



AVENIRA LIMITED
ACN 116 296 541

PROSPECTUS

For a fully underwritten non-renounceable pro rata entitlement offer of two (2) New Shares for every seven (7) Shares held by Eligible Shareholders at the Record Date at an issue price of \$0.008 per New Share to raise up to approximately \$1,158,556 (before costs) (**Entitlement Offer**).

The Entitlement Offer is currently expected to close at 5.00pm (WST) on 14 August 2020. Valid applications must be received before that time. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Entitlement under the Entitlement Offer.

This Prospectus also contains an offer of Lead Manager Options to the Lead Manager (**Lead Manager Offer**)

This Prospectus is also being issued in order to facilitate secondary trading of the Tranche 1 Placement Shares and the underlying securities to be issued upon the exercise of the Lead Manager Options.

THIS IS AN IMPORTANT DOCUMENT WHICH REQUIRES YOUR IMMEDIATE ATTENTION AND SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR STOCKBROKER, ACCOUNTANT, SOLICITOR, OR OTHER PROFESSIONAL ADVISOR.

AN INVESTMENT IN THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED HIGHLY SPECULATIVE IN NATURE.

IMPORTANT INFORMATION

General

This Prospectus is dated, and was lodged with ASIC, on 16 July 2020. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation by ASX of the Securities offered under this Prospectus.

A copy of this Prospectus is available for inspection at the Australian registered office of the Company at Suite 6, 100 Mill Point Road, South Perth, Western Australia during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Sections 7.1 and 7.15).

No person or entity is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offer.

Application Forms

The Application Forms accompanying this Prospectus are important.

Acceptance of New Shares under the Entitlement Offer can only be submitted on an Application Form sent with a copy of this Prospectus by the Company. If acceptance is by BPAY® there is no need to return an Application Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement. Please refer to the instructions in Section 4 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Entitlement Offer detailed in this Prospectus.

Eligibility

Eligible Shareholders can only take up their Entitlements by completing and returning the Entitlement Acceptance Form, accompanying this Prospectus. The Entitlement Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Entitlement Offer.

Overseas Shareholders

This Prospectus does not, and is not intended to, constitute an offer of Securities in any place or jurisdiction in which, or to any person to whom, it would be unlawful to make such an offer or to issue this Prospectus.

The Offers are not being extended, and Securities will not be issued, to Shareholders with a registered address which is outside Australia and New Zealand. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions (other than those mentioned above) having regard to the number of overseas Shareholders, the number and value of Securities these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

No action has been taken to permit the offer of New Shares to existing Shareholders in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand is restricted by law and persons outside of Australia and New Zealand should observe such restrictions. Any failure to comply with these restrictions may constitute a violation of applicable securities laws.

Continuously Quoted Securities

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

Exposure Period

No exposure period applies to the Offers.

Speculative Investment

An investment in the New Shares should be considered highly speculative. Refer to Section 5 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for New Shares should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the Securities.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering applying for Securities have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that the New Shares will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Forward-looking Statements

This Prospectus contains forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' 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 Prospectus, 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 management of the Company. Key risks associated with an investment in the Company are detailed in Section 5. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has 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 Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in 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.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Diagrams

Any diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Currency

All financial amounts contained in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding.

Time

All references to time in this Prospectus are references to WST, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 9.

CORPORATE DIRECTORY

Directors

Brett Clark	Executive Chairman
Winnie Lai Hadad	Non-Executive Director
Kevin Dundo	Non-Executive Director

Company Secretary

Graeme Smith

Registered Office

Suite 6, 100 Mill Point Road
South Perth WA 6151

Telephone: (08) 9264 7000

Website: www.avenira.com

ASX Code: AEV

Share Registry

Computershare Investor Services Pty Limited
Level 11, 172 St Georges Terrace
Perth, WA 6000
Telephone: 1300 787 272

Lawyers

DLA Piper Australia
Level 21
240 St Georges Terrace
Perth WA 6000

Lead Manager and Underwriter

Taylor Collison Limited
Level 16
211 Victoria Square
Adelaide SA 5000

Auditor*

Ernst & Young
11 Mounts Bay Road
Perth, WA 6000

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

INDICATIVE TIMETABLE*

Event	Date
Lodgement of Prospectus with ASIC and ASX	16 July 2020
Company sends letters to Ineligible Shareholders	17 July 2020
"Ex" Date	20 July 2020
Record Date (at 5:00pm WST)	21 July 2020
Prospectus and Entitlement and Acceptance Form dispatched to Eligible Shareholders	24 July 2020
Entitlement Offer Opening Date	24 July 2020
Anticipated despatch of Notice of General Meeting	29 July 2020
Last day to extend the Entitlement Offer Closing Date	11 August 2020
Entitlement Offer Closing Date (at 5:00pm WST)	14 August 2020
Entitlement Offer Shares quoted on a deferred settlement basis	17 August 2020
Notification of Shortfall	19 August 2020
Issue of New Shares under Entitlement Offer	21 August 2020
Anticipated General Meeting to approve the Lead Manager Offer and issue of the Tranche 2 Placement Shares	31 August 2020
Anticipated Lead Manager Offer Closing Date	2 September 2020
Anticipated issue date of Lead Manager Options and Tranche 2 Placement Shares	7 September 2020

*The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Offers at any time prior to allotment. In that event, the relevant Application Monies will be returned without interest.

LETTER FROM THE CHAIRMAN

Dear Shareholder

Avenira Limited ACN 116 296 541 (the **Company** or **Avenira**) is pleased to present this Entitlement Offer to Shareholders.

The Entitlement Offer is a non-renounceable pro-rata entitlement offer to Shareholders of two (2) New Shares for every seven (7) Shares held by Eligible Shareholders at an issue price of \$0.008 per New Share to raise up to approximately \$1,158,556 (before costs). The Entitlement Offer is made to all Shareholders with a registered address in Australia and New Zealand on the Record Date, being 21 July 2020. The Entitlement Offer is fully underwritten by Taylor Collison Limited (**Taylor Collison**).

On 6 July 2020, the Company announced that it had completed a two-tranche placement of 277,280,000 Shares to sophisticated and institutional investors at \$0.008 per Share to raise approximately \$2,218,240 (before costs), comprising:

1. **Tranche 1:** 66,113,238 Shares utilising the Company's existing 7.1 placement capacity (**Tranche 1**); and
2. **Tranche 2:** subject to shareholder approval to be sought at a general meeting to be held in late August 2020, 211,166,762 Shares (**Tranche 2**),

(**Placement**). The Placement is not underwritten.

Avenira intends to utilise the funds raised from the Placement and the Entitlement Offer for the following:

1. to conduct a drilling program at the Jundee South Project;
2. continued exploration at the Jundee South Project and studies for the Wonarah Phosphate Project;
3. costs of the Placement and Entitlement Offer; and
4. ongoing working capital requirements.

Further information about the Company and its operations is contained in publically available documents lodged by the Company with ASIC and ASX. This Prospectus should be read in conjunction with this material.

There are a number of risks associated with investing in the share market generally and the Company specifically. The Shares must be regarded as highly speculative. Investors should read this Prospectus in its entirety before deciding to invest and in particular, consider the risks detailed in Section 5.

On behalf of the Board, I would like to thank you for considering the Entitlement Offer. We greatly appreciate your continued support.

