	257,683
Unsecured borrowings		3,645	3,645
		134,833	261,328
<b>Total current liabilities</b>		<b>134,833</b>	<b>261,328</b>
<b>Total liabilities</b>		<b>134,833</b>	<b>261,328</b>
<b>Net assets</b>		<b>2,792,939</b>	<b>560,251</b>
<b>Equity</b>			
Issued capital	9(a)	34,130,246	31,181,114
Reserves	10	2,924,606	2,724,605
Accumulated losses	11	(33,090,233)	(32,173,989)
<b>Equity attributable to owners of the parent</b>		<b>3,964,619</b>	<b>1,731,931</b>
Non-controlling interest		(1,171,680)	(1,171,680)
<b>Total equity</b>		<b>2,792,939</b>	<b>560,251</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

AVIRA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES  
**CONSOLIDATED STATEMENT OF CHANGES OF EQUITY**  
 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Issued Capital	Accumulated losses	Reserves	Non- controlling interest	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2021</b>	<b>31,181,314</b>	<b>(32,173,989)</b>	<b>2,724,606</b>	<b>(1,171,680)</b>	<b>560,251</b>
(Loss) for the period	-	(916,244)	-	-	(916,244)
Issuance for the year	3,375,000	-	200,000	-	3,575,000
Share issue costs	(426,068)	-	-	-	(426,068)
<b>Balance at 30 June 2022</b>	<b>34,130,246</b>	<b>(33,090,233)</b>	<b>2,924,606</b>	<b>(1,171,680)</b>	<b>2,792,939</b>

	Issued Capital	Accumulated losses	Reserves	Non- controlling interest	Total
	\$	\$	\$	\$	\$
<b>Balance at 1 July 2020</b>	<b>31,181,114</b>	<b>(31,127,473)</b>	<b>2,201,384</b>	<b>(1,118,765)</b>	<b>1,136,260</b>
(Loss) for the period	-	(1,046,516)	-	(52,915)	(1,099,431)
Issuance for the year	-	-	571,993	-	571,993
Options exercised	200	-	-	-	200
Option issue costs	-	-	(48,771)	-	(48,771)
<b>Balance at 30 June 2021</b>	<b>31,181,314</b>	<b>(32,173,989)</b>	<b>2,724,606</b>	<b>(1,171,680)</b>	<b>560,251</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

	Note	Consolidated 2022 \$	Consolidated 2021 \$
<b>Cash flows from operating activities</b>			
Payments to suppliers and employees		(1,071,896)	(1,185,906)
Other income		1,657	10,092
Net cash used in operating activities	15(b)	(1,070,239)	(1,175,814)
<b>Cash flows from investing activities</b>			
Proceeds from sale of assets		-	210,000
Net cash provided by investing activities		-	210,000
<b>Cash flows from financing activities</b>			
Proceeds from equity securities to be issued (net of costs)		3,153,250	523,421
Net cash provided by financing activities		3,153,250	523,421
<b>Net increase in cash and cash equivalents</b>		2,083,011	747,008
<b>Cash at the beginning of the financial year</b>		304,616	(442,392)
<b>Cash at the end of the financial year</b>	15(a)	<b>2,387,627</b>	<b>304,616</b>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**1. Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated.

The financial report is a general-purpose consolidated financial report which has been prepared in accordance with the Corporations Act 2001, Accounting Standards and Interpretations, and complies with other requirements of the law.

Accounting Standards include Australian equivalents to International Financial Reporting Standards ('A-IFRS'). Compliance with A-IFRS ensures that the financial statements and notes of the group comply with international financial reporting standards. These financial statements are for the consolidated entity consisting of Avira Resources Limited (the Company) and its subsidiaries (the Group).

**(a) Basis of preparation**

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

*Going concern*

The financial report has been prepared on the going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Directors have reviewed the business outlook, cash flow forecasts and immediate capital requirements and are of the opinion that the use of the going concern basis of accounting is appropriate as the Directors believe the Group will be able to pay its debts as and when they fall due.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

*Critical accounting estimates and judgements*

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are:

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees, suppliers and those providing similar services by reference to the fair value of the equity instruments at the date at which they are granted. For share-based payments other than to employees, the Group recognises fair value directly at the fair value of the goods or services received. Where this cannot be measured reliably, fair value is measured indirectly by reference to the fair value of the equity instruments granted.

