

29 April 2024

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDING 31 MARCH 2024

Avenira Limited (ASX: AEV) (“Avenira” or “the Company”) is pleased to provide its Activities Report for the quarter ending on 31 March 2024 (“the Quarter”).

Highlights

- During the Quarter, Sichuan Hebang Biotechnology Corporation Limited (“Hebang”) was progressing a Scoping Study for the development and operation of the Yellow Phosphorus Plant (“YP”) at Wonarah. The YP Scoping Study will form the basis for Avenira and Hebang to negotiate binding agreements covering the funding, construction and offtake of the YP Project.
- Successful capital raising announced on 18 March 2024 with gross proceeds of \$1.251 million and net proceeds to AEV of \$1.193 million (Capital Raising).
- The Company repaid the secured convertible loan owed to Au Xingao Investment Pty Limited including principal, interest and costs.

Events Subsequent to the Quarter

- Advanced Lithium Electrochemistry Ltd (“Aleees”) and Avenira agreed to deferral of the two remaining USD\$750,000 tranches owing under the License and Technology Transfer Agreement entered into on 26 September 2023 until 1 January 2025 and 1 April 2025.
- Hebang has provided to Avenira a draft executive summary of the YP Scoping Study which is currently under review by Avenira.

Yellow Phosphorus Project

On 4 December 2023, Avenira announced that it had secured a binding strategic equity investment of A\$2 million and a non-binding Strategic Cooperation and Offtake Memorandum of Understanding (“MOU”) from Sichuan Hebang Biotechnology Corporation Limited (“Hebang”)¹.

The MOU outlined Hebang’s commitment to contribute to the investment, construction and operation of a Yellow Phosphorous Plant at Wonarah with an initial nameplate capacity of 50ktpa.

The Scoping Study will leverage on Hebang’s extensive experience and capabilities in building, commissioning and operating plants around the world.

Avenira will provide further details regarding the YP Scoping Study upon Hebang and Avenira agreeing to its findings.

Hebang is a company listed on the Shanghai Stock Exchange with over 6,700 employees, that focuses on the manufacture of agricultural (including feed nutrients and herbicides) and photovoltaic products. Its products assist in weed control and increase yields in food crops to feed the world’s growing population, with yellow phosphorus being one of its key ingredients in the manufacturing process.

¹ ASX Announcement dated 4 December 2023 – Equity Investment and Strategic Cooperation and Offtake MOU with Sichuan Hebang Biotechnology

Lithium Ferro Phosphate (LFP) Project

Middle Arm Precinct for LFP Project:

Avenira continues to work with the NT Government in relation to the governments “do not deal” commitment for a specific parcel of land in the Middle Arm Precinct for Avenira’s LFP project.

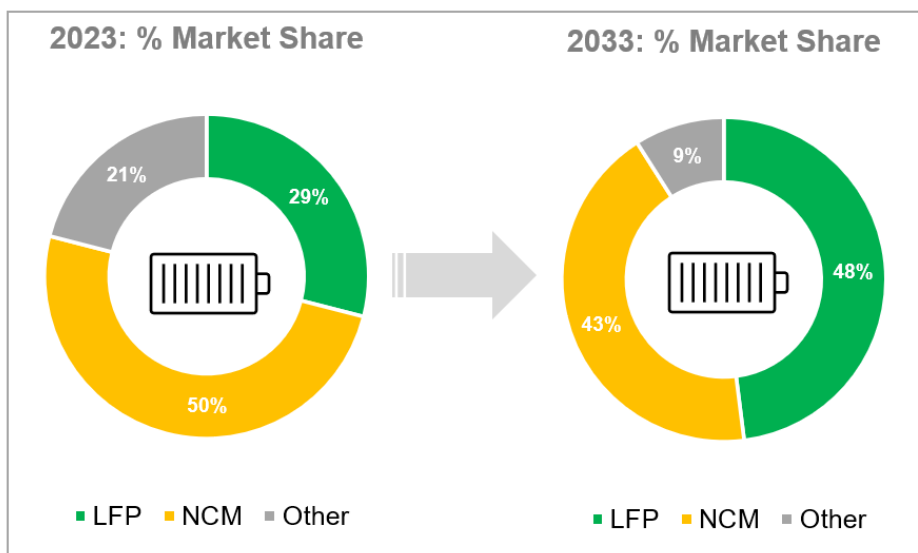
LFP Cathode Market:

Demand for LFP Cathode remains robust, despite falling battery metal prices, reflecting the strong macro and microeconomic fundamentals for LFP.