Yours faithfully



Brett Clark
Executive Chairman
Dated: 16 July 2020

TABLE OF CONTENTS

1.	Investment Overview	8
2.	Details of the Entitlement Offer	11
3.	Effect of the Placement and Offers and Control of the Company	18
4.	Action required by Entitlement Offer	21
5.	Risks	25
6.	Rights attaching to New Shares and Lead Manager Options	30
7.	Additional information	34
8.	Authorisation	42
9.	Glossary	43
	Schedule 1: Underwriting Agreement Termination Events	46

1. Investment Overview

Topic	Summary	Further information
What is the Entitlement Offer?	The Company is offering two (2) New Shares for every seven (7) Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.008 per New Share to raise approximately \$1,158,556 (before costs).	Section 2.1
What is the Placement?	<p>On 6 July 2020, the Company announced that it had secured firm commitments for a placement of Shares to sophisticated and institutional investors at \$0.008 per Share to raise \$2,218,240 (before costs).</p> <p>The Placement comprises two tranches as follows:</p> <ol style="list-style-type: none"> Tranche 1: 66,113,238 Shares issued on 15 July 2020 under the Company's existing 7.1 placement capacity; and Tranche 2: subject to shareholder approval to be sought at a general meeting to be held in August 2020, 211,166,762 Shares to be issued in or about late August 2020. 	Section 2.2
What is the purpose of the Entitlement Offer?	<p>The purpose of the Entitlement Offer is to raise up to approximately \$1,158,556 (before costs).</p> <p>The funds raised from the Entitlement Offer and the Placement will be used for:</p> <ul style="list-style-type: none"> to conduct a maiden drilling program at the Jundee South Project; continued exploration at the Jundee South Project and studies at the Wonarah Phosphate Project; costs of the Placement and Entitlement Offer; and ongoing working capital requirements. 	Section 2.6
What are key risks associated with an investment in the Company?	<p>Some of the key risks of investing in the Company are detailed below. The list of risks is not exhaustive and further details of these risks and other risks associated with an investment in the Company are detailed in Section 5.</p> <p>In undertaking its business activities, the Company will be exposed to risks, which include, but are not limited to:</p> <ul style="list-style-type: none"> COVID-19: The global economic outlook is facing uncertainty due to the current COVID-19 pandemic which is impacting global capital markets. The Company has not been immune to the economic disruption caused by the pandemic. Additional Requirement for Funding: The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its project, future exploration 	Section 5

Topic	Summary	Further information
	<p>and work programs and the acquisition of new projects.</p> <ul style="list-style-type: none"> • Exploration Risk: The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. • Resource Estimates: Any resource estimate will be an expression of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. • Ability to Exploit Successful Discoveries: It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. 	
What is the effect of the Entitlement Offer on the Company?	The maximum number of New Shares that will be issued under the Entitlement Offer (subject to rounding) is 144,819,475 New Shares (the New Shares).	Section 3.1
Is the Entitlement Offer subject to a minimum subscription?	No.	Section 2.7
Who can participate in the Entitlement Offer?	Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia or New Zealand on the Share Register, may participate in the Entitlement Offer.	Sections 2.1 and 4.1
How do I accept my Entitlement?	All Eligible Shareholders are entitled to participate in the Entitlement Offer. If you wish to accept all or part of your Entitlement, you must complete your Entitlement and Acceptance Form that accompanies this Prospectus and send it to the Share Registry together with payment by cheque, bank draft or money order or follow the instructions to pay via BPAY®.	Section 4.1
Can I sell or transfer my Entitlement under the Entitlement Offer?	No, as the Entitlement Offer is non-renounceable, you cannot sell or transfer any of your Entitlement. There will be no trading of Entitlements on ASX.	Section 2.5

Topic	Summary	Further information										
Is the Entitlement Offer underwritten?	<p>Yes. The Entitlement Offer is fully underwritten by Taylor Collision.</p> <p>Taylor Collision has entered into sub-underwriting agreements with various non-related parties of the Company.</p>	Section 2.10										
How will Shortfall be allocated?	Eligible Shareholders may not apply for Shortfall Shares. Any Entitlements not taken up pursuant to the Entitlement Offer will be dealt with in accordance with the Underwriting Agreement.	Section 2.8										
What is the Lead Manager Offer?	<p>The Company is offering up to 12 million new Options to the Lead Manager (or its nominee) in consideration for facilitating the Placement.</p> <p>The Lead Manager Offer is subject to the Company obtaining Shareholder approval at the General Meeting. The Lead Manager Offer may only be accepted by the Lead Manager (or its nominee).</p>	Section 2.3										
Key dates	<table><tr><td>Ex-Date</td><td>20 July 2020</td></tr><tr><td>Record Date (at 5.00pm WST)</td><td>21 July 2020</td></tr><tr><td>Opening Date</td><td>24 July 2020</td></tr><tr><td>Closing Date (at 5.00pm WST)</td><td>14 August 2020</td></tr><tr><td>Issue date of New Shares</td><td>21 August 2020</td></tr></table>	Ex-Date	20 July 2020	Record Date (at 5.00pm WST)	21 July 2020	Opening Date	24 July 2020	Closing Date (at 5.00pm WST)	14 August 2020	Issue date of New Shares	21 August 2020	See Indicative Timetable on page 5
Ex-Date	20 July 2020											
Record Date (at 5.00pm WST)	21 July 2020											
Opening Date	24 July 2020											
Closing Date (at 5.00pm WST)	14 August 2020											
Issue date of New Shares	21 August 2020											
Enquiries concerning Prospectus	Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9264 7000.	Section 2.22										

2. Details of the Entitlement Offer

2.1 Entitlement Offer

The Entitlement Offer is a fully underwritten non-renounceable pro rata entitlement issue of two (2) New Shares for every seven (7) Shares held by Eligible Shareholders on the Record Date at an issue price of \$0.008 per New Share to raise up to \$1,158,556 (before costs) (**Entitlement Offer**).

Under this Prospectus, Eligible Shareholders, being Shareholders on the Record Date with a registered address in Australia or New Zealand, are eligible to participate in the Entitlement Offer.

At the date of this Prospectus, the Company has on issue:

Class	Number
Shares	506,868,164 ¹
Options	48,000,000 ²

Note:

1. Includes the Tranche 1 Placement Shares issued on 15 July 2020.
2. Options on the ASX comprising of 24,000,000 Options exercisable at \$0.0200 per Option and expiring on 30 November 2022 and 24,000,000 Options exercisable at \$0.0300 per Option and expiring on 30 November 2022.

The holders of existing Options will not be entitled to participate in the Entitlement Offer without first exercising their Options.

Assuming no Options are exercised before the Record Date, approximately 144,819,476 New Shares may be issued under the Entitlement Offer (subject to rounding).

Where the determination of the Entitlement of any Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

All of the New Shares will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 6.1 for a summary of the rights attaching to New Shares.

2.2 Placement

On 6 July 2020, the Company announced that it had secured firm commitments for a placement of Shares to sophisticated and institutional investors at \$0.008 per Share to raise \$2,218,240 before costs) (**Placement**).

The Placement comprises two tranches as follows:

- (a) **Tranche 1:** 66,113,238 Shares issued on 15 July 2020 under the Company's existing 7.1 placement capacity (**Tranche 1 Placement Shares**); and
- (b) **Tranche 2:** subject to shareholder approval to be sought at a general meeting to be held in August 2020, 211,166,762 Shares to be issued in or about late August 2020 (**Tranche 2 Placement Shares**).

This Prospectus has also been issued to facilitate secondary trading of the Tranche 1 Placement Shares as they were issued without disclosure under Part 6D.2 of the Corporations Act. A prospectus is required under the Corporations Act to enable the recipients of the Tranche 1 Placement Shares to on-sell those Tranche 1 Placement Shares within 12 months of their issue. The Company did not issue the Tranche 1 Placement Shares with the purpose of the persons to whom they were issued selling or transferring the Tranche 1 Placement Shares, or granting, issuing or transferring interests in the Tranche 1 Placement Shares within 12 months of the issue, however this Prospectus provides them with the ability to do so should they wish.

The Tranche 1 Placement Shares were issued prior to the Record Date. Therefore, participants in the Tranche 1 of the Placement will be eligible to participate in the Entitlement Offer.

Mr Kevin Dundo, Director, (or his nominee) has subscribed for 6,250,000 Tranche 2 Placement Shares. The issue of the Tranche 2 Placement Shares to Mr Dundo is conditional upon the Company obtaining Shareholder approval at the General Meeting.

A prospectus will be issued to facilitate secondary trading of the Tranche 2 Placement Shares as they will be issued without disclosure under Part 6D.2 of the Corporations Act. A prospectus is required under the Corporations Act to enable the recipients of the Tranche 2 Placement Shares to on-sell those Tranche 2 Placement Shares within 12 months of their issue. The Company will not issue the Tranche 2 Placement Shares with the purpose of the persons to whom they were issued selling or transferring the Tranche 2 Placement Shares, or granting, issuing or transferring interests in the Tranche 2 Placement Shares within 12 months of the issue, however the prospectus will provide them with the ability to do so should they wish.