Impairment of capitalised exploration expenditure

The Group continues to monitor the capitalised exploration expenditure for indicators of impairment by comparing the assets' carrying value to their estimated fair values. The fair values are determined by management using recognised valuation techniques, including the yield method, discounted cash flow method and market based values. The determination of the fair values require the use of estimates such as future cash flows from the assets and discount rates applicable to those assets. The estimates are based on local market conditions existing as at the reporting date.

**(b) Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Avira Resources Limited ("company" or "parent entity") as at 30 June 2022 and entities controlled by the company for the year then ended. Avira Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Transactions with non-controlling interests are treated as transactions with parties external to the Group. Disposals to non-controlling interests result in gains and losses for the Group that are recorded in the statement of comprehensive income. Purchases from non-controlling interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of identifiable net assets of the subsidiary.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of financial position respectively. Investments in subsidiaries are accounted for at cost in the individual financial statements of the Company.

**(c) Income tax**Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the balance sheet liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax is recognised as an expense or income, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly in equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**(d) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

**(e) Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

*Impairment of financial assets*

The Group recognises a loss allowance for expected credit losses on financial assets which are measured at amortised cost. The measurement of the loss allowance depends upon the Consolidated Entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**(f) Exploration and evaluation of assets**

Exploration and evaluation expenditure in relation to each separate area of interest are recognised as an exploration asset in the year in which they are incurred where the following conditions are satisfied. The area of interest includes exploration assets in the Paterson Range (WA) and Wyloo (WA):

- (i) The rights to tenure of the area of interest are current; and
- (ii) At least one of the following conditions is also met:
  - (a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
  - (b) Exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the areas of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource. General and administrative costs are allocated to, and included in, the cost of an exploration and evaluation asset, but only to the extent that those costs can be related directly to operational activities in the area of interest to which the exploration and evaluation asset relates. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation of asset may exceed its recoverable amount. Indicators of impairment on the capitalised exploration and evaluation assets include, but are not limited to:

- The period for which the entity has the right to explore in the specific areas has expired during the period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure of further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- Exploration for and evaluation of mineral resource in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and,
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**(g) Trade and other payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

**(h) Employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave, and sick leave when it is probable that settlement will be required and they are capable of being measured reliably. Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

Termination benefit

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

**(i) Share-based payments arrangements**

For equity-settled share-based payments other than to employees, the Group recognises fair value directly at the fair value of the goods or services received. Where this cannot be measured reliably, fair value is measured indirectly by reference to the fair value of the equity instruments granted.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**(j) Contributed equity**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

If the entity reacquires its own equity instruments, for example as the result of a share buy-back, those instruments are deducted from equity and the associated shares are cancelled. No gain or loss is recognised in the profit or loss and the consideration paid including any directly attributable incremental costs (net of income taxes) is recognised directly in equity.

**(k) New accounting standards and interpretations****Standards and Interpretations applicable to 30 June 2022**

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for the year reporting periods beginning on or after 1 July 2021. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and therefore no material change is necessary to Group accounting policies.

**Standards and Interpretations in issue not yet adopted applicable to 30 June 2022**

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted that are relevant to the Company and effective for the year reporting periods beginning on or after 1 July 2022. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations in issue not yet adopted on the Company and therefore no material change is necessary to Group accounting policies.

**(r) Comparative figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. Where the Group has retrospectively applied an accounting policy, made a retrospective restatement of items in the financial statements or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

**2. Financial risk management**

The Group's activities expose it to a variety of financial risks: market risk, credit risk, equity price risk, currency risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the financial performance of the Group.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

The Group holds the following financial instruments:

	Consolidated 2022 \$	Consolidated 2021 \$
<b>Financial assets</b>		
Cash and cash equivalents	2,387,627	304,616
Financial assets	54,740	65,371
Other receivables	75,000	75,000
Other assets	5,475	5,475
	<u>2,522,842</u>	<u>450,462</u>
	Consolidated 2022 \$	Consolidated 2021 \$
<b>Financial liabilities</b>		
Trade and other payables	131,188	257,683
Unsecured borrowings	3,645	3,645
	<u>134,833</u>	<u>261,328</u>

**(a) Market risk**

*i. Foreign exchange risk*

*Group sensitivity – foreign exchange risk*

The consolidated entity has no foreign currency exposure risk as at reporting date.

