AVIRA RESOURCES LIMITED

31 January 2019

AVIRA RESOURCES LIMITED
QUARTERLY ACTIVITIES REPORT
(DECEMBER 2018)

Highlights

- ***Follow-up work commenced to compliment of the second phase of AVW's exploration program on the Pyramid gold project in North QLD.***
- ***Results of the recent surface geochemical sampling and geological prospecting over the East Pyramid Range has highlighted the prospectivity for intrusive related gold mineralisation.***
- ***AGM held on the 30th November with all resolutions carried in accordance with Section 251AA of the Corporations Act.***
- ***Appointment and election of Mr Maciej Rosiewicz as Non-executive Director.***

Avira Resources Limited (ASX: AVW) (**Avira** or the **Company**) wishes to advise on the following activities during the quarter ending 31 December 2018.

Corporate Activities

Placement Capacity

Shareholder approval was received to refresh the company's 10% placement capacity allowing the company to issue up to 100,000,000 ordinary shares in accordance with ASX listing rule 7.1A.2.

Board & management

On the 30 November 2018, shareholders approved the appointment of Mr Maciej Rosiewicz as Non-executive Director to replace Mr Gay Kuo who did not stand for re-election. In addition, all resolutions were passed on a show of hands.

Operational Activities

Pyramid Gold Project, Queensland

Overview

The Pyramid Gold Project is located approximately 120 km southeast of Charters Towers, northern Queensland, in the Burdekin Dam – Sellheim River region, and comprises EPM 12887, EPM 25154 and EPM 19554 which are close to the north eastern margin of the Drummond Basin, near its contact with the Bulgonunna Block. Basement sequences of the Anakie Inlier are located to the west and within the eastern portion of the project area. The majority of historical exploration work has focused on EPM 12887.

The topography of the EPC 12887 is dominated by the West Pyramid Range and the parallel East Pyramid Range. The West Pyramid Range contains a plus 6km mineralized structure which extends from the Gettysberg and Sellheim prospects in the NNE to the Marrakesh and Pradesh prospects to the SSE. Gold and base metal mineralization, as defined by geological prospecting and surface sampling, occurs along the extent of this structure.

The East Pyramid Range is characterized by Late Carboniferous to Permian age intrusive related hydrothermal systems, which are associated with prominent bulk tonnage gold systems in North Queensland. Mt Leyshon, Ravenswood-Mt Wright and Kidston are multi-million ounce examples of this style of mineralisation in North Queensland.

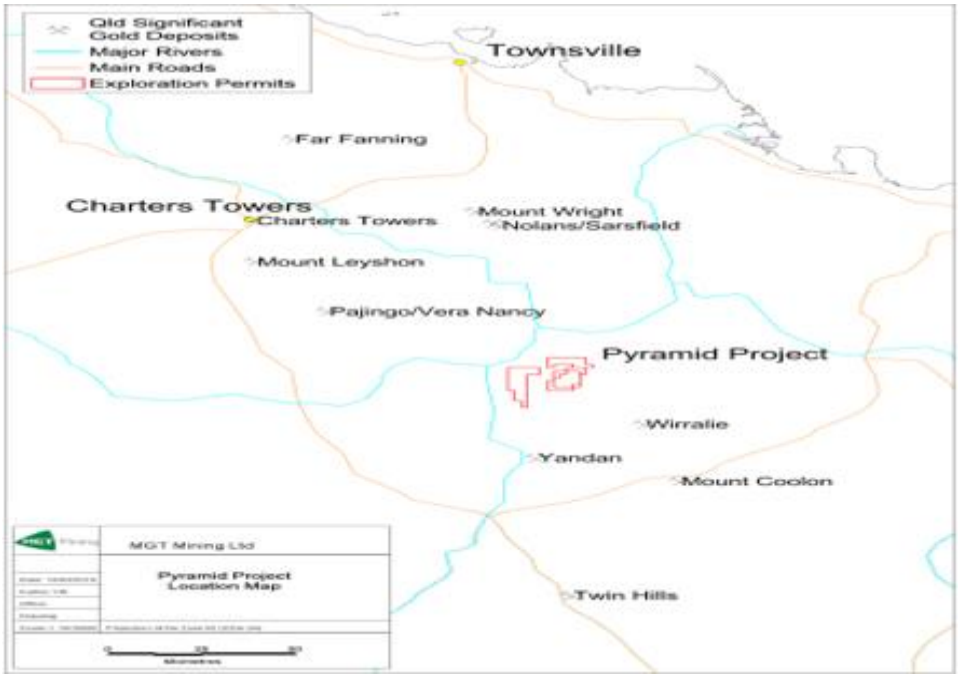

Figure 1. Location of the Pyramid Project.

Pyramid exploration program

The East Pyramid Range contains clear cut high level intrusive related gold targets sharing similar surface expressions, mineralisation and alteration settings to the large scale, bulk tonnage gold systems of north Queensland, for example Mt Leyshon, Mt Wright, Kidston. The structures identified to date are gold bearing, but of a general low tenor, geochemical zoning is evident in wide space sampling undertaken over 20 years ago. More chemical elements and more efficient surveys are now possible because of advances in technology, satellite positioning and instrumentation.

