

18 April 2023

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2023

Avenira Limited (ASX: AEV) (“**Avenira**” or “**the Company**”) is pleased to provide its Activities Report for the quarter ending on 31 March 2023 (“**the Quarter**”).

Highlights

- **Scoping Study completed for the LFP Cathode Manufacturing Plant, confirming the technical and economic viability of the 100% owned LFP Project¹.**
- **Subsequent to the March Quarter, the Company has:**
 - **undertaken a two-tranche placement of fully paid ordinary shares to raise approximately A\$5.0m in April 2023². Tranche 1 completed on 14 April and raised \$3.1M. Tranche 2 is subject to a shareholders meeting in May 2023. The placements will support the development of the Company’s DSO and LFP Projects.**
 - **been granted by the Northern Territory Government the Mineral Leases for areas underpinning the Company’s 100% owned DSO Project³.**

LFP Manufacturing Plant Scoping Study Results

During the Quarter, the Company announced the results of its Scoping Study for its 100% owned LFP Project⁴. The Scoping Study demonstrates strong economics and technical viability, highlighting the potential for Avenira to become one of the leading Lithium Iron Phosphate (“**LFP**”) producers globally, and one of few LFP producers in the world based outside of China, Japan and Taiwan.

The Company commissioned global engineering firm Bechtel to complete the Scoping Study. The Scoping Study is based substantially on the flow sheet and process configuration of the proposed technology partner, Aleees’ LFP Plant in Taiwan. The plant has a modular train-based design providing flexibility to scale and finance the project in stages.

The economics of the LFP Plant were considered at two initial scales of production, at 10,000tpa LFP Cathode Active Material (“**CAM**”) and 30,000tpa LFP CAM:

Scenario	Trains	Production Capacity
Single-Train Plant	1	10,000tpa LFP CAM
Three-Train Plant	3	30,000tpa LFP CAM

¹ ASX Announcement dated 2 March 2023 - *Scoping Study for the LFP Cathode Manufacturing Plant*

² ASX Announcement dated 5 April 2023 – *Avenira Receives Firm Commitments for \$5 million Placement*

³ ASX Announcements dated 13 April 2023 – *Mineral Leases Awarded at Wonarah by NT Government*

⁴ See Note 1.

LFP CAM prices (and therefore project revenues) are sensitive to movements in prices for Lithium Hydroxide and Lithium Carbonate. A summary of the key results of the LFP Scoping Study are described below under the following price assumptions:

- a) **Base Case Scenario:** which applies forecast prices from a consortium of mineral intelligence agencies for the underlying materials used to synthesize LFP CAM; and
- b) **Spot Case Scenario:** which applies recently reported spot prices of US\$80,000/t for Lithium Hydroxide and Lithium Carbonate.

Table 1 – Summary of LFP Scoping Study Key Financial Outcomes

Parameter	Unit	10,000tpa Plant (1 Train)		30,000tpa Plant (3 Trains)	
		Base	Spot	Base	Spot
Avg. Realised LiOH Price	US\$/t	18,533	80,000	18,533	80,000
Avg. Realised Li₂CO₃ Price	US\$/t	17,305	80,000	17,305	80,000
NPV_{10%} Post-Tax	A\$M	138	548	413	1,640
IRR Post-Tax	%	22.0%	44.2%	22.4%	45.1%
Payback Period	Years	3.5	2.0	3.5	2.0
Annual Production	tonnes p.a.	10,000		30,000	
Avg. LFP Basket Price	A\$/kg	19.6	53.5	18.9	52.7
Avg. Cash Cost	A\$/kg	14.9	41.0	14.4	40.5
Total Revenues	A\$M	3,922	10,691	11,316	31,615
Total Operating Cost	A\$M	3,026	8,239	8,680	24,318
Total EBITDA	A\$M	896	2,453	2,636	7,297
Total Free Cashflows	A\$M	682	1,772	2,005	5,267
Pre-Production Capital	A\$M	180		527	

The Company's LFP Project will be the fourth of its kind. The design of the LFP plant owned and operated by the proposed technology partner Aleees is currently being applied in Europe by FRYER and in the USA by ICL.

Avenira intends to progress the feasibility studies for the LFP Project based on the production parameters considered in the Scoping Study. In parallel, the Company will also advance:

- discussions with Aleees towards a definitive technology licence agreement.
- site selection, product qualification, permitting requirements and regulatory approvals.
- financing discussions, including engagement with government funding agencies.