Recent months have seen sustained investment into new production capacity from global cathode battery manufacturers into phosphate-based battery chemistries, reflecting the strong long-term fundamentals and role of LFP and phosphate in the energy transition.

In 2023, LFP had a 29% share of the global lithium-based battery market, which is expected to increase to 48% by 2033. This growing demand is attributable to LFP’s superior cost-effectiveness, safety, longer battery life cycles, and ESG credentials relative to other battery chemistries.

Figure 1: Global Chemistry Mix for EV, ESS & CE (% Market Share)²



Aleees Binding Agreement

During the Quarter, Avenira and Aleees renegotiated the two remaining USD \$750,000 tranches owing under the License and Technology Transfer Agreement entered into on 26 September 2023 (**License Agreement**). Subsequent to the quarter, the companies agreed to the deferral of the payments until 1 January 2025 and 1 April 2025 respectively.

Avenira and Aleees have made no changes to the Licence Agreement other than the deferral of the tranche payment dates referred to above, and there are no new or additional obligations on Avenira as a result of the payment deferrals agreed with Aleees.

The deferral of the Aleees payments has no impact on the work program for the Lithium Ferro (Iron) Phosphate (LFP) project.

² Data from Fastmarkets “Growing LFP Adoption Drives Need for More Transparency Across Chemistry’s Supply Chain” dated December 18 2023

Aleees, at its own cost, made the decision to undertake work to improve the strategic value of their LFP product with Avenira as one of the three licensee partners globally, supporting this work on an as needed basis.

Jundee South Gold Project

The Jundee South Project area is located within 3km of the Jundee Mine and covers more than a 60km strike of highly prospective greenstone stratigraphy. The Project area contains major regional structures interpreted to control gold mineralisation throughout the Yandal Greenstone Belt and contains several historically defined gold occurrences.

Work undertaken at Jundee South during the Quarter was limited to data compilation and planning for surface sampling activities.

Corporate Information

Placement Details

Avenira announced a capital raising on 18 March 2024 to raise gross proceeds of \$1.251 million and net proceeds to AEV of \$1.193 million (**Capital Raising**). The raising was completed on 5 April 2024.

156,462,500 fully paid ordinary shares were issued under the Company's existing Listing Rule 7.1A placement capacity at an issue price of A\$0.008 per share.

Proceeds from the Placement were used to provide working capital noting that Avenira during the Quarter repaid the secured convertible loan of A\$3.7 million (including capitalised interest) from Au Xingao Investment Pty Limited that matured on 8 March 2024.

Cash Position

At the end of the March 2024 Quarter, Avenira had a cash balance of \$184,000. As at the date of this report, Avenira had a cash balance of \$777,000.

Other

The expenditure incurred on exploration activities during the Quarter is approximately \$521,000. No expenditure was incurred on mining production or development activities during the Quarter.

Payments of approximately \$234,000 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 Avenira Limited.

For further information, contact:

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Media/Investor Queries

Morrow Sodali
Michael Weir 0402 347 032

Appendix 1

COMPETENT PERSON STATEMENT

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.

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 Avenira, from the DMIRS WAMEX database or Avenira-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.

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 Avenira 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, Avenira 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 2024