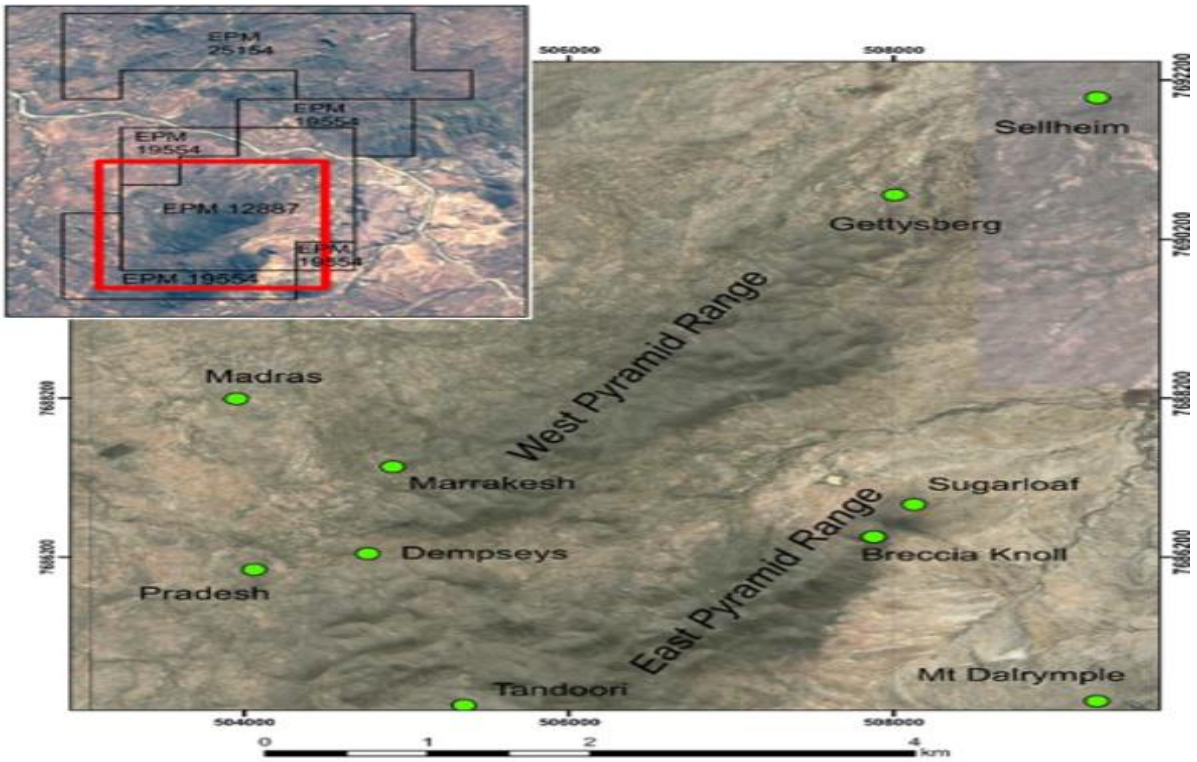

Figure 2. Location East Pyramid Range in relation to Pyramid Project area

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

Geochemical and mineralogical data has now all been received for the 2018 soil survey over the highly prospective East Pyramid Range, within Avira Limited's (originally MGT Resources Ltd.) 100% owned Pyramid EPM12887 & EPM19554 The East Pyramid Range contains high level intrusive related gold targets sharing similar surface expressions, mineralisation and alteration settings to the large scale, bulk tonnage gold systems of north Queensland, for example Mt Leyshon, Mt Wright, Kidston. The structures identified to date are gold bearing, but of a general low tenor, geochemical zoning is evident in wide space sampling undertaken over 20 years ago.

In order to delineate geochemical anomalism and drill targets in the East Pyramid Range, a systematic surface sampling program was undertaken to cover the Tandoori to Sugarloaf prospect areas, in a similar fashion to the 2014 coverage over the West Pyramid Range. The key components of the survey were sieved soil samples and coarse fraction Lag samples collected at a 200m line spacing x 50m sample spacing, in order to delineate gold target areas and multi-element metal zoning. QA/QC standards, blanks and duplicates were also analysed. The field teams concurrently collected both sample types and geological information from a total of 375 sites. The geological teams followed up any potential mineralized float or outcrop with rock chip sampling. Samples were transported to Townsville, the first portion of each sample was forwarded to ALS Laboratories for Au analysis. After sample preparation a powdered portion of each sample was analysed for multielement analysis utilizing Portable XRF (PXRF) analyser in bench top mode under stable conditions at Terra Search's sample processing facility.

Soil and Lag samples were collected in the northern half of the East Pyramid Range area and the southernmost three lines. Coarse lag samples have proven to enhance gold and multi-element surveys because they result in the analysing of material that may contain significant mineralisation, but are discarded in a -80 mesh silt fraction soil survey.

Systematic descriptions of the lag samples show that mineralised material in the form of gossanous and iron oxide fragments, ferruginous iron stained fragments and altered felsic material are present in the East Pyramid Range survey/ 345 lag samples have been described and sent away for analysis. Additionally, 23 rock chip samples were taken where field geologists identified particularly prospective veins/gossans. These samples consist of gossanous quartz veined, sericite altered rhyolitic porphyries and sediments. These were analysed for gold by fire assay ICP and multi elements by ICP-MS. Anomalous Pb, As, S, and spotty Au values were returned.

Exploration Results

The results of the - 80 mesh soil sampling survey confirm anomalous Au-As-Pb along the previously identified north east trending series of volcanic breccia, gossanous rhyolite dykes and sericite altered porphyritic rhyolite intruding into a bleached and altered country rock sediments. Anomalous zones are clearly delineated in the geochemical results obtained from the soil samples, using both the portable XRF for multi-elements, and commercial lab for gold analysis.

There are several areas with coincident Au-As-Pb anomalism (Fig 3.)

- The most prominent is the Au anomalous zone at the northern end of the survey area with sericite altered rhyolite (Sugarloaf Hill). The highest soil sample here is 380ppb Au.

- The central section of the grid is a zone of sporadically elevated Au-As-Pb associated with the altered gossanous rhyolitic dyke zones previously drilled by Newcrest in1996. The maximum soil Au value here is 102ppb Au.

- In the southern section of the grid, around the Tandoori prospect, the southernmost gridline contains a highly anomalous Au-As zone, with Au values in soil up to 214 ppb Au coincident with breccia outcrop.

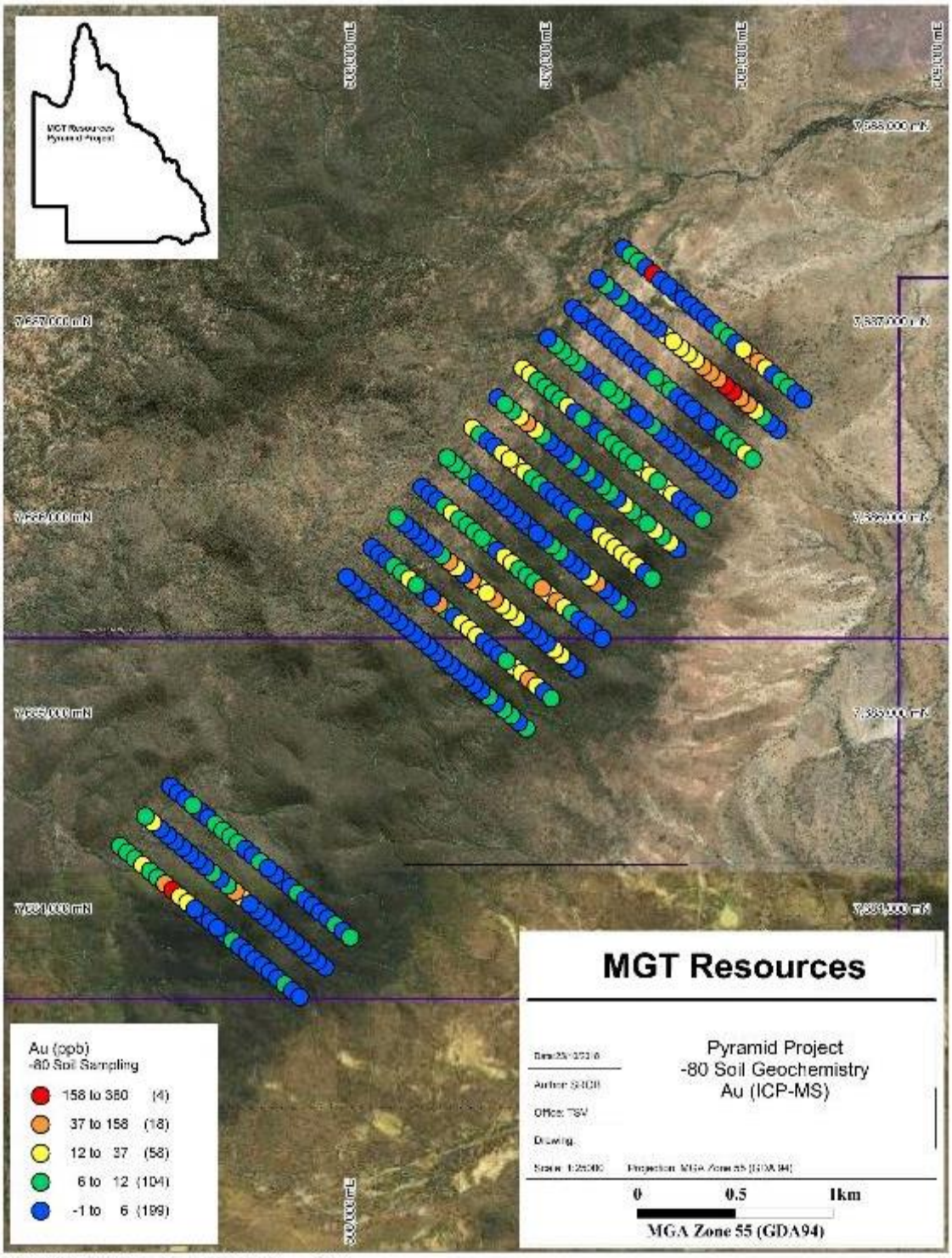

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Figure 3. Au in soil East Pyramid Range 2018 survey (-80 mesh lab data).