For additional information on the Scoping Study for the LFP Cathode Manufacturing Plant please refer to the Company's announcement dated 2 March 2023.

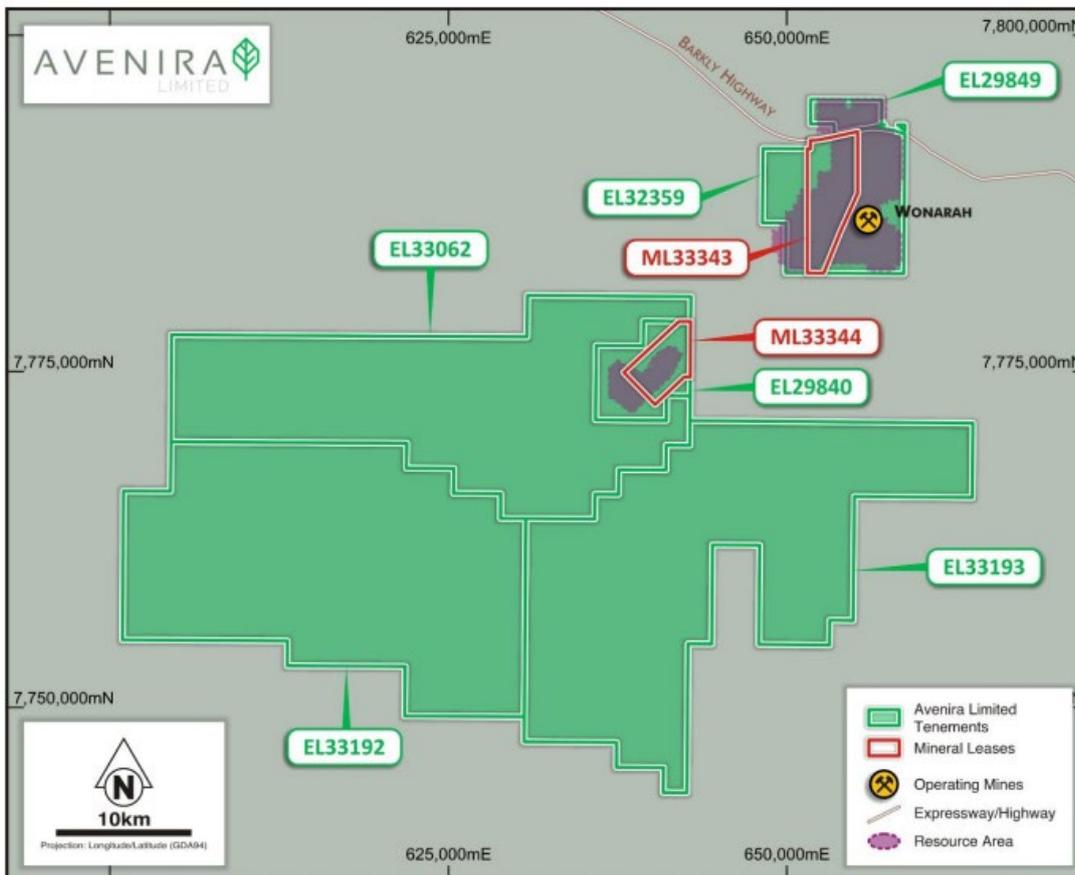
Wonarah DSO Phosphate Project Update

Avenira continues to progress the feasibility study and approval processes for its Wonarah Direct Shipping Operation Phosphate Project (“DSO”), which aims to mine and sell high-grade phosphate ore from its Tier 1, 100% owned Wonarah Phosphate Mine.

Key highlights for the March 2023 Quarter include:

- Northern Territory Government issued a Letter of Intent to grant Mineral Leases, ML33343 and ML33344, required for the DSO Project during the Quarter, and the Mineral Leases were subsequently awarded in April 2023⁵.
- Assessment and approvals for the Mine Management Plan (“MMP”) for the Company’s proposed trial test-pit and first stages of the DSO Project continued to progress.
- Avenira continued to progress with the preparatory works for Mining Authorisations and Access Authorities required to commence trial mining and the DSO Project.
- Phosphate prices continue to increase, with benchmark 32% P₂O₅ phosphate rock prices increasing 15% from US\$300/t to US\$345/t over the Quarter. Current market prices continue to provide a favourable backdrop for the Wonarah DSO Project.