*ii. Interest rate risk*

The Group has no material exposure to interest rate sensitivity for financial years ended 2022 and 2021.

*iii. Equity price risk*

The Group has no material exposure to equity price risk sensitivity for financial years ended 2022 and 2021.

**(b) Credit risk**

Credit risk is managed on a group basis and reviewed regularly. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, including outstanding receivables and committed transactions. As at 30 June 2022 there were no trade receivable balances. Credit risk from balances with banks and financial institutions is regularly monitored and reviewed by The Board. No material exposure is considered to exist as the Group's policy is to invest its cash and cash equivalents with financial institutions having a credit rating of at least AA.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated 2022 \$	Consolidated 2021 \$
Cash and bank balances:		
- Continuing operations	2,387,627	304,616
- Other receivables	75,000	75,000
	<u>2,462,627</u>	<u>379,616</u>

**(c) Foreign currency risk**

During the period and prior period, the Group was not exposed to any foreign currency risk.

**(d) Liquidity risk**

Liquidity risk arises from the possibility that there will be sufficient funds available to make payment as and when required. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. The group has assessed the impact of the Covid-19 pandemic on liquidity and has determined that the pandemic does not present a material risk to the liquidity of the group. Please refer to Note 1(a), going concern, for further details.

*Maturities of financial liabilities*

The tables below analyses the Group's and the parent entity's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

30 June 2022	Less than 6 months \$	6-12 months \$	Between 1 & 2 years \$	Between 2 & 5 years \$	Over 5 years \$	Total \$
<i>Non interest bearing</i>						
<b>Trade and other payables</b>	131,188	-	-	-	-	<b>131,188</b>
<i>Fixed rate</i>						
<b>Borrowings - unsecured</b>	3,645	-	-	-	-	<b>3,645</b>

30 June 2021	Less than 6 months \$	6-12 months \$	Between 1 & 2 years \$	Between 2 & 5 years \$	Over 5 years \$	Total \$
<i>Non interest bearing</i>						
<b>Trade and other payables</b>	257,682	-	-	-	-	257,682
<i>Fixed rate</i>						
<b>Borrowings - unsecured</b>	3,645	-	-	-	-	<b>3,645</b>

**(e) Fair value of financial instruments**

The directors have determined the fair value of its equity securities held using quoted prices on an active market (see Note 6).

	Consolidated 2022 \$	Consolidated 2021 \$
<b>3. Other revenue</b>		
Interest revenue	1,657	91
Gain on sale of non-current asset	-	3,766
Others	94,145	10,000
	<u>95,602</u>	<u>13,858</u>
<b>4. Other expenses</b>		
Travel expenses	6,243	4,371
Legal and professional expenses	62,277	49,531
Audit fees	70,497	55,716
Other expenses	115,892	105,108
	<u>254,909</u>	<u>214,726</u>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated 2022 \$	Consolidated 2021 \$
<b>5. Income taxes</b>		
Tax expense/(income) comprises:		
Current tax expense/(income) in respect of the current year	-	-
(a) The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:		
Loss before income tax	(916,244)	(1,099,431)
Income tax expense calculated at 30% (2021: 26%)	(274,873)	(302,343)
Effect of amounts that are not deductible (taxable) in determining taxable profit:		
Non-deductible/(taxable) items	(17,865)	62,528
	(292,738)	(239,815)
Tax losses and temporary difference not recognised	292,738	239,815
	-	-
	Consolidated 2022 \$	Consolidated 2021 \$
(b) Unused tax losses for which no deferred tax assets has been recognised in the balance sheet in accordance with the accounting policy described in Note 1.	33,794,026	32,486,631
Potential tax benefit at 30% (2021: 26%)	10,138,208	8,933,823

Tax losses are carried forward indefinitely under current tax legislation provided the conditions for deductibility are met.