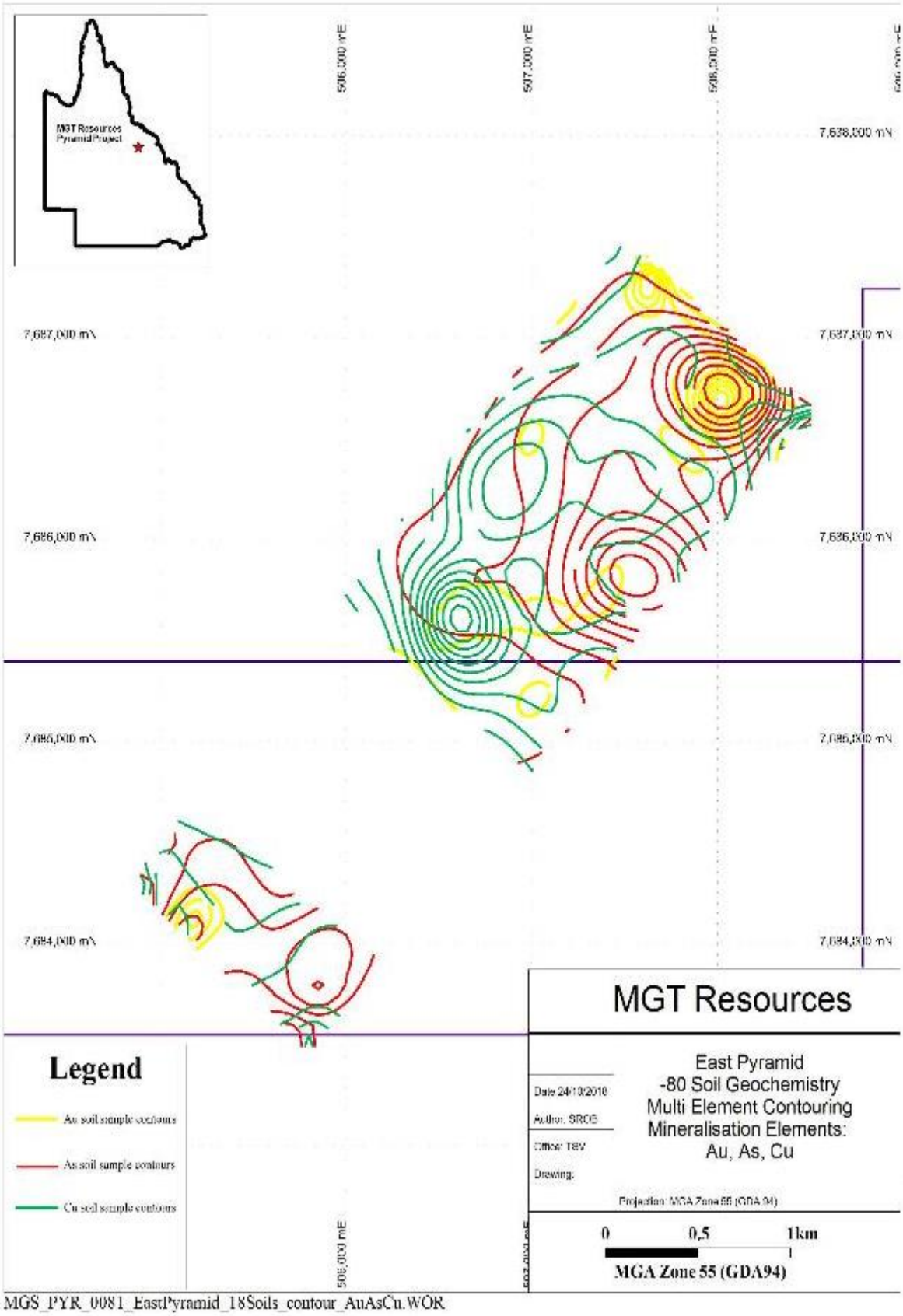

Figure 4. Au, As, Cu contours in soil East Pyramid Range 2018 survey (-80 mesh lab & PXRF data).

Lag Data Set

Some very distinctive patterns are evident in the Lag data set which support the use of the coarse fraction as an effective exploration tool to target mineralisation trends. Although the Lag data does show similar features to the -80 mesh there are key differences which we suspect will lead to enhanced targeting. As an example, there is a reasonable correspondence of Au anomalism between the -80 mesh and Lag survey. This is illustrated in the plot below which shows -80 mesh soil contours and Lag point data.

The Lag sampling results have highlighted an anomalous zone in the south east corner of the survey area which was not noted in the -80 mesh data. The combination of As, Fe, S, Pb more than likely reflects a mineralized structure which corresponds to a bounding fault or ring dyke structure. All these features are encouraging and warrant ground follow up and extension of the soil and lag coverage.