2.3 Lead Manager Offer

This Prospectus also includes an offer of up to 12 million Options (**Lead Manager Options**), comprising:

- (a) 6 million Options with an exercise price of \$0.025 and an expiry date of 3 years from the date of issue; and
- (b) 6 million Options with an exercise price of \$0.035 and an expiry date of 3 years from the date of issue,

to Taylor Collison Limited (or its nominee) (**Lead Manager**) as part of fees payable to the Lead Manager in respect to the Company's Placement (**Lead Manager Offer**).

The Lead Manager Offer is conditional on receipt of Shareholder approval for the issue of the Lead Manager Options at the general meeting of Shareholders which is anticipated to be held on or about 31 August 2020 (**General Meeting**).

The Lead Manager Options offered under this Prospectus will have the terms and conditions detailed in Section 6.2.

The Lead Manager Offer is being made with disclosure under this Prospectus to facilitate secondary trading of the Shares to be issued upon exercise of the Lead Manager Options. Issuing the Lead Manager Options under this Prospectus will enable persons who are issued the Lead Manager Options to on-sell the Shares issued on exercise of the Lead Manager Options pursuant to ASIC Corporations Instrument 2016/80.

The Lead Manager (and/or its nominees) should refer to Section 2.12(b) for details of how to accept the Lead Manager Options.

2.4 Purpose of the Prospectus

Accordingly, the purpose of this Prospectus is to:

- (a) make the Offers;
- (b) ensure that the on-sale of the underlying Shares to be issued upon exercise of the Lead Manager Options is in accordance with ASIC Corporations Instrument 2016/80; and
- (c) ensure that the on-sale of the Tranche 1 Placement Shares does not breach section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in section 708A(11) of the Corporations Act.

2.5 No rights trading

The rights to New Shares under the Entitlement Offer are non-renounceable. Accordingly, there will be no trading of rights on ASX and you may not dispose of your rights to subscribe for New Shares under the Entitlement Offer to any other party. If you do not take up your Entitlement to New Shares under the Entitlement Offer by the Entitlement Offer Closing Date, your Entitlement will lapse.

2.6 Reasons for the Entitlement Offer and Placement and funding allocation

Completion of the Entitlement Offer will result in an increase in additional cash in hand of up to approximately \$1,158,556 (before associated costs, assuming that no Options are exercised, prior to the Record Date).

The main purpose of the Entitlement Offer and the Placement is to raise funds for:

- (a) the Company's current projects including Jundee South Project and Wonarah Phosphate Project;
- (b) to undertake a drilling program on the Jundee South Project;
- (c) costs of the Placement and Entitlement Offer; and
- (d) general working capital.

The Company intends to apply the funds raised from the Entitlement Offer and the Placement as follows:

Description	(\$)
Existing operations at the Jundee South Project and Wonarah Phosphate Project	600,000
To undertake a drilling program on the Jundee South Project	1,559,230
Costs of the Placement and Entitlement Offer	259,314
General working capital	958,251
TOTAL	3,376,795

The above table is a statement of the Board's current intentions as at the date of this Prospectus. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

2.7 Minimum subscription

There is no minimum subscription for the Entitlement Offer. The Entitlement Offer is fully underwritten on the terms detailed in Section 7.6.

If there are remaining Shortfall Shares due to a default under or termination of the Underwriting Agreement, the Company reserves the right to proceed to allocate the New Shares under the Entitlement Offer and to issue the remaining Shortfall Shares within three months after the Closing Date at its absolute discretion.

2.8 Shortfall allocation policy

No shortfall offer is made pursuant to this Prospectus and Eligible Shareholders may not apply for Shortfall Shares. Any Entitlement not taken up pursuant to the Entitlement Offer will form part of the Shortfall and be dealt with in accordance with the Underwriting Agreement.

If there are remaining Shortfall Shares due to a default under or termination of the Underwriting Agreement, the Company reserves the right to proceed to allocate New Shares under the Entitlement Offer and to issue the remaining Shortfall Shares within three months after the Closing Date at its absolute discretion.

2.9 Opening and closing dates

The Company will accept Entitlement and Acceptance Forms in respect of the Entitlement Offer from Eligible Shareholders from the Opening Date until 5.00pm (WST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the Listing Rules.

Payment made by BPAY® must be received no later than 5.00pm (WST time) on the Closing Date. It is the responsibility of all Eligible Shareholders to ensure that their BPAY® payments are received by the Company on or before the Closing Date.

The closing date for the Lead Manager Offer is 2 September 2020 (**Lead Manager Closing Date**). The Company will accept the Lead Manager Offer Application Forms from the Opening Date until the Lead Manager Closing Date.

The Company reserves the right, subject to the Corporations Act and the Listing Rules, to extend the closing dates of the Offers without prior notice. If a closing date is varied, subsequent dates may also be varied accordingly.

2.10 Underwriting

(a) Underwriting

The Entitlement Offer is fully underwritten by Taylor Collison pursuant to the Underwriting Agreement.

Refer to Section 7.6 for additional information regarding the Underwriting Agreement.

(b) Sub-Underwriting

Taylor Collison has entered into sub-underwriting agreements with various non-related parties of the Company for the Underwritten Amount.

Refer to Sections 0 and 7.7 for additional information regarding the sub-underwriting agreements.

2.11 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the risks applicable to the Company and its business detailed in Section 5, Eligible Shareholders should be aware that an investment in the New Shares should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 5), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

2.12 Application Forms

(a) Entitlement Offer

Acceptance of a completed Entitlement and Acceptance Form, or alternatively, a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision whether to treat a completed Entitlement and Acceptance Form as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

A personalised Entitlement and Acceptance Form will be issued to the Eligible Shareholders together with a copy of this Prospectus.

(b) Lead Manager Offer

The Lead Manager Offer is an offer to the Lead Manager (and/or their nominees) only.

Only the Lead Manager (and/or their nominees) can accept the Lead Manager Options under the Lead Manager Offer. A personalised Lead Manager Offer Application Form will be issued to the Lead Manager (and/or their nominees) together with a copy of this Prospectus. The Company will only provide a Lead Manager Offer Application Form to the Lead Manager.

2.13 Issue and Dispatch

All Securities under the Offers are expected to be issued on or before the dates specified in the Indicative Timetable.

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their holding statements will do so at their own risk.

2.14 Application Monies held on trust

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Shares are issued. All Application Monies will be returned (without interest) if the New Shares are not issued.

2.15 ASX quotation

Application will be made to ASX no later than seven days after the date of this Prospectus for Official Quotation of the New Shares offered under this Prospectus. If ASX does not grant Official Quotation of the New Shares within three months after the date of this Prospectus (or such period as the ASX allows), no New Shares will be issued or allotted under the Offers and the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the Securities.

2.16 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the Corporations Act.

2.17 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by the Share Registry and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

2.18 Foreign Shareholders

The Entitlement Offer is not being extended to any Shareholders whose registered address is outside Australia or New Zealand. The Company is of the view that it is unreasonable to make the Entitlement Offer to Shareholders outside Australia or New Zealand, having regard to:

- (a) the number of those Shareholders;
- (b) the number and value of Shares to be offered to those persons; and
- (c) the cost of complying with overseas legal requirements.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia or New Zealand. The Company is not required to make offer under this Prospectus to Shareholders other than in Australia or New Zealand. Where this Prospectus has been dispatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the Entitlement Offer, this Prospectus is provided for information purposes only.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

2.19 Taxation implications

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Securities.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. Applicants should consult their own professional tax adviser to obtain advice in relation to the taxation laws, regulations and implications applicable to their personal circumstances.

2.20 Major activities and financial information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2019 is contained in the Annual Report which is available on the Company's website at www.avenira.com.

A summary of the major activities and financial information relating to the Company for the half year ended 31 December 2019 is contained in the Half Yearly Report which is available on the Company's website at www.avenira.com.

The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report for the year ended 30 June 2019 with ASX on 08 October 2019 are detailed in Section 7.1.

Copies of these documents are available free of charge from the Company or the Company's website: www.avenira.com. Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Entitlement Offer.

2.21 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on Application Form, the Company may not accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

2.22 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company Secretary on +61 (08) 9264 7000.

