

The Manager
Market Announcements Office
Level 40, Central Park,
152-158 St George's Terrace
Perth WA 6000

ACN: 131 715 645

T: 08 9463 2463

W: www.aviraresourcesltd.com.au

Directors

David Wheeler, Non-Executive
Chairman

David Deloub, Executive Director

James Robinson, Non-Executive
Director

Sonu Cheema, Company
Secretary

Issued Capital (ASX Code: AVW)

2,938,790,000 Ordinary Shares

968,710,000 Quoted options
exercisable (AVWOA) at \$0.008 on
or before 31 December 2024

402,500,000 Options excisable at
\$0.003 expiring 30 June 2027



Puolalaki Project location, Sweden

19 July 2024

AVIRA EARNS IN TO A 51% INTEREST OF THE SWEDISH BASED PUOLALAKI NI-CU-CO-AU PROJECT

HIGHLIGHTS

Avira had previously entered into an Earn-In Agreement to acquire the highly prospective Puolalaki Ni-Cu-Co Project in Sweden. (refer ASX announcement dated 10 October 2022).

Avira has now fulfilled the Stage 2 Earn-in requirements and increases its total interest in the Puolalaki project to 51%.

This has been achieved in accordance with the terms of the Earn-in Agreement (Summary below).

Avira is currently reviewing results received to date prior to progressing toward Stage 3 of the Earn-in which upon completion will result in the Company adding an additional 29% interest in the project taking its total interest to 80% of the Puolalaki Project.

Avira Resources Limited (ASX: AVW) is pleased to announce that it has successfully completed the Stage 2 Earn-in requirement for the highly prospective Puolalaki Ni-Cu-Co Project in Sweden as per the terms of the Earn-in Agreement. This milestone marks a significant advancement in our strategic partnership and project development.

Completion of Stage 2 Earn-in: Under the terms of the Earn-in Agreement, AVW was required to meet specific conditions to complete the Stage 2 Earn-in. We are pleased to confirm that these requirements have been fulfilled, further solidifying our commitment to the project and our partners.

Executive Director, David DeLoub commented: "We are thrilled to have completed the Stage 2 Earn-in requirement as per the terms. This achievement is a testament to our team's dedication and the strong collaboration with our partners. We look forward to the next stages of the project and the opportunities they will bring."

KEY TERMS OF THE EARN-IN AGREEMENT

- AVW to issue Exclusivity Shares (fully paid ordinary shares) to the value of \$60,000 to the Owners upon the execution of the Agreement (**Completed**)
- Staged Earn-In Agreement:
 - Initial Earn-In: AVW to spend not less than \$250,000 to earn a 20% interest in the project. (**Completed**)
 - Stage 2 Interest: AVW to spend not less than \$650,000 to earn an additional 31% interest in the project. (**Completed**)
 - Stage 3 Interest: AVW to spend not less than \$1.5 million to earn an additional 29% interest in the project. (**Under Review**)
- Once AVW has satisfied the Stage 3 condition, AVW and the Owners will form an incorporated joint venture whereby AVW owns 80% interest in the project and the Owners 20%. Each party will contribute to their share of joint venture expenditure pro-rata in accordance with their respective joint venture interest or be diluted.
- Subject to AVW having satisfied the Stage 3 condition, the Owner grants AVW an option to acquire an additional 10% joint venture interest from the Owner by paying the Owner a cash payment of \$1.25 million.
- If the Owner's joint venture interest falls below 10%, the Owner may either contribute to ongoing work in accordance with the joint venture, pro-rata to their joint venture interest, or elect to convert its 10% joint venture interest into a 1.5% net smelter return royalty (NSR) thereby bringing the joint venture to an end.

NEXT STEPS

With the successful completion of Stage 2, AVW will review the next phase of the project, continuing to work closely with our partners to achieve our mutual goals. We are confident that this progression will bring substantial benefits to all stakeholders involved.

Project scale geophysical exploration programs (airborne and ground based gravity and EM surveys) are currently contemplated in addition to re-processing of the current DHEM data produced from recent exploration campaigns in preparation for the planning and execution of a larger-scale drilling program at Puolalaki.