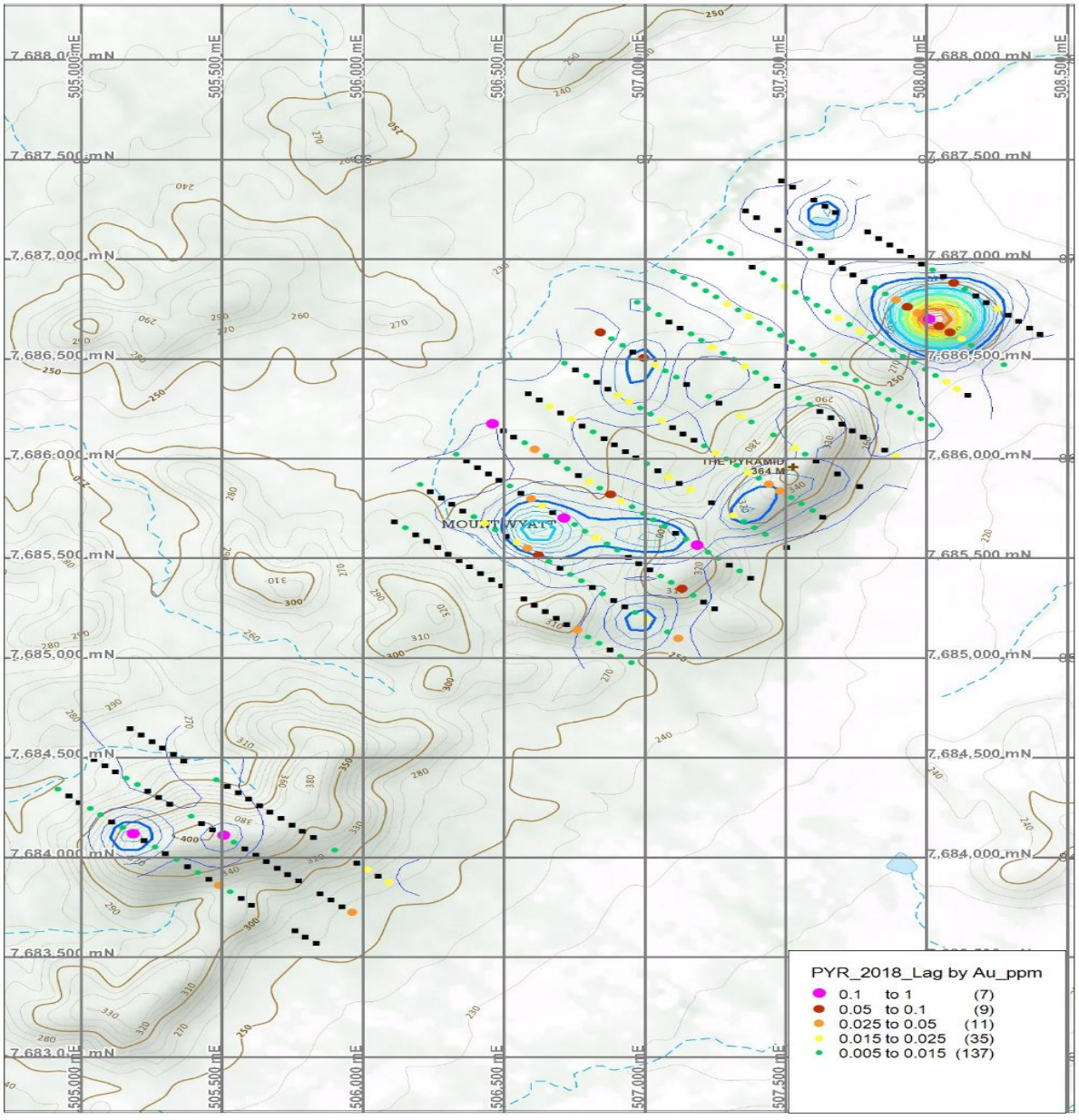

Figure 5. Au in Lag point data plotted on gold contours from -80 mesh sampling. Good correspondence of Lag and -80 mesh Au.

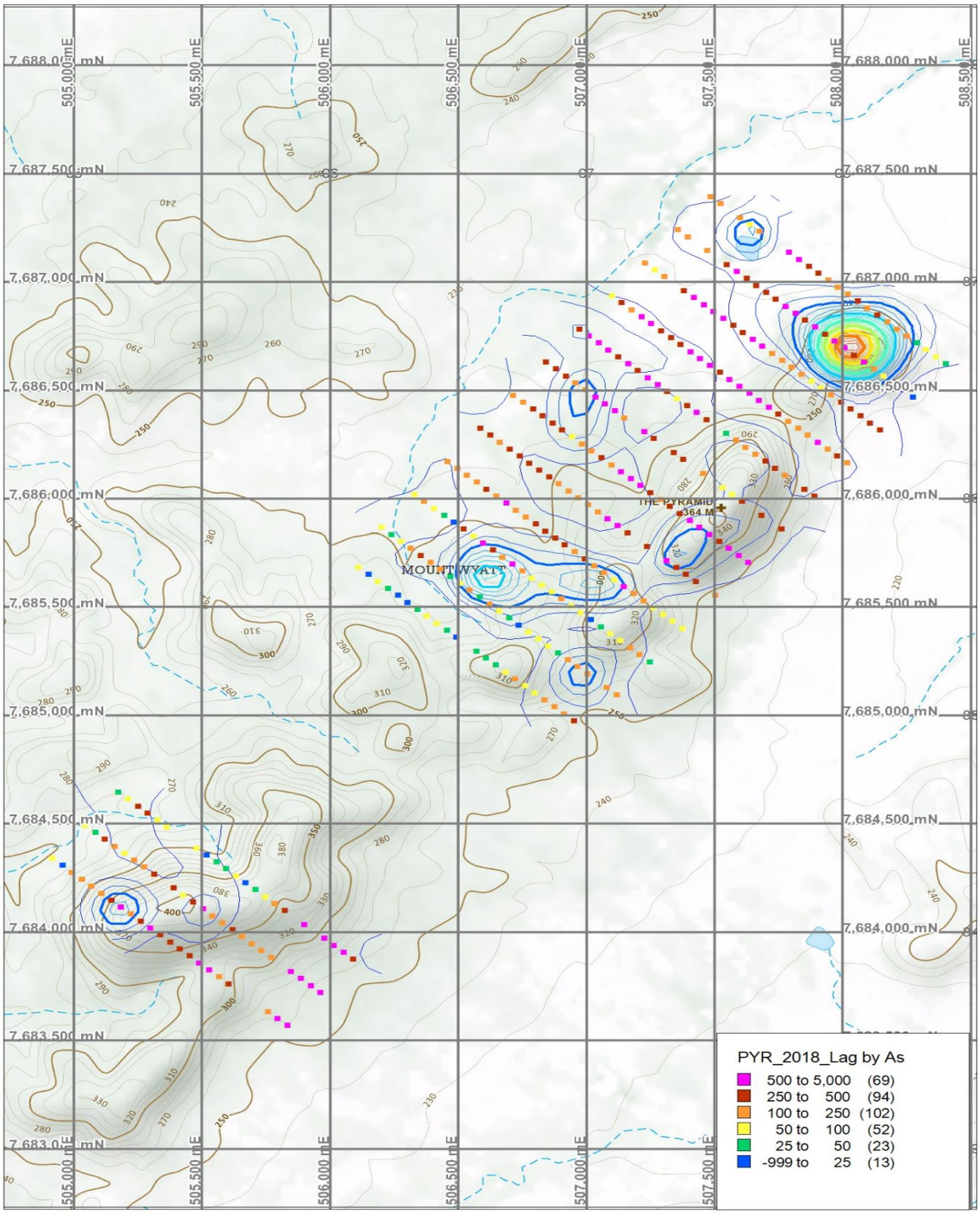

Figure 6. As in Lag point data plotted on gold contours from -80 mesh sampling. Note As anomaly in south east corner.