Figure 1 – Wonarah Exploration and Mineral Lease Portfolio



⁵ ASX Announcements dated 13 April 2023 – *Mineral Leases Awarded at Wonarah by NT Government*

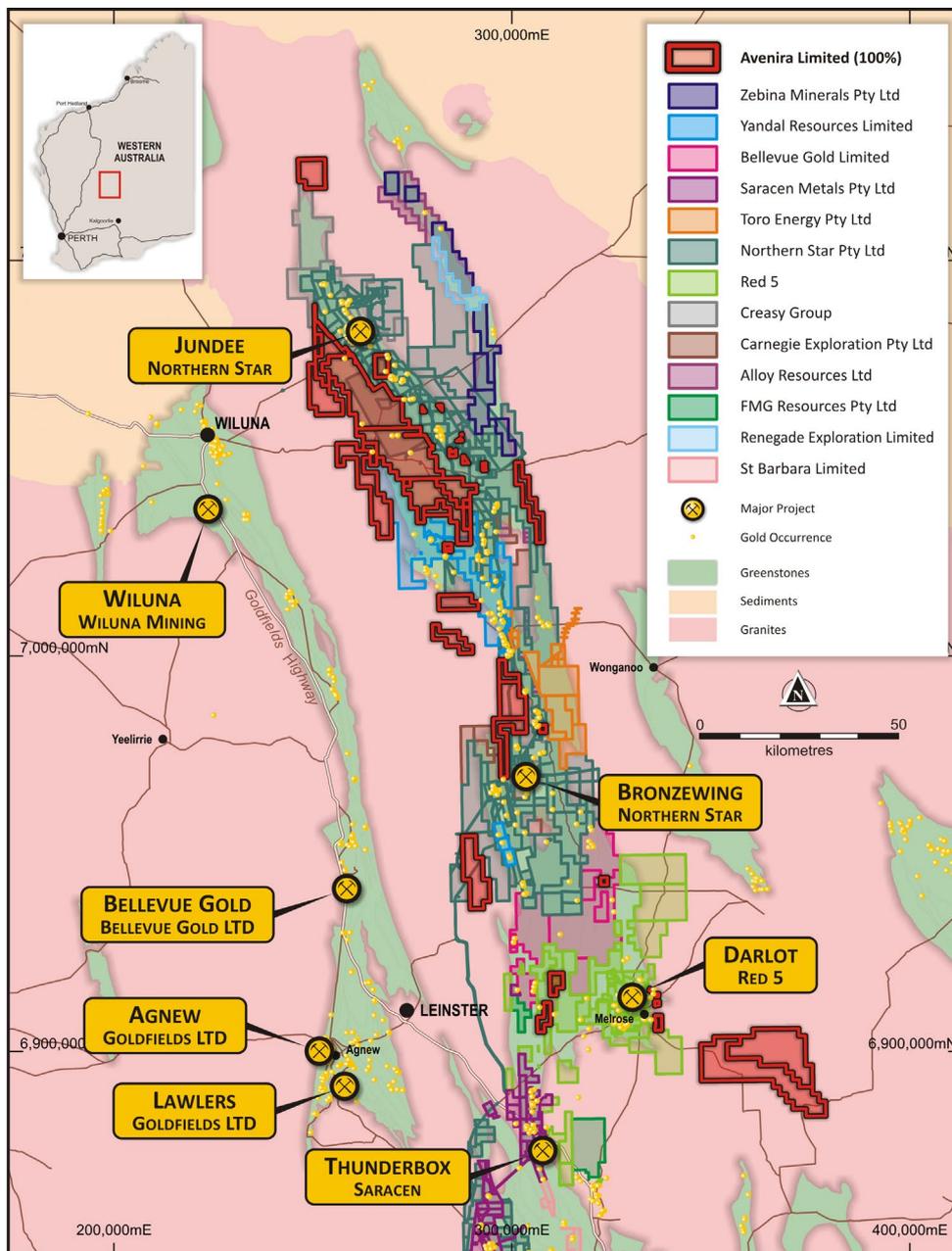
Jundee South Gold Project

The Jundee South Gold Project forms part of the package of tenements in the Yandal Region held by the Company, which stretch from Jundee in the North to Darlot in the South.

During the Quarter, applications were submitted for eight exploration licences in the northern Yandal Belt. In addition, three exploration licences were granted (E36/1021, E53/2204 and E53/2238).

The Company is currently progressing negotiations with the Tjiwarl and Kultju Aboriginal Corporations towards finalising exploration access agreements.

