

AVENIRA LIMITED

ACN 116 296 541

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of one (1) Share for every eight (8) Shares held by those Eligible Shareholders at an issue price of \$0.013 per Share to raise up to \$1.45 million (based on the number of Shares on issue as at the date of this Prospectus) together with one (1) attaching Option (**New Option**) for every three (3) Shares subscribed for and issued (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Au Xingao Investment Pty Ltd (ACN 603 261 052) (**Underwriter**). Refer to Section 11.5 for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This Prospectus under section 713 of the Corporations Act contains important information for you as a Shareholder and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as highly speculative.

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1. CORPORATE DIRECTORY

Directors

Brett Clark

(Executive Chairman & CEO)

Kevin Dundo

(Non-executive Director)

Winnie Lai Hadad

(Non-executive Director)

Roger Harris

(Non-executive Director)

Dr Geoffrey Xue

(Non-executive Director)

Registered Office

Suite 6, 100 Mill Point Road

South Perth WA 6151

Principal Place of Business

Suite 6, 100 Mill Point Road

South Perth WA 6151

Email Address

frontdesk@avenira.com

Internet Address

www.avenira.com

Company Secretary

Graeme Smith

Share Registry

Computershare Investor Services Pty Ltd
Level 11

172 St Georges Terrace PERTH WA 6000

Telephone (Aust): 1300 850 505

Telephone (Overseas): +61 3 9415 4000

STOCK EXCHANGE LISTING

Avenira Limited shares are listed on the:

Australian Securities Exchange (Code: AEV)

Auditor*

Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

Subiaco WA 6008

Underwriter

Au Xingao Investment Pty Ltd

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Lodgement of Prospectus with ASIC	28 March 2022
Lodgement of Prospectus with ASX and lodgement of Appendix 3B	28 March 2022
Ex date	30 March 2022
Record Date for determining Entitlements	31 March 2022
Prospectus sent out to Eligible Shareholders and Opening Date of the Offer	4 April 2022
Last day to extend the Closing Date of the Entitlement Offer	14 April 2022
Closing Date*	21 April 2022
Shares quoted on a deferred settlement basis	22 April 2022
Issue of New Shares and New Options	29 April 2022
Dispatch date of holding statements	2 May 2022
Trading commences for New Shares	2 May 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 28 March 2022 and was lodged with the ASIC on that date. The ASIC, ASX and their respective officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Securities the subject of this Prospectus should be considered highly speculative.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act. ASX maintains a data base of publicly disclosed information about the Company and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

This Prospectus is also being issued to remove any secondary trading restrictions that attach to Shares issued by the Company prior to the date of this Prospectus in accordance with section 708A(11)(b)(i) of the Corporations Act.

3.1 Not investment or financial product advice

The information provided in this Prospectus is not investment, financial product, legal, taxation or other advice and has been prepared without taking into account your particular objectives, financial situation or needs (including tax issues) as an investor. The Company does not provide financial product advice in respect of its securities or any other financial products and is not licensed to do so. You should carefully read the whole of this Prospectus and consider all of the risk factors that could affect the performance of the New Shares or the New Options or the Company in light of your own particular objectives, financial situation and needs before deciding whether to subscribe for Securities in the Company. If you have any questions, you should contact your financial or other professional adviser for advice.

3.2 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 Securities. 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. Please refer to Section 11.2 for further details.

3.3 Risk factors

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. **The key risk factors of which investors should be aware are set out in Section 10.** These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

3.4 Forward-looking statements

This Prospectus may contain forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this 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.

The Company cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

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.

These forward looking statements are subject to various risk factors that could cause actual results to differ materially from the results expressed or anticipated in these statements. These risk factors are set out in Section 10 of this Prospectus.

3.5 Restrictions on distribution

This Prospectus does not constitute an offer, invitation or issue in any place in which, or to any person to whom, it would not be lawful to make such offer, invitation or issue. No action has been taken to register or qualify the New Shares or New Options in any jurisdictions outside Australia, New Zealand, Egypt and the United Arab Emirates. The distribution of this Prospectus in jurisdictions outside Australia, New Zealand, Egypt and the United Arab Emirates may be restricted by law and persons who come into possession of this Prospectus outside Australia, New Zealand, Egypt or the United Arab Emirates should seek advice on, and observe, any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. For more information see Section 6.17.

3.6 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please phone the Company on +61 8 9264 7000 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.avenira.com.

The Company reserves the right not to accept an Entitlement and Acceptance Form from a person if it has reason to believe that when that person was given access to the electronic Entitlement and Acceptance Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

3.7 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

3.8 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing option certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.9 Privacy Act

If you complete an application for New Shares and New Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a securityholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application.