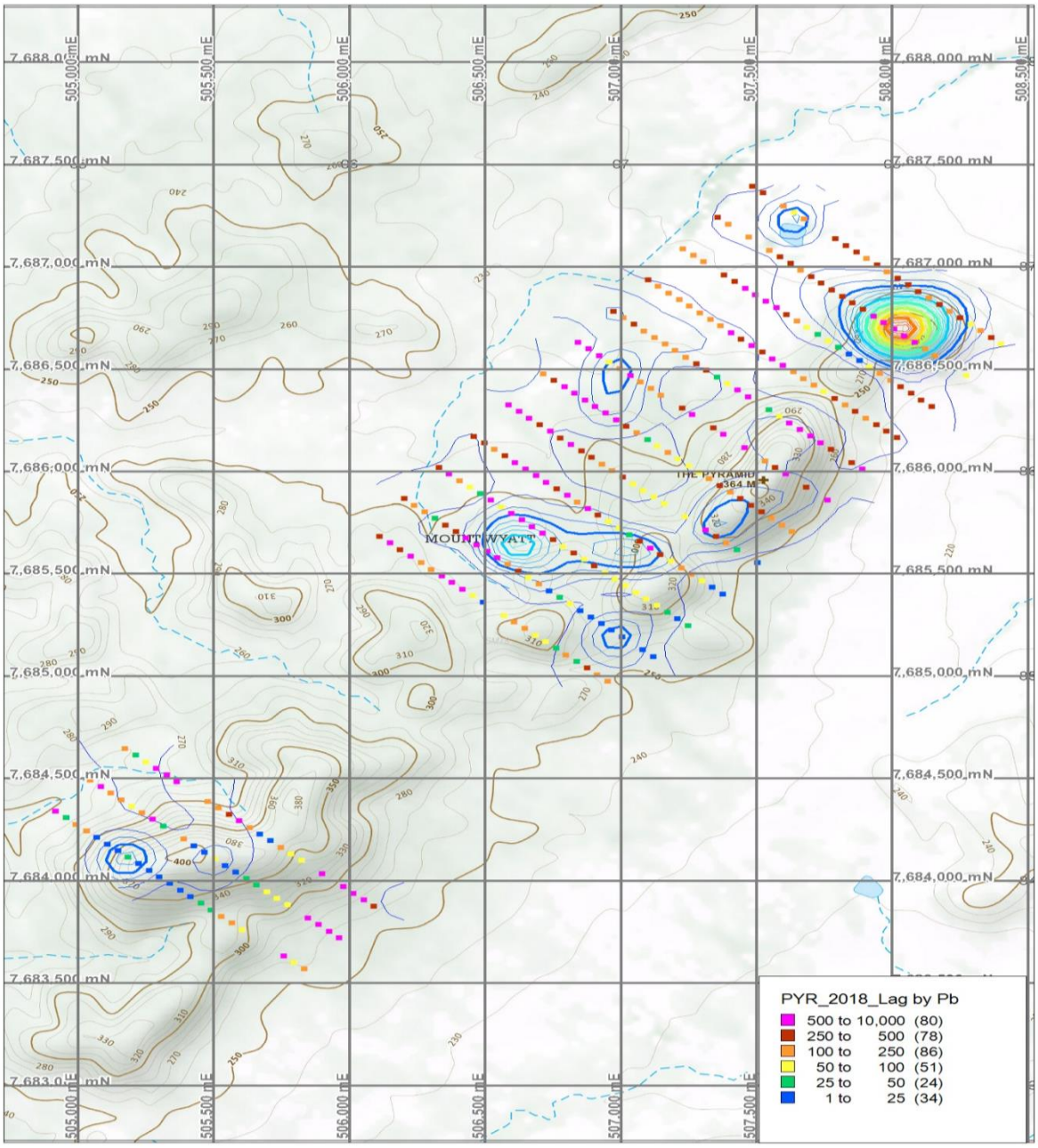

Figure 7. As in Lag point data plotted on gold contours from -80 mesh sampling. Note As anomaly in south east corner. Rock Chip Data Set.

Rock chip sampling follow up during soil survey traversing has shown that prominent alteration zones and gossanous veining occur at Sugarloaf, Pyramid, Breccia Hill and the western gossanous rhyolite zones.

Significant results include:

- In the Sugarloaf area rock chip sampling of jarosite veined sericite altered rhyolite returned 0.13 ppm Au. 2.4% sulphur, 0.1% Pb, and two samples taken to the NE (just outside of soil sample area), returned 0.29 g/t Au (1.97% sulphur, 0.58% Cu) and another sample with 0.11 g/t Au (.3.91% sulphur, 0.66% As)
- The central section of the grid is a zone of sporadically elevated Au-As-Pb-Cu associated with the altered gossanous rhyolitic dyke zones previously drilled by Newcrest in 1995. The maximum soil Au value here was 102ppb, while a gossanous vein rock chip sample returned 0.41ppm Au. (1.97% sulphur, 0.58% Cu).

The breccia and sulphidic nature of the outcrop rocks in the area, (as illustrated in the images below) is evidence for the development of a prominent mineralised intrusive related system along the East Pyramid Range.

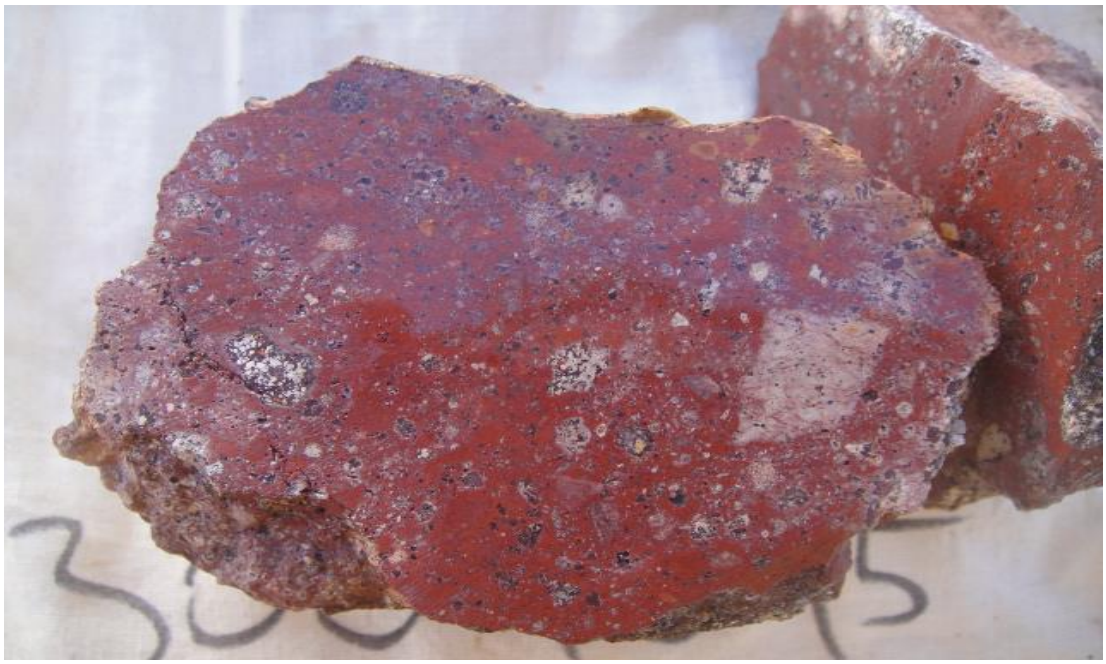

Image1. Sample # 3004095 Fe stained, polymict breccia

Image 2. Sample #3004098 Bleached sericite altered rhyolite porphyry. cut by gossanous vein with ferruginous selvedge. Low Au, 479 ppm Pb ,424 ppm Zn,0.16% As, 300 ppm

Image 4. Sample #3004100 Gossanous veins cutting porphyry Au 0.41 g/t Au0.40 % As

Image 5. Sample #3004086 Sulphate (jarositic) vein cutting sericite altered rhyolite porphyry. 0.11 g/t Au, 3.91% S, 936 ppm Pb, 0.65% As.

Table 1. Rock chip sample highlights.

Distribution of multi-element geochemistry in recent soil and rock chip sampling has confirmed historical exploration which indicted that large scale intrusive related gold systems are developed along the East Pyramid Range. Au and Pb in rock chip sampling highlight the zone at the northern end of the range.