3. Effect of the Placement and Offers and Control of the Company

3.1 Capital structure on completion of the Placement and Offers

On the basis that the Company completes the Placement and Offers, the Company's capital structure will be as follows:

	Number of Shares	Number of Options
Balance as at the date of this Prospectus	506,868,164	48,000,000 ¹
Entitlement Offer	144,819,475 ²	-
Lead Manager Offer	-	12,000,000
Tranche 2 Placement Shares	211,166,762 ³	-
TOTAL	862,854,401	60,000,000

Notes:

1. Options on the ASX comprising of 24,000,000 Options exercisable at \$0.0200 per Option and expiring on 30 November 2022 and 24,000,000 Options exercisable at \$0.0300 per Option and expiring on 30 November 2022.
2. The New Shares issued under the Entitlement Offer will represent approximately 22% of the enlarged issued share capital of the Company following the Entitlement Offer and allotment of the Tranche 1 Placement Shares.
3. The issue of the Tranche 2 Placement Shares is conditional upon the Company obtaining Shareholder approval at the General Meeting.

3.2 Pro-forma statement of financial position

Set out on the following pages are the Company's Consolidated Statement of Financial Position as at 31 December 2019 (reviewed) and the Company's Pro-Forma Consolidated Statement of Financial Position as at 30 June 2020 (unaudited) (**Statements**).

The Statements are presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statements are the same policies as those outlined in the Company's Annual Report for the year ended 30 June 2019.

The Pro-Forma Statement of Financial Position includes material movements in the assets and liabilities of the Company between 31 December 2019 and the completion of the Entitlement Offer including:

- completion of the Placement to raise \$2,218,240 (before associated costs);
- at full subscription of the Entitlement Offer, the issue of 144,819,475 New Shares at \$0.008 each (subject to rounding and assuming that no Options are exercised before the Record Date) with the terms and conditions detailed in Section 2 to raise up to \$1,158,556 (before associated costs); and
- estimated costs of the Entitlement Offer and Placement of \$259,314.

The accounting policies adopted in the preparation of the pro forma balance are consistent with the accounting policies adopted and described in the Company's Interim Financial Report for the period ended 31 December 2019 and should be read in conjunction with that Financial Report.

No allowance has been made for expenditure incurred in the normal course of business from the date of this Prospectus to the Closing Date.

	Reviewed Balance Sheet as at 31/12/19	Significant changes since 31/12/19	Effect of Placement and Entitlement Offer	Unaudited Pro Forma Balance Sheet Post Placement and Entitlement Offer
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	2,774,536	(1,486,191)	3,117,481	4,405,827
Trade and other receivables	88,121	23,639		111,760
TOTAL CURRENT ASSETS	2,862,657	(1,462,552)	3,117,481	4,517,587
NON CURRENT ASSETS				
Trade and other receivables	1,481,600			1,481,600
Financial assets	15,620	341,491 ¹		357,111
Property, plant and equipment	5,699	(399)		5,300
Intangible assets	38,193	(1,057)		37,136
Exploration and evaluation	5,889,800	520,000 ²		6,409,800
Right of Use Asset	101,733			101,733
TOTAL NON-CURRENT ASSETS	7,532,645	860,035		8,392,680
TOTAL ASSETS	10,395,302	(602,517)	3,117,481	12,910,266
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	104,469	287,610		392,079
Lease liability	29,198			29,198
Provisions		6,415		6,415
TOTAL CURRENT LIABILITIES	133,667	294,025		427,692
NON CURRENT LIABILITIES				
Provisions	1,289,500			1,289,500
Lease liability	74,335			74,335
TOTAL NON-CURRENT LIABILITIES	1,363,835			1,363,835
TOTAL LIABILITIES	1,497,502	294,025		1,791,527
NET ASSETS	8,897,800	(896,542)	3,117,481	11,118,739
EQUITY				
Issued Capital	137,337,161		3,117,481	140,454,642
Reserves	25,191,658	(7,465,464) ³		17,726,194
Accumulated losses	(153,631,019)	6,568,922		(147,062,097)
TOTAL EQUITY	8,897,800	(896,542)	3,117,481	11,118,739

1. Includes the acquisition of 30 million Altan Rio Minerals shares
2. Capitalised exploration at Jundee South including acquisition costs
3. The adjustment relates to the Non-Controlling Interest Reserve. The adjustment was to reinstate the balance back into the reserve, with the corresponding adjustment to reduce the gain on disposal, which then flows through to the retained earnings.
4. The Company has a contingent liability in connection with the sale of the Baobab Project in October 2019

3.3 Control implications and FIRB

At the date of this Prospectus, Au Xingao has a Voting Power of 9,127,818 Shares (representing 1.8% of the Company).

Au Xingao has entered into a sub-underwriting agreement with the Underwriter to subscribe for up to 104,151,298 New Shares.

At the date of this Prospectus, in connection with the Placement and the Entitlement Offer Au Xingao may be issued the following:

- (a) 2,607,948 New Shares under the Entitlement Offer;
- (b) up to 104,151,298 New Shares under its sub-underwriting arrangements; and
- (c) 25,388,032 Tranche 2 Placement Shares (subject to the Company obtaining Shareholder approval).

Accordingly, following allotment of the Tranche 1 Placement Shares and the Entitlement Offer Au Xingao may potentially hold a Voting Power of 19.9% of the Company as a result of its sub-underwriting agreement. For the avoidance of doubt, the Underwriter and the Company will scale-back Au Xingao's sub-underwriting to ensure that its Voting Power and Interest does not increase over 19.9% of the Company as a result of the Placement and Entitlement Offer.

The Entitlement Offer is underwritten by the Underwriter pursuant to the Underwriting Agreement, however sub-underwriting agreements have been entered into for the Underwritten Amount. Assuming no Shareholders take up their Entitlements (which is unlikely), the theoretical maximum number of Shares that may be held by the Underwriter following completion of the Entitlement Offer is 40,668,178 (representing a Voting Power of 6.24%). In practice, because sub-underwriting agreements have been entered into for the Underwritten Amount, it is unlikely that the Underwriter will have any change to the number of Shares it holds following the Entitlement Offer.

4. Action required by Entitlement Offer

4.1 Eligible Shareholders

Your entitlement to participate in the Entitlement Offer will be determined on the Record Date. The number of New Shares which Eligible Shareholders are entitled to is shown on the Entitlement and Acceptance Form accompanying this Prospectus.

If you do not accept your Entitlement, then your percentage holding in the Company will be diluted.

If you are an Eligible Shareholder you may either:

- take up all or part of your Entitlement in accordance with this Prospectus; or
- decline to exercise all or part of your Entitlement and allow it to lapse.

If you are an Eligible Shareholder and wish to accept all or part of your Entitlement:

- carefully read this Prospectus in its entirety;
- consider the risks associated with an investment in the Company (refer to Section 5) in light of your personal circumstances;
- complete the relevant personalised Entitlement and Acceptance Form in accordance with the instructions contained in this Prospectus and detailed on the Entitlement and Acceptance Form; and
- return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 1, so that it is received at the following address by no later than 5.00pm (WST) on the Closing Date:

Avenira Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(a) Acceptance of all of your Entitlement

If you wish to accept all of your Entitlement, then applications for New Shares must be made on the Entitlement Acceptance Form in accordance with the instructions in this Prospectus and on the Entitlement Acceptance Form. Please read the instructions carefully.

Please complete the personalised Entitlement Acceptance Form in accordance with the instructions detailed on the form and return the completed form, together with the Application Monies (in full), in accordance with Section 1, to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Entitlement Offer Closing Date:

Avenira Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(b) **Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the personalised Entitlement Application Form in accordance with the instructions detailed on the form, including the number of New Shares you wish to accept and the Application Monies (calculated at \$0.008 per New Share accepted) and return the completed Entitlement Acceptance Form together with the Application Monies (in full) in accordance with Section 1, to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Entitlement Offer Closing Date:

Avenira Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne VIC 3001

(c) **Allow all or part of your Entitlement to lapse**

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the rights attaching to those Shares will not be affected should you choose not to accept any part of your Entitlement.

(d) **Enquiries concerning your Entitlement**

If you have any queries concerning your Entitlement please contact the Company Secretary on +61 (08) 9264 7000.

4.2 Non-Eligible Shareholders – Foreign Shareholders

If you are a Foreign Shareholder, you may not accept any of, or do anything in relation to, your Entitlement. Refer to Section 2.18 for treatment of Foreign Shareholders.

4.3 Payment

The offer price of New Shares under the Entitlement Offer is \$0.008 per New Share.

For Eligible Shareholders participating in the Entitlement Offer, Application Monies must be received by the Company by 5.00pm (WST) on the Closing Date.