4. BRIEF INSTRUCTIONS FOR ACCEPTANCE OF THE ENTITLEMENT OFFER

Entitlements to New Shares and New Options can be accepted in full or part by completing the Entitlement and Acceptance Form which is accompanying this Prospectus online at the Offer website and making payment of Application Monies by BPAY® (Australian Shareholders only) in accordance with the instructions set out in this Prospectus and on the Entitlement and Acceptance Form.

New Zealand, UAE and Egyptian shareholders should contact the Company Secretary at frontdesk@avenira.com for payment details.

If you do not wish to accept all or part of your Entitlement, you are not obliged to do anything. If Eligible Shareholders do not take up their Entitlement, their existing interest in the Company will be diluted. Please refer to section 6.13 of this Prospectus.

5. INVESTMENT OVERVIEW

This section provides a summary of information that is key to a decision to invest in Securities. This is a summary only. Potential investors should read this entire Prospectus carefully.

If you are unclear in relation to any aspect of the Entitlement Offer or the Shortfall Offer or if you are uncertain whether Shares and Options are a suitable investment for you, you should consult your financial or other professional adviser.

Question	Answer	Where to find more information
<i>Entitlement Offer</i>		
What is being offered and at what price?	<p>The Company is offering to issue Shares and free attaching unquoted Options to Eligible Shareholders by a pro-rata non- renounceable entitlement issue under the Entitlement Offer.</p> <p>Under the Entitlement Offer, Eligible Shareholders may subscribe for one (1) Share for every eight (8) Shares held on the Record Date, at a price of \$0.013 per Share and one (1) free attaching Option for every three (3) Shares issued with an exercise price of \$0.022 and expiring 30 April 2024.</p>	Section 6.1
How many new securities will be issued?	<p>The maximum number of Shares that will be issued under the Entitlement Offer (if the Entitlement Offer is fully subscribed) is approximately 111.2 million.</p> <p>The maximum number of Options that will be issued under the Entitlement Offer (if the Entitlement Offer is fully subscribed) is approximately 37.1 million.</p>	Section 7.4

Question	Response	Where to find more information
<p>What is the amount that will be raised under the Entitlement Offer and what is the purpose of the Entitlement Offer?</p>	<p>If the Entitlement Offer is fully subscribed, the Company will raise up to approximately \$1.45 million through the issue of Shares (before expenses of the Entitlement Offer).</p> <p>The purpose of the Entitlement Offer is to raise funds for:</p> <ul style="list-style-type: none"> (a) the advancement of Avenira exploration projects in Western Australia & the Northern Territory; and (b) fund corporate activities and general working capital purposes. 	<p>Section 7.1</p>
<p>Who is eligible to participate in the Entitlement Offer?</p>	<p>The Entitlement Offer is made to Eligible Shareholders only. An Eligible Shareholder under the Entitlement Offer is a Shareholder whose details appear on the Register as at the Record Date with a registered address in Australia, New Zealand, Egypt or the United Arab Emirates who is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.</p> <p>If you are not an Eligible Shareholder, you are not able to participate in the Entitlement Offer.</p>	<p>Section 6.17</p>
<p>How will Ineligible Shareholders be dealt with under the Entitlement Offer?</p>	<p>The Entitlement Offer will not be made to Ineligible Shareholders.</p>	

Question	Response	Where to find more information
<p>What are the alternatives for Eligible Shareholders under the Entitlement Offer?</p>	<p>The Entitlement Offer is non-renounceable, so you cannot trade your Entitlements. As an Eligible Shareholder, you may:</p> <ul style="list-style-type: none"> (a) take up all of your Entitlements; (b) take up all of your Entitlements and apply for New Shares and New Options under the Shortfall Offer; (c) take up part of your Entitlements, and allow the balance of your Entitlements to lapse; or (d) allow all of your Entitlements to lapse. 	<p>Sections 6.1 and 6.2</p>
<p>Is the Entitlement Offer underwritten?</p>	<p>Yes. The Entitlement Offer is fully underwritten by substantial holder Au Xingao Investment Pty Ltd.</p>	<p>Section 6.11 and 11.5</p>
<p>Is there a minimum subscription?</p>	<p>There is no minimum subscription.</p>	<p>Section 6.9</p>
<p>What is the Shortfall Offer?</p>	<p>Yes. Any Securities not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.</p> <p>Eligible Shareholders who have subscribed for their Entitlement may apply for Securities under the Shortfall Offer.</p>	<p>Section 6.2</p>
<p>How will Shortfall be allocated?</p>	<p>The Board presently intends to allocate Securities under the Shortfall Offer as follows:</p> <ul style="list-style-type: none"> (a) Firstly, each Eligible Shareholder who has validly applied for their full Entitlement and has also validly applied for Shortfall in excess of their Entitlement before the Closing Date will be allocated their proportionate share of the 	<p>Section 6.2</p>