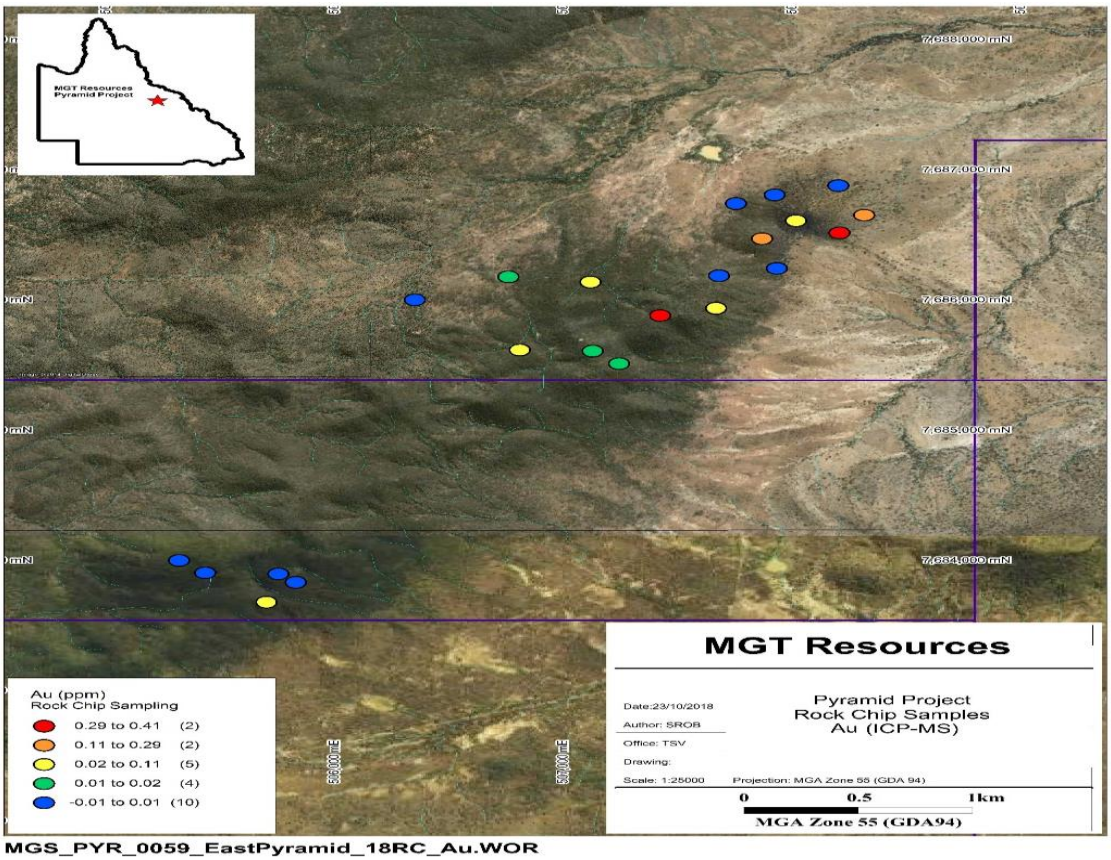

Figure 8. Au in rock chip sampling highlighting prospectivity of Sugarloaf, Breccia Hill zone at northern end of East Pyramid Range.

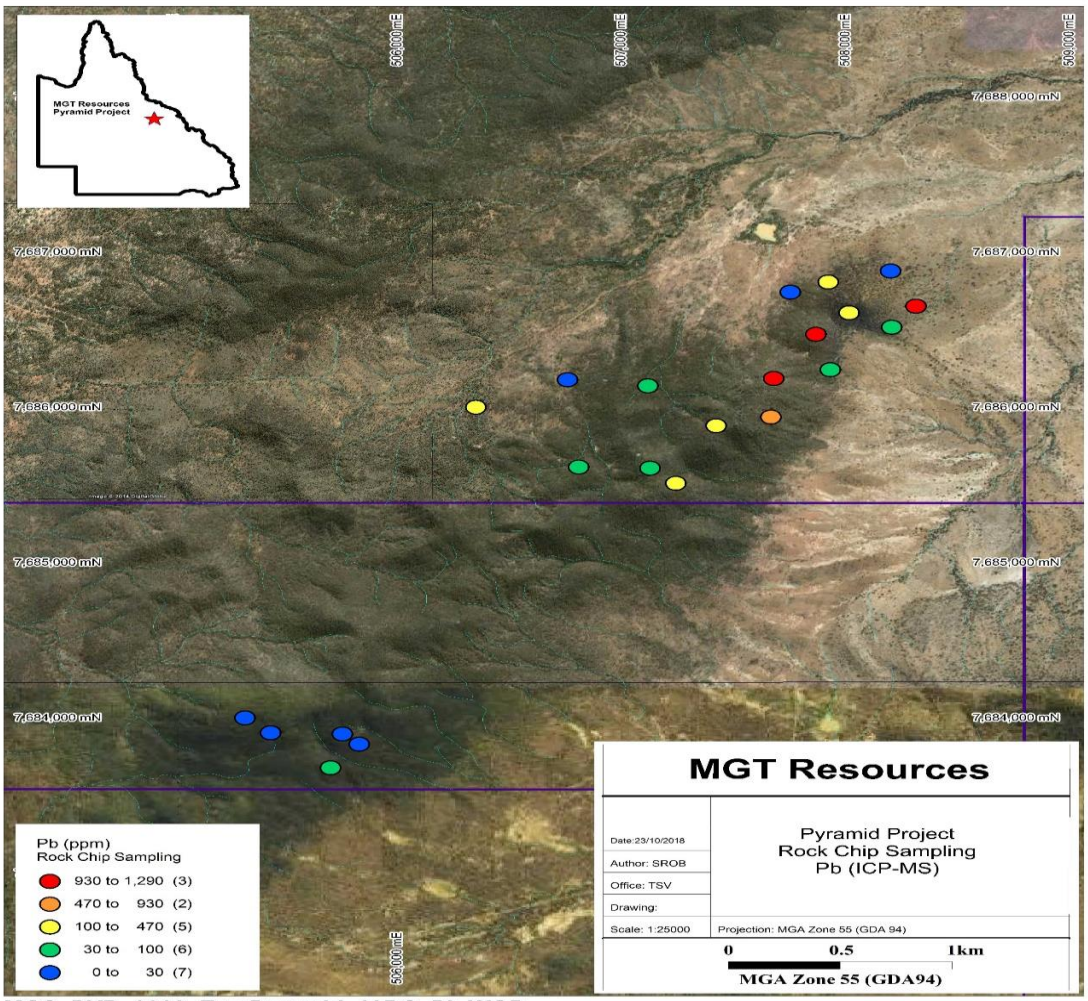

Figure 9. Pb in rock chip sampling highlighting prospectivity of Sugarloaf , Breccia Hill zone at northern end of East Pyramid Range.

Conclusions

Results of the recent surface geochemical sampling and geological prospecting over the East Pyramid Range has highlighted the prospectivity for intrusive related gold mineralisation. Zoning is evident in the multi-element geochemistry. Gold zones correlate with As and Pb, and are often associated with high level felsic intrusives with well-developed sericitic and sulphidic alteration.

Lag geochemical sampling has helped identify a multi-element anomaly in the south east corner of the survey area, where high As, Fe, Pb, S suggest a mineralised potential structure that warrants follow up. Interestingly, this anomay is only subtly present in the -80 mesh data and confirms the value of coarse fraction lag sampling.

Proposed Follow up

- Extension of soil survey to infill missing lines and extend lines in south east anomaly area.

- Principal Component Analysis (PCA) will be used to identify multi-element correlations and potentially discriminate between major lithological subdivisions and their relationship to mineralised samples.

- A combination of PCA, existing geological mapping, and remote sensing may be used to better delineate geological boundaries and potentially mineralising structures.

- Given that anomalous Au soil results were encountered on each edge of the grid, it is recommended to expand the area of coverage with a further soil sampling program. At the same time, the 1.4km gap could be filled, and ground follow up should occur on the best geochemical anomalies.

- Given the strong association between the anomalous gold and rhyolite dykes in this locality, it may be appropriate to undertake a ground magnetics survey over the area. It would have the potential to not only track the dykes under cover, but may also identify important altered zones which were a focus for mineralisation.

- The sulphidic nature of mineralisation in the East Pyramid Range area indicates that electrical geophysics IP , Sub Audio Magnetcs (SAM) and EM would be effective exploration tools to develop targets with bulk size potential.

Additional phases of exploration planned for the Pyramid Project.