Completed Application Forms must be accompanied by a cheque, bank draft or money order drawn in Australian dollars, made payable to 'Avenira Limited' and crossed 'Not Negotiable'.

Eligible Shareholders participating in the Entitlement Offer, and who wish to pay via BPAY® must follow the instructions on the Entitlement and Acceptance Form. You will be deemed to have accepted all or part of your Entitlement (as applicable) upon receipt of the BPAY® payment by the Company.

If paying via BPAY®, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of Eligible Shareholders to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company shall not be responsible for any postal or delivery delays, or delay in the receipt of the BPAY® payment.

4.4 Representations by Applicants

By completing and returning an Application Form or paying any Application Monies by BPAY®, in addition to the representations set out elsewhere in this Prospectus and the Application Form, you:

- (a) if participating in the Entitlement Offer, represent to the Company that you are an Eligible Shareholder;
- (b) acknowledge that you have received a copy of this Prospectus and an accompanying Application Form, and read them both in their entirety;
- (c) agree to be bound by the terms of the Entitlement Offer, the provisions of this Prospectus and the Constitution;
- (d) authorise the Company to register you as the holder(s) of the New Shares allotted to you;
- (e) declare that all details and statements in the Application Form are complete and accurate;
- (f) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Application Form;
- (g) acknowledge that once the Application Form is returned, or a BPAY® payment instruction is given in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law;
- (h) agree to accept and be issued up to the number of New Shares specified in the Application Form at the issue price of \$0.008 per New Share;
- (i) authorise the Company and its respective officers or agents to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in the Application Form;
- (j) if participating in the Entitlement Offer, declare that you were the registered holder at 5.00 pm (WST) on the Record Date of the Shares indicated on your personalised Entitlement and Acceptance Form as being held by you at 5.00 pm (WST) on the Record Date;
- (k) acknowledge the statement of risks in Section 5 of this Prospectus and that an investment in the Company is subject to risk;
- (l) represent and warrant that the law of any place does not prohibit you from being given this Prospectus and the Application Form, nor does it prohibit you from accepting New Shares and that if you participate in the Entitlement Offer, that you are eligible to do so;
- (m) represent and warrant that you are not in the United States and you are not acting for the account or benefit of a person in the United States;
- (n) understand and acknowledge that neither the Entitlement or New Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (**US Securities Act**) or the securities laws of any state or other jurisdiction in the United States, or in any other jurisdiction outside Australia or New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (o) agree not to send this Prospectus, an Application Form or any other material relating to the Entitlement Offer to any person in the United States or that is a person in the United States, or is acting for the account or benefit of a person in the United States; and

- (p) agree that if in the future you decide to sell or otherwise transfer your New Shares you will only do so in transactions where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, in the United States or a person in the United States.

4.5 Brokerage

No brokerage or stamp duty is payable by Eligible Shareholders who accept their Entitlement.

4.6 Taylor Collison

Only Taylor Collison may accept an offer under the Lead Manager Offer. A personalised Lead Manager Offer Application Form will be issued to Taylor Collison together with a copy of this Prospectus.

5. Risks

The New Shares are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for New Shares.

The following list of risks ought not to be taken as exhaustive of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Company or the Directors and cannot be mitigated.

5.1 Risks specific to the Group

(a) COVID-19

The global economic outlook is facing uncertainty due to the current COVID-19 pandemic which is impacting global capital markets. The Company has not been immune to the economic disruption caused by the pandemic. The Company is continuing to monitor and assess its operations and commercial activities in light of the COVID-19 pandemic. However, as the situation with respect to COVID-19 continues to develop (and various government restrictions in the countries where the Company has operations change), there can be no assurance that the Company will be able to continue to mitigate any adverse effects of COVID-19 on its operations.

Further, the Company is ultimately exposed to the general economic conditions globally which could have an adverse effect on the operating and financial performance of the Company. A prolonged economic contraction as a result of COVID-19 and/or other factors could impact on the Company's ability to continue to meet its ongoing financial obligations and may affect the operations and performance of the Company.

(b) Additional Requirement for Funding

The Company's funding requirements depend on numerous factors including the Company's ability to generate income from its project, future exploration and work programs and the acquisition of new projects.

It is likely that the Company will require further equity or debt (or a combination of both) funding to finance its future activities. No assurance can be given that the Company will be able to procure that funding in a timely manner on terms acceptable to it. If that additional funding cannot be obtained, the Company may need to reduce the scope of its activities, which may adversely affect its business and its financial performance and condition.

Additional equity financing, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

(c) Exploration Risk

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions

are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(d) **Director and Senior Management**

The Board is aware of the need to have sufficient management to properly supervise the exploration of the Company's projects and the Board will continually monitor the management roles in the Company. The Company will continue to source appropriately qualified personnel to assist the Company to carry out its stated objectives.

There is a risk that the Company may not be able to secure personnel with the relevant experience at the appropriate time which may impact on the Company's ability to complete all of its preferred exploration programmes in its preferred timetable.

5.2 Mining Industry Risks

(a) **Exploration Risks**

The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining concessions and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing exploration and mining concessions may be unsuccessful, resulting in a reduction of the value of those concessions, diminution in the cash reserves of the Company and possible relinquishment of the exploration and mining concessions.

(b) **Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. These estimates were appropriate when made, but may change significantly when new information becomes available.

There are risks associated with such estimates. Resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the Company's future plans and ultimately its financial performance and value. As at the date of this Prospectus, the Company has not reported any resource estimates.

(c) **Ability to Exploit Successful Discoveries**

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

(d) **Mining and Development Risks**

Profitability depends on successful exploration and/or acquisition of resources/ reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events.

(e) **Title Risks**

The Company's mining and exploration activities are dependent upon the maintenance (including renewal) of the mineral concessions in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the licence conditions imposed by the relevant authorities including compliance with the Company's work program requirements which, in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. Although the Company has no reason to think that the tenements in which it currently has an interest will not be renewed, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed by the relevant granting authority.

(f) **Native title**

The Company's mining tenements may be subject to native title applications in the future. This may preclude or delay granting of exploration and mining tenements or the ability of the Company to explore, develop and/or commercialise the resources of the mining tenements. Considerable expenses may be incurred negotiating and resolving issues, including any compensation agreements reached in settling Native title claims lodged over any of the mining tenements held or acquired by the Company.

The presence of Aboriginal sacred sites and cultural heritage artefacts on the mining tenements is protected by State and Commonwealth laws. Any destruction or harming of such sites and artefacts may result in the Company incurring significant fines and Court injunctions. The existence of such sites may limit or preclude exploration or mining activities on those sites and delays and expenses may be experienced in obtaining clearances.

(g) **Environmental Risks**

The Company's operations and activities are subject to certain regulations regarding environmental matters. The governments and other authorities that administer and enforce environmental laws determine these requirements. As with most exploration projects, mining and processing operations, the Company's activities are expected to have an impact on the environment, particularly if mine development proceeds. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent the Company from being able to develop potentially economically viable mineral deposits.

Further, the Company may require additional approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on the Company's business, financial condition and results of operations.

(h) **Other**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

5.3 General risks

The following risks have been identified as being some general risks associated with an investment in the Company, noting its publicly listed status:

(a) **Stock Market Conditions**

As with all stock market investments, there are risks associated with an investment in the Company. Share prices may rise or fall and the price of Shares might trade below the price paid for those Shares.

General factors that may affect the market price of Shares include economic conditions in both Australia and internationally, investor sentiment and local and international share market conditions, changes in interest rates and the rate of inflation, variations in commodity process, the global security situation and the possibility of disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(b) **Litigation Risks**

Legal proceedings may be brought against Avenira, for example, litigation based on its business activities, environmental laws, tax matters, volatility in its stock price or failure to comply with its disclosure obligations, which could have a material adverse effect on Avenira's financial condition or prospects. Regulatory and government agencies may bring legal proceedings in connection with the enforcement of applicable laws and regulations, and as a result Avenira may be subject to expenses of investigations and defense, and fines or penalties for violations if proven, Avenira may potentially incur cost and expense to remediate, increased operating costs or changes to operations, and cessation of operations if ordered to do so or required in order to resolve such proceedings.