	Consolidated 2022 \$	Consolidated 2021 \$
<b>6. Financial assets</b>		
Listed shares – at fair value	54,740	65,371

The Company's financial assets are measured at fair value through Profit or Loss at the end of the reporting period based on Level 1 inputs in the fair value hierarchy.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

	Consolidated 2022 \$	Consolidated 2021 \$
<b>7. Exploration and evaluation expenditure</b>		
Balance at the beginning of the year	371,117	704,462
Tenement write-back/ (impairment)	-	(233,355)
Expenditure incurred during the year	6,847	333,216
Reclassified as held for sale	-	(433,206)
Balance at the end of the year	<u>377,964</u>	<u>371,117</u>

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The ultimate recoverability of exploration and evaluation expenditure is dependent upon the maintenance of minimum spend requirements to ensure that the exploration licences remain in good standing, the successful development and exploitation of the area of interest, or alternatively, by its sale.

	Consolidated 2022 \$	Consolidated 2021 \$
<b>8. Trade and other payables</b>		
Trade and other payables	111,188	142,556
Accrued expenses	20,000	115,127
	<u>131,188</u>	<u>257,683</u>

	Consolidated 2022 \$	Consolidated 2021 \$
<b>9. Issued capital</b>		
<b>(a) Share capital</b>		
2,118,790,000 fully paid ordinary shares (2021: 1,375,040,000)	<u>34,130,246</u>	<u>31,181,314</u>
	<u>34,130,246</u>	<u>31,181,314</u>
	No. of shares	No. of shares
<b>(b) Movements in ordinary share capital</b>		
Opening balance	1,375,040,000	1,125,000,000
Shares issued as part of placement	743,750,000	250,000,000
Exercise of options	-	40,000
Total	<u>2,118,790,000</u>	<u>1,375,040,000</u>

**Capital risk management**

The group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**10. Reserves**

	Consolidated 2022 \$	Consolidated 2021 \$
Revaluation reserves on equity securities (a)	(9,902)	(9,902)
Share options reserve (b)	2,934,508	2,734,508
	<u>2,924,606</u>	<u>2,724,606</u>
 (a) Revaluation Reserve		
Balance at beginning of financial year	(9,902)	(9,902)
Revaluation decrements	-	-
	<u>(9,902)</u>	<u>(9,902)</u>
 (b) Share options reserve		

The options reserve is the value of equity benefits provided to directors, employees and consultants by the Group as part of their remuneration.

Balance at beginning of financial year	2,734,508	2,211,746
Options expired during the year	-	-
Share options issued and vested	200,000 <sup>2</sup>	522,762
	<u>2,934,508</u>	<u>2,734,508</u>

The following reconciles the share options outstanding at the beginning and end of the year:

	2022		2021	
	No. of options	Weighted average exercise price \$	No. of options	Weighted average exercise price \$
Balance at beginning of year	582,687,728	0.01	582,687,728	0.01
Issued during the year <sup>1</sup>	443,750,000	0.01	-	-
Expired Options	(57,272,728)	-	(415,000)	-
Exercised during the year	-	-	(40,000)	-
Balance at end of the year	<u>968,710,000</u>	0.01	<u>582,687,728</u>	0.01
Exercisable at end of year	968,710,000		582,232,728	

<sup>1</sup> In September 2021, Avira completed a placement of up to 343,750,000 fully paid ordinary shares (Placement Shares) at a price of \$0.004 per share to raise \$1,284,250 after costs. Participants to the Placement will receive a 1 for 1 free attaching listed AVWO option exercisable at \$0.01 on or before 10 July 2022.

<sup>2</sup> In addition, 100,000,000 options were issued to the Lead Manager. Refer to Note 18 for further details.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**11. Accumulated Losses**

Balance at beginning of financial year	(32,173,989)	(31,127,473)
Net loss attributed to members of the parent entity	(916,244)	(1,046,516)
	<u>(33,090,233)</u>	<u>(32,173,989)</u>

	Consolidated 2022 \$	Consolidated 2021 \$
<b>12. Loss per share</b>	Cents per share	Cents per share
<b>Basic loss per share</b>		
Continuing operations	(0.051)	(0.076)
	\$	\$
Loss for the year	<u>(916,244)</u>	<u>(1,046,516)</u>
	Number	Number
Weighted average number of ordinary shares for the purposes of basic loss per share:	<u>1,796,955,064</u>	<u>1,372,295,435</u>

There are no potential ordinary shares that are considered dilutive, as a result no dilutive earnings per share has been disclosed.