Location	Tenement Name	Tenement	Nature of Company's Interest
Western Australia	Bronzewing North	E 36/1021	100%
Western Australia	McKenzies Bore	E 36/1029	100%
Western Australia	Ockerburry Hill	E36/1049	100%
Western Australia	Ockerburry Hill	E36/1050	100%
Western Australia		E36/1074 (Application)	100%
Western Australia	Darlot	E 37/1474	100%
Western Australia	Langfords Find	E 37/1489 (withdrawn 22/3/24)	0%
Western Australia		E37/1546 (Application)	100%
Western Australia	Langfords Find	E37/1547 (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	100%
Western Australia	Bullock Well	E 53/2205	100%
Western Australia	Jundee South	E 53/2208	100%
Western Australia	Jundee South	E 53/2209 (Granted 27/2/24)	100%
Western Australia	Bullock Well	E 53/2210 (Granted 18/3/24)	100%
Western Australia	Bronzewing North	E 53/2211 (Granted 27/2/24)	100%
Western Australia	Jundee South	E 53/2216	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 53/2250	100%
Western Australia	Jundee South	E 53/2251 (Withdrawn 22/3/24)	0%
Western Australia	Jundee South	E 53/2252 (Withdrawn 22/3/24)	0%
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)	100%
Western Australia	Jundee South	E53/2288	100%
Western Australia	Jundee South	E53/2289 (Granted 22/1/24)	100%
Western Australia	Jundee South	E53/2290 (Application)	100%
Western Australia	Jundee South	E53/2291 (Application)	100%
Western Australia	Jundee South	E53/2296 (Granted 22/1/24)	100%
Western Australia	Jundee South	E53/2297 (Granted 22/1/24)	100%
Western Australia	Jundee South	E53/2298 (Application)	100%
Western Australia	Jundee South	E53/2299 (Application)	100%
Western Australia	Jundee South	E53/2308 (Application)	100%
Western Australia	Jundee South	E53/2317 (Application)	100%
Western Australia	Jundee South	E53/2318 (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	Dalmore	EL32359	100%
Northern Territory		EL33062	100%
Northern Territory		EL33192	100%
Northern Territory		EL33193	100%
Northern Territory		EL33610	100%
Northern Territory	Arruwurra	ML33343	100%
Northern Territory	Dalmore	ML33344	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
	Total	812	18	4.8	24	1.8	0.5	0.2	0.07	0.06	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
	Total	533	21	4.6	28	1.8	0.5	0.2	0.1	0.07	39	0.2
27	Measured	3.4	30.9	3.14	42.1	0.85	0.18	0.19	0.05	0.08	18.0	0.14
	Indicated	9.6	30.0	3.43	38.8	1.14	0.28	0.11	0.03	0.08	24.7	0.15
	M+I	13.4	30.2	3.35	39.7	1.07	0.26	0.13	0.04	0.08	22.9	0.15
	Inferred	53	30	3.1	40	1.3	0.3	0.1	0.1	0.06	22	0.1
	Total	66	30	3.1	40	1.3	0.3	0.1	0.1	0.06	22	0.1

Refer to ASX release dated 27 September 2023 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.

Notes:

The following tenements were disposed of during the Quarter

E 37/1489 (Withdrawn 22/3/24)

E 53/2251 (Withdrawn 22/3/24)

E 53/2252 (Withdrawn 22/3/24)

The following tenements were acquired of during the Quarter

E 53/2209 (Granted 27/2/24)

E 53/2210 (Granted 18/3/24)

E 53/2211 (Granted 27/2/24)

E 53/2289 (Granted 22/1/24)

E 53/2296 (Granted 22/1/24)

E 53/2297 (Granted 22/1/24)

Appendix 5B

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

Name of entity

AVENIRA LIMITED

48 116 296 541

31 MARCH 2024

	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	(336)	(1,018)
(e) administration and corporate costs	(234)	(845)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	54
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	22	202
1.9 Net cash from / (used in) operating activities	(540)	(1,607)
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)	(521)	(3,051)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-

	Current quarter \$A'000	Year to date (9 months) \$A'000
(c) property, plant and equipment	-	-
(d) investments	397	397
(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	(124)	(2,654)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	491	5,268
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	(331)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(3,707)	(3,707)
3.7 Transaction costs related to loans and borrowings	(53)	(53)
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(3,269)	1,177

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	4,117	3,268
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(540)	(1,607)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(124)	(2,654)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(3,269)	1,177
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	184	184

5.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	-	-
5.2	Call deposits	184	4,117
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)	184	4,117

6.		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	234
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.		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

7.5 **Unused financing facilities available at quarter end** -

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.

8.		\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(540)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(521)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,061)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	184
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	184
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	0.17

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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: - No, Avenira has reduced its administrative overheads and exploration & evaluation costs and there were additional one off costs included in this quarters net operating cash flows.

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: - Avenira completed a \$1.21M capital raise in early April and is also currently reviewing opportunities for obtaining capital

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: - Avenira has a successful record of obtaining capital in the past and believes it will be able to obtain further capital as and when required

- 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: 29 April 2024

Authorised by:By the Board.....

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

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