Figure 2 – Yandal Region Tenement Portfolio



Corporate Information

Placement

Subsequent to the Quarter, the Company announced a two-tranche placement of fully paid ordinary shares (“**the Placement**”) to raise approximately A\$5.0 million (before costs)⁶.

The first tranche was completed on 14 April 2023 comprising the issuance of 158.38 million shares under ASX Listing Rule 7.1 and 123.38 million shares under ASX Listing Rule 7.1A to raise A\$3.1 million.

An additional 172.78 million shares will be issued under a second tranche subject to shareholder approval at a general meeting of the Company to be held on 19 May 2023 to raise A\$1.9 million.

Proceeds from the placement will be used to progress trial mining at Wonarah, and in turn the development of the DSO and LFP Projects.

Other

The expenditure incurred on exploration activities during the Quarter as summarised in this report is approximately \$715,000. No expenditure was incurred on mining production or development activities during the Quarter.

Payments totaling approximately \$133,000 were made to related parties of the Company, as shown in the Appendix 5B. These payments related to current salary and fees paid to directors.

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

Brett Clark

Executive Chairman

+618 9264 7000

⁶ ASX Announcement dated 5 April 2023 – *Avenir Receives Firm Commitments for \$5 million Placement*

Appendix 1 - COMPETENT PERSON STATEMENT

Competent Persons Statement - Jundee South

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

Competent Persons Statement - Wonarah

The information in this report that relates to Mineral Resources is based on information compiled by Mr Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Abbott is a director of Matrix Resource Consultants Pty Ltd and provides geological consulting services to the Company. Mr. Abbott has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Abbott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

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

Appendix 2 – TENEMENT SCHEDULE AND MINERAL RESOURCE STATEMENT

Schedule of Avenira Limited Tenements as at 31 March 2023

Location	Tenement Name	Tenement	Nature of Company's Interest
Western Australia	Bronzewing North	E 36/1021 (Granted during quarter)	100%
Western Australia	McKenzies Bore	E 36/1029 (Application)	100%
Western Australia	Ockerburry Hill	E36/1049 (Application)	100%
Western Australia	Ockerburry Hill	E36/1050 (Application)	100%
Western Australia	Darlot	E 37/1474	100%
Western Australia	Langfords Find	E 37/1489 (Application)	100%
Western Australia	Lake Irwin	E37/1515 (Application)	100%
Western Australia	Lake Irwin	E37/1517 (Application)	100%
Western Australia	Jundee South	E 53/1856	100%
Western Australia	Jundee South	E 53/1859	100%
Western Australia	Jundee South	E 53/2078	100%
Western Australia	Jundee South	E 53/2079	100%
Western Australia	Jundee South	E 53/2204 (Granted during quarter)	100%
Western Australia	Bullock Well	E 53/2205 (Application)	100%
Western Australia	Jundee South	E 53/2207	100%
Western Australia	Jundee South	E 53/2208	100%
Western Australia	Jundee South	E 53/2209 (Application)	100%
Western Australia	Bullock Well	E 53/2210 (Application)	100%
Western Australia	Bronzewing North	E 53/2211 (Application)	100%
Western Australia	Orphan Well	E 53/2212 (Application)	100%
Western Australia	Jundee South	E 53/2213	100%
Western Australia	Jundee South	E 53/2214	100%
Western Australia	Jundee South	E 53/2215	100%
Western Australia	Jundee South	E 53/2216	100%
Western Australia	Jundee South	E 53/2217	100%
Western Australia	Jundee South	E 53/2218	100%
Western Australia	Jundee South	E 53/2219	100%
Western Australia	Jundee South	E 53/2220	100%
Western Australia	Jundee South	E 53/2238 (Granted during quarter)	100%
Western Australia	Jundee South	E 53/2250	100%
Western Australia	Jundee South	E 53/2251	100%
Western Australia	Jundee South	E 53/2252	100%
Western Australia	Jundee South	E 53/2253	100%
Western Australia	Jundee South	E 53/2272 (Application)	100%
Western Australia	Bronzewing North	E 53/2280 (Application - Ballot Pending)	100%
Western Australia	Jundee South	E53/2288 (Application)	100%
Western Australia	Jundee South	E53/2289 (Application)	100%
Western Australia	Jundee South	E53/2290 (Application)	100%
Western Australia	Jundee South	E53/2291 (Application)	100%
Western Australia	Jundee South	E53/2296 (Application)	100%
Western Australia	Jundee South	E53/2297 (Application)	100%
Western Australia	Jundee South	E53/2298 (Application)	100%
Western Australia	Jundee South	E53/2299 (Application)	100%
Western Australia	Bungarra Bore	E 69/4020	100%
Western Australia	Darlot	P 37/9539	100%
Western Australia	Mount Stirling	P 37/9593	100%
Western Australia	Mount Stirling	P 37/9594	100%
Western Australia	Mount Stirling	P 37/9595	100%
Western Australia	Mount Stirling	P 37/9596	100%
Western Australia	Darlot	P 37/9630	100%
Western Australia	Darlot	P 37/9631	100%
Western Australia	Jundee South	P 53/1712	100%
Western Australia	Jundee South	P 53/1713	100%
Northern Territory	Arruwurra	EL29840	100%
Northern Territory	Wonarah	EL29849	100%