**13. Commitments**

(a) Future exploration

Avira Resources Limited has certain uncontracted obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations.

The uncontracted commitments to be undertaken are as follows:

	Consolidated 2022 \$	Consolidated 2021 \$
No later than 1 year	73,000	41,000
Later than 1 year and not later than 5 years	73,000	41,000
	<u>146,000</u>	<u>82,000</u>

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, Avira Resources Limited has the option to negotiate new terms or relinquish the tenements. Avira Resources Limited also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**14. Subsidiaries**

Details of the Group's subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Country of incorporation	Proportion of ownership interest and voting power held by the Group	
		2022 %	2021 %
MGT Mining Limited	Australia	89.48%	89.48%
Garimpos Pty Limited	Australia	100%	100%
Avira Australia Pty Ltd	Australia	100%	100%
Mount Macpherson Pty Ltd	Australia	100%	100%

**a. Non-controlling interests (NCI)**

Set out below is summarised financial information for MGT Mining Limited that has non-controlling interests that are material to the group. The amounts disclosed for MGT Mining Limited are before inter-company eliminations.

**MGT Mining Limited**

**Summarised balance sheet**

	2022 \$	2021 \$
<b>Assets</b>		
Current assets	12,588	12,588
Non-current assets classified as held for sale	-	-
Total current assets	12,588	12,588
Non-current assets	2,871	2,871
<b>Total assets</b>	<b>15,459</b>	<b>15,459</b>
<b>Liabilities</b>		
Current liabilities	(11,161,625)	(11,161,625)
Non-current liabilities	-	-
<b>Total liabilities</b>	<b>(11,161,625)</b>	<b>(11,161,625)</b>
<b>Net (liabilities)</b>	<b>(11,161,625)</b>	<b>(11,161,625)</b>
Accumulated NCI	(1,171,680)	(1,171,680)
<b>Summarised statement of comprehensive income</b>		
Loss for the year	-	(503,952)
Loss for the year from discontinued operations	-	-
Total loss for the year	-	(503,952)
Other comprehensive income	-	-
Total comprehensive income	-	(503,952)
Loss allocated to NCI	-	(52,915)

AVIRA RESOURCES LIMITED AND ITS CONTROLLED ENTITIES  
**NOTES TO THE FINANCIAL STATEMENTS**  
 FOR THE YEAR ENDED 30 JUNE 2022

**15. Notes to the cash flow statement**

(a) Reconciliation of cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents included cash on hand and in bank. Cash and cash equivalents at the end of the financial year follows:

	Consolidated 2022 \$	Consolidated 2021 \$
Cash and cash equivalents	<u>2,387,627</u>	<u>304,616</u>

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end for the financial year:

(b) Reconciliation of loss for the period to net cash flows from operating activities

	Consolidated 2022 \$	Consolidated 2021 \$
Loss for the year	<u>(916,244)</u>	<u>(1,099,431)</u>
Non-cash flow items:		
Other income	(71,965)	-
Depreciation expenses	1,780	-
Other expenses	12,886	-
Impairment of non-current assets	-	291,563
Net gain on disposal of non-current asset (gain)/loss	-	(3,766)
Fair value loss on financial assets	10,631	37,500
decrease/ (Increase) in other current assets	19,167	(344,546)
(Decrease) in trade and other payables	(126,494)	(57,134)
Net cash from operating activities	<u>(1,070,239)</u>	<u>(1,175,814)</u>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**16. Parent entity disclosure**

(a) Financial position	2022	2021
	\$	\$
<b>Assets</b>		
Current assets	2,507,385	11,436,578
Less provision for bad debt (Intercompany)	-	(11,139,073)
Non-current assets	404,930	12,086,421
Less provision for impairment of MGT Mining Ltd	-	(11,139,074)
<b>Total assets</b>	<b>2,912,315</b>	<b>806,122</b>
<b>Liabilities</b>		
Current liabilities	(112,281)	(238,777)
Non-current liabilities	-	-
<b>Total liabilities</b>	<b>(112,281)</b>	<b>(238,777)</b>
<b>Net assets</b>	<b>2,800,034</b>	<b>567,345</b>
<b>Equity</b>		
Issued equity	34,130,347	31,181,415
Accumulated losses	(34,264,361)	(33,348,117)
Reserves	2,934,048	2,734,048
<b>Total equity</b>	<b>2,800,034</b>	<b>567,345</b>

(b) Financial performance	Consolidated 2022	Consolidated 2021
	\$	\$
Interest income	1,657	473,525
Administrative expenses	(917,901)	-
Total comprehensive income	<b>(916,244)</b>	<b>(1,114,049)</b>

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities during the current or prior periods.