	<p>Shortfall in proportion to their shareholding as at the Record Date. If an Eligible Shareholder has made a valid application for Shortfall but has applied for a lower number of Shortfall than the amount of Shortfall which that Eligible Shareholder would otherwise be allocated under this process, that Eligible Shareholder will be allocated the lower amount.</p> <p>(b) Secondly, if, following the allocation of Shortfall in accordance with section (a) above there remains Shortfall, the above allocation process will be repeated until either all the Shortfall has been allocated or all valid applications for Shortfall by Eligible Shareholders before the Closing Date have been satisfied in full.</p> <p>(c) Thirdly, if following the allocation of Shortfall in accordance with the above there remains Shortfall, the allocation of all remaining Shortfall will be to the Underwriter.</p> <p>No New Shares or New Options will be issued to an Applicant under this Prospectus or via the Shortfall Offer if the issue of New Shares would contravene the takeover prohibition in section 606 of the Corporations Act (i.e. an Eligible Shareholder cannot increase their voting power in excess of 19.99%). Similarly, no New Shares or New Options will be issued via the Shortfall Offer to any related parties of the Company.</p> <p>Notwithstanding the above allocation intentions, the Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. All decisions regarding the allocation of Shortfall</p>	
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	<p>Securities will be made by the Directors in consultation with the Underwriter. The Company has sole discretion with respect to allocating Shortfall Securities, and such allocations will be final and binding on all applicants under the Shortfall Offer. There is no guarantee that any Shortfall applied for will be issued to Eligible Shareholders.</p>	
<p>What are the key risks of further investment in the Company?</p>	<p>Potential investors should be aware that subscribing for New Shares and New Options in the Company involves a number of risks.</p> <p>Some of the more significant risks which affect an investment in the Company include funding risk, dilution and control risk, failure to repay the Loan Facility, exploration and development risks, mineral resource estimation risks, metallurgical risks and commodity price risks. Please refer to section 10 for further details of these and other risks that are relevant to a decision to apply for New Shares and New Options.</p>	<p>Sections 3.3 and 10</p>
<p>What is the effect on control of the Company?</p>	<p>The Entitlement Offer is not expected to have any significant impact on the control of the Company. However, the Underwriter, as lender under the Loan Facility, maintains a right to convert the Loan Facility to a maximum 40.47% interest in the Company (approved by Shareholders at a general meeting in June 2021). See Section 6.12 and 10.2(b) for further details.</p>	<p>Sections 6.12 and 10.2(b)</p>

6. DETAILS OF THE ENTITLEMENT OFFER

6.1 The Entitlement Offer

The Entitlement Offer is being made as a non-renounceable entitlement issue of one (1) New Share for every eight (8) Shares held by Eligible Shareholders registered at the Record Date at an issue price of \$0.013 per Share together with one (1) unquoted New Option (exercisable at \$0.022 on or before 30 April 2024) for every three (3) New Shares subscribed for and issued. Fractional entitlements will be rounded down to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus and assuming all Entitlements are accepted and no existing Options are exercised, a maximum of approximately 111.2 million New Shares and 37.1 million New Options will be issued pursuant to this Entitlement Offer to raise up to approximately \$1.45 million. The Company presently has on issue 63,000,000 unquoted Options. If all those Options are exercised prior to the Record Date a maximum of approximately 119.1 million New Shares and 39.7 million New Options will be issued to raise approximately \$1.55 million.

No funds will be raised from the issue of the New Options.

All of the New Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 8 for further information regarding the rights and liabilities attaching to the Shares.

All of the New Options offered under this Prospectus will be issued on the terms and conditions set out in Section 9.

The purpose of the Entitlement Offer and the intended use of funds raised are set out in Section 7.1.

6.2 Shortfall Offer

Any Entitlement not taken up pursuant to the Entitlement Offer will form the Shortfall Offer.

If you are an Eligible Shareholder and you wish to apply for Securities in excess of your Entitlement under the Entitlement Offer by applying for Shortfall, you may do so by completing the relevant section of the Entitlement and Acceptance Form relating to the Shortfall Offer and which accompanies this Prospectus, in accordance with the instructions referred to in this Prospectus and on that form.

If you wish to subscribe for Securities in addition to your Entitlement then you should nominate the maximum number of Securities you wish to subscribe for on the Entitlement and Acceptance Form and make corresponding payment for your full Entitlement plus the additional Securities.

The issue price for each New Share to be issued under the Shortfall Offer is \$0.013 being the same price at which Shares have been offered under the Entitlement Offer. New Options will also be issued to successful applicants under the Shortfall Offer on the same basis as the Entitlement Offer.