Northern Territory	Dalmore	EL32359	100%
Northern Territory		EL33062	100%
Northern Territory		EL33063 (Application)	100%
Northern Territory		EL33192	100%
Northern Territory		EL33193	100%
Northern Territory	Arruwurra	MLA33343 (Application)	100%
Northern Territory	Dalmore	MLA33344 (Application)	100%

Mineral Resource Statement

WONARAH PROJECT, NORTHERN TERRITORY, AUSTRALIA												
Cut off P ₂ O ₅ %	Resource Category	Tonnes	P ₂ O ₅	Al ₂ O ₃	CaO	Fe ₂ O ₃	K ₂ O	MgO	MnO	Na ₂ O	SiO ₂	TiO ₂
		Mt	%	%	%	%	%	%	%	%	%	%
10	Measured	78.3	20.8	4.85	28	1.11	0.43	0.25	0.04	0.1	39.7	0.21
	Indicated	222	17.5	4.75	23.2	1.49	0.47	0.2	0.04	0.09	48.3	0.22
	M+I	300	18.3	4.77	24.4	1.4	0.46	0.21	0.04	0.09	46.1	0.22
	Inferred	512	18	4.8	24	2.1	0.5	0.2	0.08	0.05	46	0.2
15	Measured	64.9	22.4	4.47	30	1.1	0.37	0.19	0.04	0.09	37	0.19
	Indicated	133	21.1	4.77	28	1.53	0.47	0.21	0.04	0.09	39.7	0.22
	M+I	198	21.5	4.67	28.7	1.39	0.44	0.2	0.04	0.09	38.8	0.21
	Inferred	335	21	4.5	28	2.0	0.5	0.2	0.10	0.06	39	0.2

Refer to ASX release dated 14 October 2022 for Mineral Resource estimate details. In accordance with ASX Listing Rule 5.23, the Company is not aware of any new information or data that materially affects the information included in this release and the Company confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the estimates in this release continue to apply and have not materially changed.

Appendix 5B

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

Name of entity

AVENIRA LIMITED

ABN

48 116 296 541

Quarter ended ("current quarter")

31 MARCH 2023

	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(230)	(790)
(e) administration and corporate costs	(268)	(753)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	19
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Net GST / VAT refund	79	117
1.9 Net cash from / (used in) operating activities	(417)	(1,407)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	(715)	(1,662)
(e) investments	-	-
(f) other non-current assets	-	-

	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (Cash received in advance from future disposal of assets)	-	-
2.6 Net cash from / (used in) investing activities	(715)	(1,662)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,100
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	391
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(139)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	2,352

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,424	1,009
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(417)	(1,407)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(715)	(1,662)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	2,352

		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	292	292

5.	Reconciliation of cash and cash	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	-	-
5.2	Call deposits	292	1,424
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	292	1,424

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	133
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	3,000	2,975
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	3,000	2,975
7.5 Unused financing facilities available at quarter end		25
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
A \$3 million secured loan facility with Au Xingao Investment Pty Ltd at an interest rate of 8% p.a. Accrued interest capitalised every 6 months if not paid. Facility is for a period of 3 years		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(417)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(715)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,132)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	292
8.5 Unused finance facilities available at quarter end (Item 7.5)	25
8.6 Total available funding (Item 8.4 + Item 8.5)	317
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.28

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

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

Answer: -Yes

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

Answer: - Company announced a 2 Tranche \$5 million capital raising on 5 April 2023. Tranche 1 settled on 14 April 2023 for \$3.1 million.

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

Answer: -Yes, per answer to Q2

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:18 April 2023.....

Authorised by:By the Board.....

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.