(d) Guarantees entered into by the parent entity in relation to the debts of its subsidiaries.

The parent entity has not entered into any guarantees in relation to the debts of its subsidiaries.

17. Auditor's remuneration	Consolidated 2022	Consolidated 2021
	\$	\$
Audit and review of financial reports – HLB Mann Judd	34,350	-
Audit and review of financial reports – Mazars	36,147	48,566
Non-audit services	-	7,150
Total auditor's remuneration	<b>70,497</b>	<b>55,716</b>

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**18. Share-based payments**

**(a) Employee share option plan**

The Group has an ownership-based compensation scheme for executives and senior employees. In accordance with the terms of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees may be granted options to purchase ordinary shares at various exercise prices.

Each employee share option converts into one ordinary share of Avira Resources Limited (formerly MGT Resources Ltd) on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

**(b) Options issued to Lead Manager (included in capital raising costs)**

In September 2021, 100,000,000 options were issued to the Lead Manager, CPS Capital Group Pty Ltd. The options have an exercise price of \$0.01 on or before 10 June 2022 (AVWO listed options). The fair value of options at grant date was determined using the closing market price, on that date.

**19. Key management personnel compensation**

The aggregate compensation made to directors and key management personnel of the company and the Group is set out below:

	Consolidated 2022 \$	Consolidated 2021 \$
Short-term employee benefits	210,997	268,347
Other long-term benefits	15,133	6,654
	<u>226,130</u>	<u>275,001</u>

**20. Related party transactions**

The Group entered into an agreement with Cicero Corporate Services Pty Ltd (an entity in which Sonu Cheema is shareholder and director (Cicero) defining the terms of engagement for the provision of administration services by Cicero as a contractor to the Group. Cicero will provide book-keeping, company secretarial and administration services to the Company for a monthly fee of \$8,000 plus GST.

**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2022

**21. Segment reporting**

The Group has adopted AASB 8 "Operating Segments" which requires operating segments to be identified on the basis of internal reports about components of the Group that are reviewed by the chief operating decision maker (considered to be Board of Directors) in order to allocate resources to the segment and assess its performance. The chief operating decision maker of the Group reviews internal reports prepared as consolidated financial statements and strategic decisions of the Group are determined upon analysis of these internal reports. During the period, the Group operated predominantly in one segment being the mineral exploration sector in Western Australia. Accordingly, under the "management approach" outlined above only one operating segment has been identified and no further disclosure is required in the notes to the consolidated financial statements.

**22. Events occurring after the reporting period**

In August 2022, the Company completed a Priority Options Offer of 968,710,000 quoted options at an issue price of \$0.0002 per Option to raise \$193,742 before costs.

There has not been any other matter or circumstance occurring subsequent to the end of the financial period that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the Group in future financial years.

**DIRECTOR'S DECLARATION**  
FOR THE YEAR ENDED 30 June 2022

The directors declare that:

- (a) In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable. Please refer Note 1 (a), Going Concern, for further details;
- (b) In the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the company and the consolidated entity;
- (c) In the directors' opinion, the financial statements and notes thereto are in accordance with Australian Accounting Standards issued by the Australian Accounting Standards Board; and
- (d) The directors' have been given the declarations required by s.295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors made pursuant to s.295(5) of the Corporations Act 2001.