(c) **Liquidity Risk**

There cannot be any guarantee that there will continue to be an active market for Shares or that the price of Shares will increase. Equity capital market conditions in Australia are currently in a parlous state. There may be relatively few buyers or sellers of shares on ASX at any given time. This may affect the volatility of the market price of Shares. It may also affect the prevailing market price at which Shareholders are able to sell Shares held by them. This may result in Shareholders receiving a market price for their Shares that is less or more than the price paid for the Shares.

(d) **Securities Investment Risk**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

(e) **Changes in Legislation and Government Regulation**

Government legislation in Australia or any other relevant jurisdiction in which the Company may operate in the future, such as changes to the taxation system, foreign investment regulations and the mining regulatory system, may affect future earnings and relative attractiveness of investing in the Company. Changes in government policy or statutory changes may affect the Company and the attractiveness of an investment in it.

(f) **Economic Factors**

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices and stock market processes. The Company's future possible revenues and Share price can be affected by these factors, which are beyond the control of the Company and its Directors.

5.4 Investment speculative

The above list of risks ought not to be taken as exhaustive of the risks faced by the Company or by prospective investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares. The New Shares carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Prospective investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares.

6. Rights attaching to New Shares and Lead Manager Options

6.1 Rights attaching to New Shares

A summary of the rights attaching to Shares is set out below. The New Shares will rank *pari passu* in all respects with existing Shares. This summary is qualified by the full terms of Company's Constitution (a full copy of the Constitution is available from Company on request free of charge) and does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Shareholders. These rights and liabilities can involve complex questions of law arising from an interaction of Constitution with statutory and common law requirements. For a Shareholder to obtain a definitive assessment of the rights and liabilities which attach to shares in any specific circumstances, the Shareholder should seek legal advice.

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy or attorney to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with the Corporations Act.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of Shareholders or classes of shareholders:

- (i) each shareholder entitled to vote may vote in person or by proxy or attorney;
- (ii) on a show of hands, every person present who is a shareholder or a representative of a shareholder has one vote in respect of each share carrying the right to vote; and
- (iii) on a poll, every person present who is a shareholder or a proxy, attorney or representative of a shareholder shall, in respect of each share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

(c) Dividend rights

The Directors alone may declare a dividend to be paid to Shareholders. The dividend is payable at a time determined in the directors' discretion. No dividend may be declared or paid except as allowed by the Corporations Act. No interest is payable in respect of unpaid dividends.

(d) Winding-up

Subject to any rights or restrictions to a class of Shares, on a winding up of the Company, any surplus must be divided among the Shareholders in proportions which the amount paid (including amounts credited) on the Shares of a Shareholder is of the total amounts paid and payable (including amounts credited) on the Shares of all Shareholders.

(e) **Shareholder liability**

As the Shares to be issued under the Entitlement Offer contained in this Prospectus are fully paid shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

(g) **Variation of rights**

Subject to the terms of issue of Shares in a particular class, the Company may:

(i) vary or cancel rights attached to shares in that class; or

(ii) convert Shares from one class to another,

by special resolution of the Company and:

(iii) a special resolution passed at a meeting of the Shareholders holding shares in that class; or

(iv) the written consent of the Shareholders who are entitled to at least 75 per cent of the votes that may be cast in respect of the Shares in that class.

(h) **Alteration of Constitution**

The Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

6.2 Rights Attaching to Lead Manager Options

(a) **Entitlement**

Each Lead Manager Option entitles the holder to subscribe for one Share upon the exercise of the Lead Manager Option.

The Lead Manager Options will be issued in two tranches as follows:

(i). 6 million Lead Manager Options (**Tranche 1 Lead Manager Options**); and

(ii). 6 million Lead Manager Options (**Tranche 2 Lead Manager Options**).

(b) **Exercise Price and Expiry Date**

The Lead Manager Options have an exercise prices as follows:

(i). Tranche 1 Lead Manager Options: \$0.025 per Lead Manager Option (**Tranche 1 Exercise Price**); and

(ii). Tranche 2 Lead Manager Options: \$0.035 per Lead Manager Option (**Tranche 2 Exercise Price**).

Each Lead Manager Option has an expiry date of 5:00 pm (WST) on the date that is 3 years after the issue date of the Lead Manager Options (**Expiry Date**).

A Lead Manager Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(c) **Exercise Period**

The Lead Manager Options are exercisable at any time on or prior to the Expiry Date.

(d) **Quotation of the Lead Manager Options**

The Company will not apply for quotation of the Lead Manager Options on ASX.

(e) **Notice of Exercise**

The Lead Manager Options may be exercised by notice in writing to the Company in the manner specified on the Lead Manager Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Lead Manager Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of a Lead Manager Option received by the Company will be deemed to be a notice of the exercise of that Lead Manager Option as at the date of receipt.

(f) **Lodgement Instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Lead Manager Options with the appropriate remittance should be lodged at the Company's share registry.

(g) **Shares Issued on Exercise**

Shares issued on exercise of the Lead Manager Options rank equally with the then issued shares of the Company.

(h) **Timing of the Issue of Shares on Exercise and Quotation**

Within 15 business days of a Notice of Exercise being given in accordance with these terms and conditions and payment of the Exercise Price for each Lead Manager Option being exercised, the Company will:

- (i) issue the Shares pursuant to the exercise of the Lead Manager Options; and
- (ii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Lead Manager Options.

(i) **Participation in New Issues**

There are no participation rights or entitlements inherent in the Lead Manager Options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the Lead Manager Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 4 business days after the issue is announced. This will give the holders of Lead Manager Options the opportunity to exercise their Lead Manager Options prior to the date for determining entitlements to participate in any such issue.

(j) **Adjustment for Bonus Issues of Shares**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

- (i) the number of Shares which must be issued on the exercise of a Lead Manager Option will be increased by the number of Shares which the Lead Manager Option holder would have received if the Lead Manager Option holder had exercised the Lead Manager Option before the record date for the bonus issue; and
- (ii) no change will be made to the Exercise Price.

(k) **Adjustment for Entitlement Issue**

If the Company makes an issue of Shares pro rata to existing shareholders (other than as a bonus issue, to which paragraph (j) will apply) there will be no adjustment of the Exercise Price of a Lead Manager Option or the number of Shares over which the Lead Manager Options are exercisable.

(l) **Adjustment for Reorganisation**

If there is any reorganisation of the issued share capital of the Company, the rights of the Lead Manager Option holders will be varied in accordance with the Listing Rules.

(m) **Transferability**

The Lead Manager Options are not transferable except to a related party.

6.3 Dividend policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

7. Additional information

7.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of the Entitlement Offer:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2019 being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus; and
 - (ii) the half year financial report of the Company for the six months ended 31 December 2019 lodged with ASIC after the lodgement of the annual financial report mentioned in paragraph (i) and before the issue of this Prospectus; and
 - (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (i) above until the issue of this Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of its annual report on 08 October 2019:

Date	Description of Announcement
16/07/2020	Appendix 2A
06/07/2020	Reinstatement to Official Quotation
06/07/2020	Proposed issue of Securities - AEV
06/07/2020	\$3.4 million underwritten Placement & Entitlements Issue
03/07/2020	Suspension from Official Quotation
01/06/2020	Trading Halt
11/06/2020	Investor Presentation
04/06/2020	New Exploration Potential for Jundee South Gold Project
30/04/2020	Quarterly Activities and Cashflow Report
20/04/2020	Wonarah update and acquisition of the Jundee South Project
16/03/2020	Half Year Accounts
31/01/2020	Quarterly Activities & Cashflow Report
30/12/2019	Change of Director's Interest Notice * 3
27/12/2019	Appendix 3B
06/12/2019	Appointment of Chairman & Chief Executive Officer
05/12/2019	Change of Address
02/12/2019	Wonarah Presentation
29/11/2019	Results of Meeting
04/11/2019	Ceasing to be a substantial holder
04/11/2019	Ceasing to be a substantial holder
31/10/2019	Quarterly Activities Report
31/10/2019	Quarterly Cashflow Report
29/10/2019	Amended Notice of Meeting and Proxy Form
28/10/2019	Notice of Annual General Meeting/Proxy Form
23/10/2019	Board Changes App 3X App 3Z
22/10/2019	Share Cancellation ASIC Form 484
22/10/2019	Final share buy-back notice - Appendix 3F
22/10/2019	Announcement of buy-back - Appendix 3C
22/10/2019	Transaction Completed
16/10/2019	Status of Conditions Precedent

Date	Description of Announcement
14/10/2019	Results of Meeting

7.2 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers;

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (a) any Director to induce him or her to become, or to qualify as, a Director; or
- (b) any Director for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers.