EUROPE'S INCREASING NEED FOR BATTERY METALS

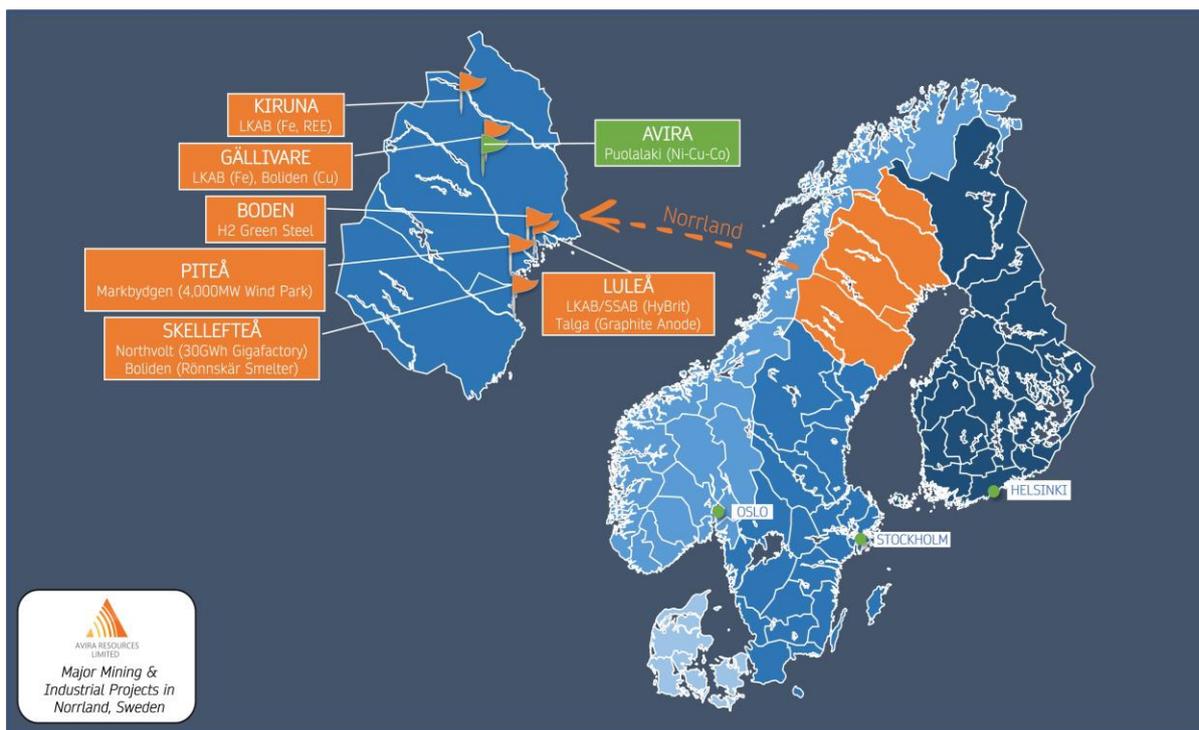
In late 2022, Europe surpassed China as the fastest growing electric vehicle manufacturing market in the world¹ and Benchmark Mineral Intelligence forecasts² Europe's battery cell demand to be 958 GWh by 2031. In a bid to secure the EU's future supply of critical raw materials which includes nickel, copper and cobalt, the European Commission in March 2023, passed a Critical Raw Materials Act.

Importantly, under the legislation, EU member states are expected to develop national programmes for exploring their geological resources. Projects deemed as "strategic" will benefit from access to financing opportunities as well as a shorter wait for permits; two years for mining projects and one year for processing and recycling.

Sweden is leading the transition to a decarbonised future where according to Swedish Prime Minister Ulf Kristersson "a green industrial shift of historical magnitude is currently taking place"³. In a number of northern Swedish cities, major investments are being made in the production of fossil-free steel, extraction of minerals, logistics, energy, and batteries.

Swedish company Northvolt for example, has opened its first gigafactory in the city of Skellefteå, located approximately 240km south of the Puolalaki Project, with a current annual cell production capacity of 32GWh, increasing to 150GWh by 2030.

Avira and the Puolalaki Project are well located to capitalise on the strong European demand for ethically sourced critical raw materials including cobalt, nickel and copper.



Major mining and industrial projects located in Norrland, Sweden.

ABOUT THE PROJECT

The Puolalaki Project currently comprises a single exploration permit (Puolalaki nr 100) centred over a syn-orogenic gabbro intrusion that hosts the nickel mineralisation discovered by NAN in 1998⁴. In addition to the Ni-Cu-Co mineralisation at Puolalaki, the project also contains significant, high-grade gold mineralisation across two zones within the metasediments and metavolcanics surrounding the gabbro. The project is located in Sweden's premier Gällivare mining district which is host to Europe's largest open-cut copper mine Aitik, owned by Boliden and to LKAB's Malmberget iron-ore mine.

-ENDS-

For, and on behalf of, the Board of the Company, and authorised for release.

David Deloub
Executive Director
Avira Resources Limited

Shareholders and other interested parties can speak to Mr. Sonu Cheema if they have any queries in relation to this announcement: +618 9463 2463.

Competent Persons Statement

The information in this document that relates to exploration results is based on information compiled by Amanda Scott, a Competent Person who is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No.990895). Amanda Scott is a full-time employee of Scott Geological AB. Amanda Scott has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which has been undertaken 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). Amanda Scott consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.