On behalf of the Directors



David De Loub

Executive Director

Dated: 30 September 2022

## INDEPENDENT AUDITOR'S REPORT

To the Members of Avira Resources Limited

### Report on the Audit of the Financial Report

#### *Opinion*

We have audited the financial report of Avira Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### *Basis for Opinion*

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
<p><b>Carrying value of exploration expenditure</b> Refer to Note 7</p>	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the key processes associated with management’s review of the carrying values of each area of interest;</li> <li>• We considered management’s assessment of potential indicators of impairment;</li> <li>• We obtained evidence that the Group has current rights to tenure over its areas of interest;</li> <li>• We examined the exploration budget for the year ending 30 June 2023 and discussed with management the nature of planned activities;</li> <li>• We enquired with management, reviewed ASX announcements and reviewed minutes of Directors’ meetings to ensure that the Group had not resolved to discontinue exploration and evaluation at any of its areas of interest; and</li> <li>• We examined the disclosures made in the financial report.</li> </ul>

*Information Other than the Financial Report and Auditor’s Report Thereon*

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2022 but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*Responsibilities of the Directors for the Financial Report*

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

*Auditor's Responsibilities for the Audit of the Financial Report*

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the Remuneration Report**

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Avira Resources Limited for the year ended 30 June 2022 complies with Section 300A of the *Corporations Act 2001*.

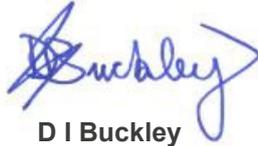
### *Responsibilities*

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



**HLB Mann Judd**  
**Chartered Accountants**

**Perth, Western Australia**  
**30 September 2022**



**D I Buckley**  
**Partner**

## ADDITIONAL STOCK EXCHANGE INFORMATION

The shareholder information set out below was applicable as at 28 September 2022.

### A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

#### AVW

Range	Total holders	Units	% Units
1 - 1,000	75	52,040	0.00
1,001 - 5,000	156	385,031	0.02
5,001 - 10,000	40	305,703	0.01
10,001 - 100,000	356	24,522,337	1.16
100,001 Over	1,129	2,093,524,889	98.81
<b>Rounding</b>			<b>0.00</b>
<b>Total</b>	<b>1,756</b>	<b>2,118,790,000</b>	<b>100.00</b>

#### Unmarketable Parcels

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0040 per unit	674	30,476,795

#### AVWOA

Range	Total holders	Units	% Units
1 - 1,000	-	-	0.00
1,001 - 5,000	-	-	0.00
5,001 - 10,000	-	-	0.00
10,001 - 100,000	9	900,000	0.09
100,001 Over	98	967,810,000	99.91
<b>Rounding</b>			<b>0.00</b>
<b>Total</b>	<b>107</b>	<b>968,710,000</b>	<b>100.00</b>

#### Unmarketable Parcels

Minimum Parcel Size	Holders	Units
Minimum \$ 500.00 parcel at \$ 0.0010 per unit	16	2,558,334

### Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

AVW	Name	Units	% Units
1	STANDARD PASTORAL COMPANY PTY LTD	227,648,000	10.74
2	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	142,500,000	6.73
3	SABRELINE PTY LTD <JPR INVESTMENT A/C>	50,000,000	2.36
3	JKR SUPER PTY LTD <JPR SUPER FUND A/C>	40,000,000	1.89
5	STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	40,000,000	1.89
6	MR PAUL SIMON DONGRAY <THE DONGRAY FAMILY NO 2 A/C>	39,800,000	1.88
7	MR JONATHAN MARK WILD	27,500,000	1.30
8	CELTIC CAPITAL PTY LTD <CELTIC CAPITAL A/C>	25,000,000	1.18
8	MR IAN PRENTICE + MRS TRACEY GAY PRENTICE <I&T PRENTICE FAMILY A/C>	25,000,000	1.18
8	HONG KONG JINGAOFENGDA BUSINESS CO LIMITED	23,520,000	1.11
11	MR KAI FU	22,588,956	1.07
12	CHAMPAGNE CAPITAL PTY LTD <OYSTER SUPER FUND A/C>	21,000,000	0.99
13	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	20,977,615	0.99
14	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	20,000,000	0.94

## ADDITIONAL STOCK EXCHANGE INFORMATION

15	YUCAJA PTY LTD <THE YOEGIAR FAMILY A/C>	19,565,171	0.92
16	BNP PARIBAS NOMS PTY LTD <DRP>	19,484,311	0.92
17	JOSEPH ENERGY (HONG KONG) LTD	19,190,909	0.91
18	MORSEC NOMINEES PTY LTD <ACCUMULATION ACCOUNT>	18,879,701	0.89
19	MR KAIDE WANG	18,000,000	0.85
20	MR RICHARD STUART DONGRAY + MRS JOAN DONGRAY <SUPER FUND A/C>	16,000,000	0.76
<b>Totals: Top 20 holders of All Fully Paid Ordinary Shares (Total)</b>		<b>836,654,663</b>	<b>39.39</b>
<b>Total Remaining Holders Balance</b>		<b>1,282,135,337</b>	<b>60.51</b>