7.3 Directors' Interests

Except as disclosed in this Prospectus, at the date of this Prospectus, the relevant interests of the Directors and their related entities in securities in the Company, are detailed in the table below.

Director	Shares held	Options held	Entitlement ⁽¹⁾
Brett Clark	-	24,000,000 ⁽²⁾	-
Kevin Dundo	-(3)	12,000,000 ⁽⁴⁾	-
Winnie Lai Hadad	-	12,000,000 ⁽⁵⁾	-

Notes:

1. The Entitlement shown assumes that none of the Options held by a Director are exercised prior to the Record Date.
2. 12,000,000 Options each with an exercise price of \$0.02 and expiring on 30/11/22.
12,000,000 Options each with an exercise price of \$0.03 and expiring on 30/11/22.
3. Mr Kevin Dundo (or his nominee) has subscribed for 6,250,000 Tranche 2 Placement Shares. The issue of the Tranche 2 Placement Shares to Mr Dundo is conditional upon the Company obtaining Shareholder approval at the General Meeting.
4. 6,000,000 Options each with an exercise price of \$0.02 and expiring on 30/11/22.
6,000,000 Options each with an exercise price of \$0.03 and expiring on 30/11/22.
5. 6,000,000 Options each with an exercise price of \$0.02 and expiring on 30/11/22.
6,000,000 Options each with an exercise price of \$0.03 and expiring on 30/11/22.

At the date of this Prospectus, all Directors intend to accept some or all of their Entitlement, subject to their financial position prior to the Closing Date.

7.4 Directors' Remuneration

The remuneration (including superannuation) of existing Directors for the past two financial years (30 June year-end) are as follows:

Director	Title	Financial Year to 30 June 2020	Financial Year to 30 June 2019 ⁽¹⁾
Brett Clark	Executive Chairman	\$373,125	\$254,713
Kevin Dundo	Non-executive director	\$58,290	-
Winnie Lai Hadad	Non-executive director	\$58,290	-

Notes:

1. Kevin Dundo and Winnie Lai Hadad were appointed to the Board on 22 October 2019. Brett Clark was appointed to the Board on 14 December 2017.

7.5 Lead Manager Mandate

The Company has entered into a mandate with Taylor Collison pursuant to which Taylor Collison has been appointed Lead Manager to the Placement. Taylor Collison will assist the Company in marketing and facilitating demand for the Entitlement Offer and has assisted with the Placement. Taylor Collison will be paid a management fee of 2% (excluding GST) on all funds raised under the Placement and a selling fee of 4% (excluding GST) on the total value of all Placement Shares subscribed for by new investors introduced by Taylor Collison. Subject to shareholder approval, Taylor Collison will also be issued the Lead Manager Options.

7.6 Underwriting Agreement

The Company entered into an agreement (**Underwriting Agreement**) with the Underwriter on 6 July 2020 to fully underwrite the Entitlement Offer.

Pursuant to the Underwriting Agreement, the Underwriter has an obligation to subscribe for, or procure subscriptions for, the Shortfall Shares at \$0.008 per Shortfall Share.

The obligations of the Underwriter with respect to the Entitlement Offer are subject to a number of conditions precedent, including:

- (a) the Underwriter being satisfied (in its sole and absolute discretion, acting reasonably) with the form of the Prospectus and having given its consent to be named in the Prospectus prior to the Prospectus being lodged with ASIC; and
- (b) the Prospectus being lodged with ASIC prior to 5:00pm (AEST) on 16 July 2020.

The Underwriter will be paid an underwriting fee equal to 4% of the Underwritten Amount (**Underwriting Fee**) which will be paid in cash.

The Underwriter will also be paid an offer management fee of 2% of the Underwritten Amount (**Offer Management Fee**) in cash.

The Underwriter may terminate its obligations under the Underwriting Agreement if any one or more of the events described in Schedule 1 occurs at any time prior to the Entitlement Offer Closing Date.

The Underwriting Agreement contains other terms and conditions considered standard for an agreement of this type, including warranties, representations and indemnities in favour of the Underwriter that are standard for services of the kind that the Underwriter is providing to the Company.

7.7 Sub-underwriting agreements

The Underwriter has entered into a sub-underwriting agreement with Au Xingao to sub-underwrite the Entitlement Offer up to a maximum of 104,151,298 New Shares, representing a maximum sub-underwritten amount of \$833,210 (subject to any scale-back to ensure that Au Xingao's Voting Power in the Company does not exceed 20%).

The Underwriter has also entered into sub-underwriting agreements with various non-related parties of the Company to sub-underwrite the Entitlement Offer up to a maximum of 40,668,176 New Shares, representing a maximum sub-underwritten amount of \$325,345.

The sub-underwriting agreements contain terms and conditions considered standard for an agreement of this type.

7.8 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) do not hold, have, and have not had in the two years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offers, except as disclosed in this Prospectus and as follows:

- (d) Taylor Collison has acted as Lead Manager to the Placement. In respect of this work, the Company will pay Taylor Collison approximately \$202,608;
- (e) DLA Piper has acted as the Australian lawyers to the Company for the Entitlement Offer. In respect of this work the Company will pay DLA Piper approximately \$45,000 (exclusive of GST). During the two years before the date of this Prospectus, DLA Piper has provided the Company with legal services and was paid approximately \$270,000 for these services; and
- (f) Computershare Investor Services Pty Limited conducts the Company's share registry functions and will provide administrative services in respect to the proposed Share applications pursuant to this Prospectus. Computershare Investor Services Pty Limited will be paid for these services on standard industry terms and conditions.

The amounts disclosed above are exclusive of GST.

7.9 Related party transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus.

7.10 Market price of Shares

The highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.017 (20 April 2020)

Lowest: \$0.007 (23 April 2020)

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.012 per Share on 15 July 2020.

7.11 Costs of the Offers

The costs of the Placement and Entitlement Offer payable by the Company (exclusive of GST) are as follows:

	(\$)
ASIC lodgement fee	\$3,206
Legal expenses	\$45,000
Lead Manager Expenses	\$202,608
Printing and other expenses	\$8,500
TOTAL	\$259,314

7.12 Taxation Implications

The acquisition and disposal of Shares will have taxation consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Company are urged to take independent financial advice about the taxation and any other consequences of acquiring and selling the Shares.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for New Shares.

7.13 Litigation and Claims

So far as the Directors are aware, other than as disclosed by the Company to ASX, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

7.14 Consents

Chapter 6D of the Corporations Act imposes a liability regime on the Company (as the offeror of the Securities), the Directors, persons named in this Prospectus with their consent as having made a statement in this Prospectus and persons involved in a contravention in relation to this Prospectus, with regard to misleading or deceptive statements made in this Prospectus. Although the Company bears primary responsibility for this Prospectus, other parties involved in the preparation of this Prospectus can also be responsible for certain statements made in it.

Each of the following parties:

Name	Role
DLA Piper	Lawyers
Taylor Collison	Lead Manager and Underwriter
Computershare Investor Services Pty Limited	Share Registry

- (a) has given its consent to be named in this Prospectus as set out above and has not withdrawn its consent at the date of lodgement of this Prospectus with ASIC;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offers;
- (c) has not made or purported to have made any statement in this Prospectus or statement on which a statement in this Prospectus is based, except as described in this Section; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for this Prospectus other than a reference to its name and any statement or report included in this Prospectus with the consent of that party as described in this Section.

None of the parties referred to in this Section 7.14 has authorised or caused the issue of this Prospectus or the making of the Offers.

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

7.15 Documents available for inspection

The following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus; and
- (b) the Constitution.

7.16 Information excluded from continuous disclosure notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

7.17 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the New Shares.

7.18 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic copy of this Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of New Shares in response to an electronic Application Form, subject to compliance with certain provisions. If you have received an electronic copy of this Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please contact the Company and the Company will send to you, free of charge to you, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Application Form from an Applicant if it has reason to believe that when that Applicant was given access to the electronic Application Form, it

was not provided together with an electronic copy of this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be held by the Company on trust and returned (without interest) to the Applicant as soon as practicable.

8. Authorisation

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of the Company, pursuant to a resolution of the Board, by:

A handwritten signature in dark ink, appearing to read 'B. Clark', is positioned above the printed name.