In addition to the exploration programs at Gettysberg-Sellheim and Breccia Hill -Tandoori, the Company has reviewed previous exploration data associated with two other prospects located within the greater Pyramid project at **Marrakesh-Madras** and **Pradesh.**

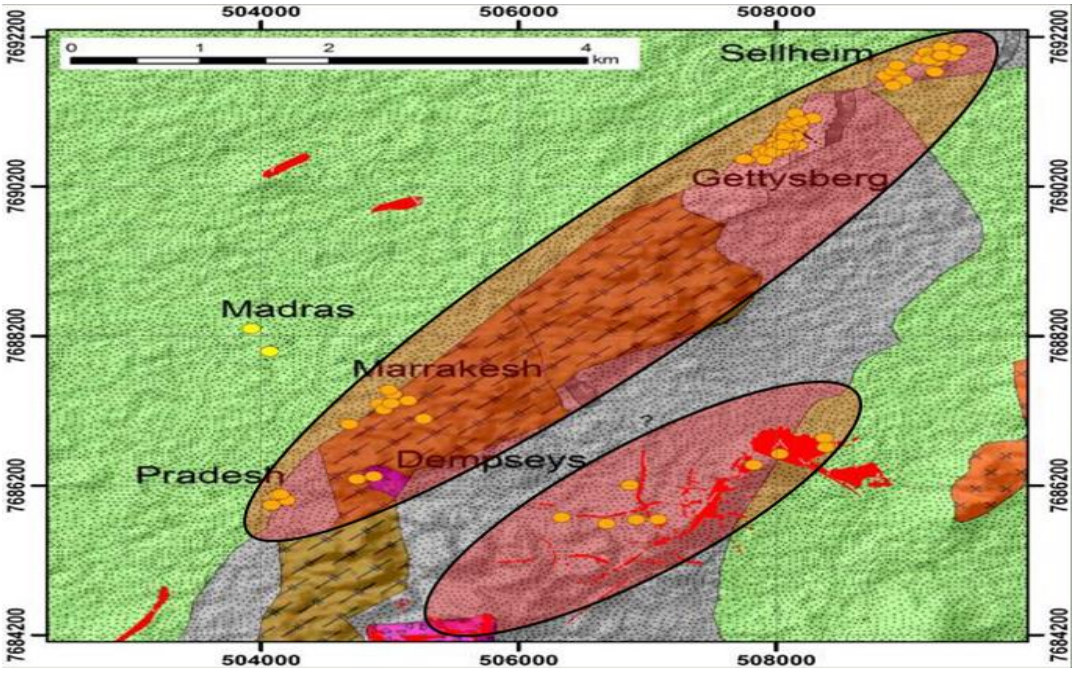

Figure 10. Western Pyramid range – Marrakesh Pradesh and Madras.

Field mapping has been planned to verify the existence of the interpreted structures as well as clarify kinematics and any offsets.

Pradesh, at the southern end of the West Pyramid Range area, is located along the boundary between the Drummond Basin and the Anakie Inlier or Ukalunda beds. ERA Maptec (1999) considered it to be associated with primarily NNE trending sinistral faulting, based on Anakie foliation trends along the Anakie-St Anns boundary. Their interpretation of NNE trending sinistral faulting is consistent with reported outcrops of breccia and cataclasite in the area .

These outcrops are located about 750 m southeast of Pradesh on a trend parallel to the identified faulting . Pradesh also seems to be located westwards along the projection of an indeterminate fault. Overall, the geology and structural context of the substantial soil anomaly located at Pradesh is poorly understood

Southern Queensland Projects

(Includes; Yarrol EPM8402, Mt Steadman EPM12834). No significant exploration work was undertaken on the Southern Queensland Project during the December quarter.

Tenement Status

Lease		Current Area	Area Units	Grant Date	Expiry Date	Holder	EA
Mt Garent							
ML20066		1.5	Hectares	30-Jan-92	30-Jun-21	AVIR	EPSL00266113
Pyramid							
EPM12887		16	Sub-Blocks	5-Aug-04	4-Aug-20	MGTM	EPSX00705113
EPM19554		14	Sub-Blocks	16-Dec-14	15-Dec-19	MGTM	EPSX00705113
EPM25154		49	Sub-Blocks	23-Feb-15	22-Feb-20	AVIR	EPSX00899513
Southern Queensland							
EPM12834		4	Sub-Blocks	17-Dec-99	16-Dec-18	MGTM	EPSX00600613
EPM8402		4	Sub-Blocks	13-Nov-91	12-Nov-19[1]	MGTM	EPSX0060071

[1] *Renewal application lodged.*

-ENDS-

Forward looking statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Ian Prentice. Mr Prentice is a consultant geologist for AVW and a member of the Australian Institute of Mining and Metallurgy. Mr Prentice has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code"). Mr Prentice consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

APPENDIX 1. JORC CODE TABLE

Section 2: Sampling Techniques and Data

Criteria	*Explanation*	*Commentary*
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips or specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.) These examples should not be taken as limiting the broad meaning of sampling* *Include reference to measures taken to ensure sampling representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. Reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay').* *In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	*The key components of the survey were sieved soil samples at a 200m line spacing x 50m sample spacing, in order to delineate gold target areas and multi-element metal zoning.* *Each sample was pulverised. Gold was analysed using a 50 gram fire assay, with an AAS finish, ore-grade technique; (Method Au-AA26)*
Drilling Techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc.)*	*Not Applicable*
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	*Not Applicable*
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies*	*Geological logging was carried out by well-trained/experienced geologists and data entered via a well-developed logging system designed to capture descriptive geology, coded geology*

	Whether logging is qualitative or quantitative in nature. Core (or costean, channel etc.) photography. *The total length and percentage of the relevant intersections logged.*	*and quantifiable geology. All logs were checked for consistency by the Principal Geologist. Data captured through Excel spread sheets and Explorer 3 Relational Data Base Management System.* *Elsewhere, coarse lag samples have proven to enhance gold and multi-element surveys because they result in the analysing of material that may contain significant mineralisation, but be discarded in a -80 mesh silt fraction soil survey. Systematic descriptions of the lag samples show that mineralised material in the form of gossanous and iron oxide fragments, ferruginous iron stained fragments and altered felsic material are present in the East Pyramid Range survey/ 375 lag samples have been described and sent away for analysis, but results have not yet been received.*
Sub-sampling techniques and sampling preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximize representativity of samples.*	*Not Applicable* *Not Applicable* *The sample preparation was conducted according to industry best practice.* *QA/QC protocols were instigated such that they conform to mineral industry standards and are compliant with the JORC code. Terra Search's input into the Quality Assurance (QA) process with respect to chemical analysis of mineral exploration samples includes the addition of blanks, standards and*

	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. *Whether sample sizes are appropriate the grain size of the material being sampled.*	*duplicates to each batch so that checks can be done after they are analysed. As part of the Quality Control (QC) process, Terra Search checks the resultant assay data against known or previously determined assays to determine the quality of the analysed batch of samples.* *An assessment is made on the data and a report on the quality of the data is compiled.* *Comparison of assays of duplicates shows reasonably good reproducibility of results.* *The sample sizes are considered to be appropriate to represent the style of the mineralisation, the thickness and consistency of the intersections.*
Quality of analysis and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* *For geophysical tools, spectrometers, handheld XRF instruments, etc. the parameters used in determining the analysis including instrument make and model, reading times, calibration factors applied and their derivation, etc* *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	*Assays were conducted at ALS Laboratories, Gold was analysed using an ore grade technique: 50 gram fire assay with an AAS finish. The fire assay technique (Method Au-AA26) is considered total.* *No additional tools were used.* *Certified geochemical standards and blank samples were inserted into the assay sample sequence. Laboratory assay results for these quality control samples are within 5% of accepted values. ALS also inserted blanks and duplicated samples which returned good agreement.*

Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holdes* *Documentation of primary data, data entry procedures, data verifications, data storage (physical and electronic) protocols. Discuss any adjustment to assay data*	*Significant intersections were verified by Terra Search Pty Ltd, the independent contractors who conducted drilling.* *Not Applicble* *Data is collected by qualified geologists and experienced field assistants and entered into excel spreadsheets. No adjustments are made to the data. Data is imported into the database in its original raw format.*
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	*Coordinate system is UTM Zone 55 and datum is GDA94* *No Digital Terrain Model available.*
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the Degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	*The key components of the survey were sieved soil samples at a 200m line spacing x 50m sample spacing, in order to delineate gold target areas and multi-element metal zoning.* *Further exploration work is necessary to establish a Mineral Resource.* *No sample compositing has been applied*
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* *If the relationship between drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material*	*No orientation based sampling bias has been identified in the data at this point.* *Not applicable*
Sample security	*The measures taken to endure sample security.*	*Chain of custody was managed by Terra Search Pty Ltd. Samples never left their possession from drill site to direct transfer to ALS laboratories.*

Audits or reviews	*The results of any audits or reviews of sampling techniques and data*	*To date there has not been an audit of sampling techniques and data.*

Section 2: Reporting of Exploration Results

Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	*EPM12887& EPM 19554 'Pyramid' is 100% held by MGT Mining Ltd. MGT Mining is an 89.48% owned subsidiary of MGT Resources Limited. EPM 12887 contains some areas which are classified as environmentally sensitive areas as these areas contain endangered ecosystems, river improvement areas and the catchment area for the Burdekin Falls Dam. MGT has an exploration agreement with the Native Title claimants in the area, the Jangga People. There are no known sites of cultural heritage significance listed within the EPMs.*
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	*The Pyramid Project is located near the Sellheim River area, where numerous small silver-lead-zinc deposits were worked during the late 1880's, including the Sunbeam, Sunset, Carrington and Walhalla deposits.* *Following the discovery of the Pajingo epithermal gold deposit, systematic regional exploration of the region was conducted by Battle Mountain (Australia) Inc. (Pajingo Gold Mine Pty Ltd) during 1986 to 1989. Exploration included 1:20,000 scale geological mapping, followed up by stream sediment (BCL and pan concentrate) surveys and drill testing, which intersected gold mineralisation at the Sellheim prospect.* *Dalrymple Resources N.L. held EPM 7621 during 1990 to 1992 in joint venture with Reynolds Australia Mining Ltd. after evaluating the region. Terra Search Pty. Ltd. were contracted by Dalrymple to manage the exploration program. Initially helicopter traversing was utilised to examine Thematic Mapper™ anomalies and a stream sediment sampling survey, and BCL sampling, was undertaken, locating the Sellheim South prospect. Follow up geological mapping, trenching and soil sampling was conducted.* *Initial RC drilling by Dalrymple on several prospects met with some success. During 1993, detailed colour*

		aerial photography was flown at 1:5,000 scale by QASCO in order to assist with geological mapping. In an effort to resolve the complicated structural picture of the area and identify new target areas, a structural interpretation was completed by ERA Maptec. *Dalrymple Resources dropped the tenement, EPM 12887 was granted to Chalcophile Resources in 2005. Chalcophile Resources drill-tested the Gettysberg prospect, with positive results in late 2005. A ground magnetic survey conducted indicated there was little to no magnetic contrast between stratigraphic units within the tenement.*
Geology	*Deposit type, geological setting and style of mineralisation*	*The Pyramid Project lies in the northeast of mineralisation. Of the Devonian to Carboniferous Drummond Basin and contains a north- northeast trending inlier of Late Ordovician Anakie Metamorphics. The inlier of Anakie Metamorphics divides this region from the main area of Drummond Basin sedimentation to the west. A thick wedge of the Late Carboniferous Bulgonunna Volcanics forms the Bulgonunna Block to the east. The Saint Anns Formation is the host to epithermal gold mineralisation in the Drummond Basin at the Pajingo, Yandan, Wirralie and Twin Hills gold deposits, with mineralisation related to hot spring hydrothermal systems developed on the margins of coeval rhyodacite volcanic activity on the silver hills volcanics. The most significant mineralization developed within the Pyramid project area is the epithermal style quartz veins and the chlorite-pyrite-sericite-stylolitic veinlets and breccia matrix infill.*
Drill hole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *Easting and northing of the drill hole collar* • *Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *Dip and azimuth of the hole* • *Down hole length and interception depth* • *Hole length*	*Not applicable.*

	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case	
Data aggregation methods	*In reporting Exploration Results weighing averaging technique, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations be shown in detail*	*A cut-off grade of 0.3g/t gold is applied. Several of the reported intercepts include 2m intervals of Dilution.* *Not applicable*
Relationship between mineralisation widths and intercept lengths	*The relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. down hole length, true width not known).*	*Not applicable*
Diagrams	*Appropriate maps and sections (with scale) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	*See attached figures.*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practised to avoid misleading reporting of Exploration Results.*	*Only significant intercepts reported.*
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	*Not applicable.*
Further work	*The nature and scale of planned further work (e.g. test for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	*The soil sampling data will be reviewed in greater depth when the lag sample assays are returned. Principle Component Analysis (PCA) will be used to identify multi-element correlations and potentially discriminate between major lithological subdivisions and their relationship to mineralised samples.*

		A combination of PCA, existing geological mapping, and remote sensing may be used to better delineate geological boundaries and potentially mineralising structures. *Given that anomalous Au soil results were encountered on each edge of the grid, consideration is currently being given to expand the area of coverage with a further soil sampling program. At the same time, the 1.4km gap could be filled, and ground follow up should occur on the best geochemical anomalies. See attached figures and images.*

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Avira Resources Limited

ABN	**Quarter ended ("current quarter")**
38 131 715 645	31 December 2018

Consolidated statement of cash flows		**Current quarter (Dec 2018) $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(83)	(156)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs (including Director Fees)	(32)	(49)
	(e) administration and corporate costs	(137)	(262)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	5	5
1.9	**Net cash from / (used in) operating activities**	**(246)**	**(461)**

Consolidated statement of cash flows		Current quarter (Dec 2018) $A'000	Year to date (6 months) $A'000
2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	--	1,346
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(14)	(155)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(14)**	**1,192**

Consolidated statement of cash flows		Current quarter (Dec 2018) $A'000	Year to date (6 months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,390	400
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(246)	(461)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(14)	1,192
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,130**	**1,130**

5.	Reconciliation of cash and cash equivalents *At the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts*	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,130	1,390
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,130**	**1,390**

6.	Payments to directors of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	32
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Payment of director's fees, reimbursements and corporate administration expenses including rent.

7.	Payments to related entities of the entity and their associates	Current quarter $A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8.	Financing facilities available *Add notes as necessary for an understanding of the position*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9.	Estimated cash outflows for next quarter	$A'000
9.1	Exploration and evaluation	50
9.2	Development	-
9.3	Production	-
9.4	Staff costs	32
9.5	Administration and corporate costs	120
9.6	Other	-
9.7	**Total estimated cash outflows[1]**	**202**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A	N/A	N/A	N/A
10.2	Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Sign here: ..... Date: 31 January 2019

Company Secretary

Print name: Sonu Cheema

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.