AVWOA	Name	Units	% Units
1	STANDARD PASTORAL COMPANY PTY LTD	150,000,000	15.48
2	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	142,500,000	14.71
3	CICERO INTERNATIONAL PTE LTD	98,836,391	10.20
4	CELTIC CAPITAL PTY LTD <INCOME A/C>	70,000,000	7.23
4	JKR SUPER PTY LTD <JPR SUPER FUND A/C>	50,000,000	5.16
6	J & J BANDY NOMINEES PTY LTD <BANDY P/F A/C>	40,000,000	4.13
7	MR PAUL SIMON DONGRAY <THE DONGRAY FAMILY NO 2 A/C>	35,200,000	3.63
8	STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	35,000,000	3.61
8	MS NICOLE GALLIN + MR KYLE HAYNES <GH SUPER FUND A/C>	25,000,000	2.58
8	CHAMPAGNE CAPITAL PTY LTD <OYSTER SUPER FUND A/C>	17,499,858	1.81
8	CPS CAPITAL GROUP PTY LTD	15,000,000	1.55
8	CPS CAPITAL NO 4 PTY LTD	15,000,000	1.55
8	CELTIC CAPITAL PTY LTD <CELTIC CAPITAL NO 2 A/C>	11,759,074	1.21
14	MR MD AKRAM UDDIN	11,000,007	1.14
15	STONEHURST (WA) PTY LTD <THE LITZ SUPER FUND A/C>	10,500,000	1.08
16	JL AND RA ROBERTS PTY LTD	10,000,000	1.03
17	PLAUCS PTY LTD	10,000,000	1.03
18	SABRELINE PTY LTD <JPR INVESTMENT A/C>	10,000,000	1.03
19	MR MARK PETER SOMIC <SOMIC FAMILY A/C>	10,000,000	1.03
20	PLUTUS VENTURES PTY LTD	8,500,000	0.88
20	STANDARD PASTORAL COMPANY PTY LTD	150,000,000	15.48
20	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	142,500,000	14.71
20	CICERO INTERNATIONAL PTE LTD	98,836,391	10.20
20	CELTIC CAPITAL PTY LTD <INCOME A/C>	70,000,000	7.23
20	JKR SUPER PTY LTD <JPR SUPER FUND A/C>	50,000,000	5.16
20	J & J BANDY NOMINEES PTY LTD <BANDY P/F A/C>	40,000,000	4.13
<b>Totals: Top 20 holders of LISTED OPTIONS EXPIRING 31/12/2024 @ \$0.008</b>		<b>775,795,330</b>	<b>80.09</b>
<b>Total Remaining Holders Balance</b>		<b>192,914,670</b>	<b>19.91</b>

### B. Substantial Shareholders

The names of shareholders with relevant interests of 5% or more (of the voting power of those shares) are listed below:

AVW	Name	Units	% Units
1	GREAT SOUTHERN FLOUR MILLS PTY LTD	227,648,000	10.74
2	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	142,500,000	6.73

**ADDITIONAL STOCK EXCHANGE INFORMATION**

**C. Schedule of Mineral Tenements**

LEASE	NAME	AREA	AREA UNITS	GRANT DATE	EXPIRY DATE	HOLDER	EA
<b>Paterson Range (WA)</b>							
E45/5572	Mt Macpherson	41	Sub-Blocks	13-July-20	12-July-25	Mt Macpherson	E45/5572
E45/5567	Throssel Range	32	Sub-Blocks	13-July-20	12-July-2025	Avira	E45/5567
<b>Wyloo Project (WA)</b>							
E08/3329	Tajeri Bore	26	Sub-Blocks	18-Feb-21*	N/A	Avira	N/A
E08/3330	Mount Edith	32	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A
E08/3331	Gilba Bore	39	Sub-Blocks	18-Feb-21*	N/A	Avira	N/A
E08/3332	Boooloo	43	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A
E08/3333	Thowagee Well	39	Sub-Blocks	18-Feb-21 *	N/A	Avira	N/A

\*Application