Mr Brett Clark

Executive Chairman
16 July 2020

9. Glossary

In this Prospectus, unless the context otherwise requires:

\$ means Australian dollar.

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2019 and includes the corporate directory, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2019, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2019.

Applicant means a person who submits an Entitlement and Acceptance Form.

Application means a valid application for New Shares under the Entitlement Offer made pursuant to an Entitlement and Acceptance Form.

Application Form means an Entitlement and Acceptance Form.

Application Monies means application monies for New Shares received by the Company from an Applicant.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the market operated by it.

ASX Settlement Rules means ASX Settlement Operating Rules of the ASX.

Au Xingao means Au Xingao Investment Pty Ltd ACN 603 261 052.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, excluding public holidays in Western Australia and any other day that ASX declares is not a trading day.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the date referred to as such in the Indicative Timetable.

Company or **Avenira** means Avenira Limited ACN 116 296 541.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

DLA Piper means DLA Piper Australia.

Eligible Shareholder means a person who:

- (a) is a Shareholder at 5.00pm (WST) on the Record Date; and
- (b) has a registered address in Australia or New Zealand as recorded with the Share Registry as at the Record Date.

Entitlement means a Shareholder's entitlement to subscribe for New Shares under the Entitlement Offer.

Entitlement Offer has the meaning given to that term in Section 2.1.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Prospectus, that sets out the Entitlement of an Eligible Shareholder to subscribe for New Shares pursuant to the Entitlement Offer.

Foreign Shareholder means a Shareholder who is not an Eligible Shareholder.

General Meeting has the meaning given to that term in Section 2.3

Group means the Company and each of its subsidiaries.

Indicative Timetable means the indicative timetable on page 5 of this Prospectus.

Interest has the meaning given in the *Foreign Acquisitions and Takeovers Act 1975* (Cth).

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

Lead Manager or Taylor Collison means Taylor Collison Limited ABN 53 008 172 450.

Lead Manager Offer has meaning given to that term in Section 2.3.

Lead Manager Offer Closing Date has the meaning given in Section 2.9.

Lead Manager Options means the 12,000,000 new Options made available to the Lead Manager pursuant to the Lead Manager Offer.

Listing Rules means the official listing rules of ASX.

New Share means a Share offered pursuant to this Prospectus.

Offer means the Entitlement Offer.

Official Quotation means quotation of Shares on the official list of ASX.

Opening Date means the date referred to as such in the Indicative Timetable.

Option means an option to acquire a Share.

Placement has the meaning given to that term in Section 2.2.

Placement Shares means the Tranche 1 Placement Shares and the Tranche 2 Placement Shares.

Placement Subscribers means professional and sophisticated investors who subscribed for and were issued Shares under the Placement.

Prospectus means this prospectus dated 16 July 2020.

Record Date means the date referred to as such in the Indicative Timetable.

Section means a section of this Prospectus.

Securities means any securities including Shares or Options issued or granted by the Company.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of Shares.

Share Registry means Computershare Investor Services Pty Limited.

Shortfall means the New Shares not applied for under the Entitlement Offer before the Closing Date.

Shortfall Securities means the New Shares constituting the Shortfall.

Shortfall Shares means the New Shares constituting the Shortfall.

Statements has the meaning given to that term in Section 3.2.

Tranche 1 Placement Shares has the meaning given to that term in 2.2.

Tranche 2 Placement Shares has the meaning given to that term in 2.2.

Underwriter means Taylor Collison Limited ABN 53 008 172 450.

Underwritten Amount means the number of New Shares multiplied by \$0.008.

Voting Power has the meaning given in section 610 of the Corporations Act.

WST means Australian Western Standard Time.

Schedule 1: Underwriting Agreement Termination Events

Unqualified termination events

The Underwriter may in its sole discretion terminate the Underwriting Agreement if:

- (a) **(Offer Withdrawn)**: the Entitlement Offer is withdrawn by the Company;
- (b) **(No Listing Approval)**: the Company fails to lodge an Appendix 2A in relation to the underwritten New Shares with ASX by the time required by the Listing Rules, the Corporations Act or any other regulations;
- (c) **(Corrective Disclosure)**:
 - (i). If the Underwriter, in certain circumstances, forms the view on reasonable grounds that a corrective document should be lodged with ASX to comply with the Corporations Act and the Company fails to lodge a corrective document in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii). the Company lodges a corrective document without the prior written agreement of the Underwriter (which agreement the Underwriter may not unreasonably withhold);
- (d) **(Restriction on issue)**: the Company is prevented from issuing the underwritten New Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, or any other law;
- (e) **(ASIC application)**: an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Entitlement Offer before the shortfall notification date;
- (f) **(Indictable offence)**: a director or senior manager of the Company is charged with an indictable offence which is materially adverse to the Underwriter; or
- (g) **(Default from Key Sub-Underwriter)**: the Company is unable to provide evidence and confirmation of cleared funds in a bank account controlled by the Company of the a key sub-underwriter's respective proportion of the shortfall amount one business day prior to the settlement date.

Qualified termination Events:

The Underwriter may at any time terminate the Underwriting Agreement if, in the reasonable opinion of the Underwriter reached in good faith, any of the specified events has or is likely to have, or those events together have, or could reasonably be expected to have:

- (a) a material adverse effect on the:
 - (i). outcome of the Entitlement Offer (including, without limitation, a material adverse effect on a decision of an investor to invest in underwritten New Shares); or
 - (ii). a material adverse effect on the condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its subsidiaries taken as a whole; or
- (b) could give rise to a liability of the Underwriter under the Corporations Act.

The qualified termination events are as follows:

- (a) **(Misleading Documents)**: any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive, subject to this being materially adverse to the Underwriter;
- (b) **(Takeovers Panel)**: the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel and is not withdrawn or disposed of by the shortfall notice deadline, either of which in the Underwriter's reasonable opinion has a material adverse effect;
- (c) **(Termination Event)**: any of the following events having a materially adverse effect:
 - (i). **(Default)**: default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking and the default or breach is either incapable of remedy or is not remedied within 10 business days after the Underwriter notifies the

Company of the default or breach or by the shortfall notice deadline date, whichever is earlier;

- (ii). **(Incorrect or untrue representation)**: any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect to a material respect;
- (iii). **(Contravention of constitution or Act)**: a material contravention by the Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
- (iv). **(Adverse change)**: an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, losses, prospects, business or operations of the Company;
- (v). **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Entitlement Offer or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive to a material respect;
- (vi). **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (vii). **(Prescribed Occurrence)**: a prescribed occurrence (as defined in the Underwriting Agreement) occurs;
- (viii). **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (ix). **(Event of Insolvency)**: an event of insolvency occurs in respect of the Company;
- (x). **(Judgment against the Company)**: a judgment in an amount exceeding \$100,000 is obtained against the Company and is not set aside or satisfied within seven days;
- (xi). **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against the Company;
- (xii). **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the issue of the New Shares without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);
- (xiii). **(Change in shareholdings)**: a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (xiv). **(Timetable)**: there is a delay in any specified date in the timetable for the Entitlement Offer which is greater than 3 Business Days, without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);
- (xv). **(Force Majeure)**: a force majeure event affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of seven days occurs;
- (xvi). **(Certain resolutions passed)**: the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xvii). **(Capital Structure)**: the Company alters its capital structure in any manner not contemplated by the Prospectus or permitted by the Underwriting Agreement;
- (xviii). **(Market Movement)**: the S&P/ASX Small Ordinaries index falls by more than 7.5% after the date of the Underwriting Agreement;
- (xix). **(Investigation)**: any person is appointed under any legislation in respect of companies to investigate the affairs of the Company;
- (xx). **(Hostilities)** hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared

or not) involving any one or more of Australia, New Zealand, the United States of America, the United Kingdom any member state of the European Union, Indonesia, Japan, Russia or the Peoples Republic of China, or a terrorist act is perpetrated on any of those countries or any diplomatic or political establishment of any of those countries elsewhere in the world, or a national emergency is declared by any of those countries; or

- (xxi). **(Adverse Change in Financial Markets)** there occurs any material adverse change or material adverse disruption to the political or economic conditions or financial markets in Australia, the United Kingdom, the United States of America or the international markets or any change of development involving a prospective change in national or international political, financial or economic conditions.