The Board presently intends to allocate Securities under the Shortfall Offer as follows:

- (a) Firstly, each Eligible Shareholder who has validly applied for their full Entitlement and has also validly applied for Shortfall in excess of their Entitlement before the Closing Date will be allocated their proportionate share of the Shortfall in proportion to their shareholding as at the Record Date. If an Eligible Shareholder has made a valid application for Shortfall but has applied for a lower number of Shortfall than the amount of Shortfall which that Eligible Shareholder would

otherwise be allocated under this process, that Eligible Shareholder will be allocated the lower amount.

- (b) Secondly, if, following the allocation of Shortfall in accordance with section 6.2(a) above there remains Shortfall, the above allocation process will be repeated until either all the Shortfall has been allocated or all valid applications for Shortfall by Eligible Shareholders before the Closing Date have been satisfied in full.
- (c) Thirdly, if following the allocation of Shortfall in accordance with the above there remains Shortfall, the allocation of all remaining Shortfall will be to the Underwriter.

The Company notes that no New Shares will be issued to an Applicant under this Prospectus or via the Shortfall Offer if the issue of New Shares would contravene the takeover prohibition in section 606 of the Corporations Act (i.e. an Eligible Shareholder cannot increase their voting power in excess of 19.99%). Similarly, no New Shares and New Options will be issued via the Shortfall Offer to any related parties of the Company.

Notwithstanding the above allocation intentions, the Company reserves the right to issue an Eligible Shareholder a lesser number of Shortfall Securities than applied for or no Shortfall Securities at all. All decisions regarding the allocation of Shortfall Securities will be made by the Directors in consultation with the Underwriter. The Company has sole discretion with respect to allocating Shortfall Securities, and such allocations will be final and binding on all applicants under the Shortfall Offer. There is no guarantee that any Shortfall applied for will be issued to Eligible Shareholders.

Eligible Shareholders resident in jurisdictions outside Australia should note that their participation in the Shortfall Offer may be restricted by Australia's foreign investment laws. The Company reserves the right to not issue Shortfall to an Eligible Shareholder where it reasonably believes that doing so may infringe on Australia's foreign investment laws.

6.3 What Eligible Shareholders may do

The number of Shares to which Eligible Shareholders are entitled is shown on the accompanying personalised Entitlement and Acceptance Form. Eligible Shareholders may:

- (a) take up all of their Entitlement (refer to Section 6.4);
- (b) take up all of their Entitlement and apply for additional New Shares and New Options under the Shortfall Offer (Section 6.5);
- (c) take up a proportion of their Entitlement and allow the balance to lapse (refer to Section 6.6); or
- (d) allow all of their Entitlement lapse (refer to Section 6.7).

6.4 Taking up all of your Entitlement

Should you wish to accept all of your Entitlement, applications for New Shares and New Options under this Prospectus must be made by completing a BPAY® payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

If you wish to pay via BPAY® you must follow the personalised instructions in your Entitlement and Acceptance Form. Make sure that you use the specific Biller Code and unique Customer Reference Number (CRN) on your personalised Entitlement and Acceptance Form. You do not need to return a completed Entitlement and Acceptance Form but are taken to have made the declarations in the Entitlement and Acceptance Form and the representations outlined below in Section 6.8. If you have more than one shareholding of Shares and consequently receive more than one Entitlement and Acceptance Form, when

taking up your Entitlement in respect of one of those Shareholdings only use the CRN specific to that Shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same CRN for more than one of your Shareholdings. This can result in your Application Monies being applied to your Entitlement in respect of only one of your Shareholdings (with the result that any application in respect of your remaining Shareholdings will not be valid).

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY[®] are received by 4:00pm (AEST) on the Closing Date.

The Company shall not be responsible for any delay in the receipt of the BPAY[®] payment.

6.5 Taking up all of your Entitlement and applying for additional New Shares and New Options under the Shortfall Offer

Should you wish to accept all of your Entitlement and apply for New Shares and New Options under the Shortfall Offer, applications must be made via completing a BPAY[®] payment, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

6.6 Taking up a proportion of your Entitlement and allowing the balance to lapse

If you wish to take up only part of your Entitlement and allow the balance to lapse, complete the accompanying personalised Entitlement and Acceptance Form for the number of New Shares and New Options you wish to take up and follow the steps in Section 6.4. If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from taking up that part of your Entitlement.

6.7 Allow all or part of your Entitlement to lapse

If you do not wish to accept any part of your Entitlement, you are not obliged to do anything. If you do not take up your Entitlement by the Closing Date, the Entitlement Offer to you will lapse.

6.8 Implications of an acceptance via BPAY[®]

Paying any Application Monies by BPAY[®] will be taken to constitute a representation by you that:

- (a) you have received a copy of this Prospectus and the accompanying Entitlement and Acceptance Form, and read them both in their entirety;
- (b) you acknowledge that once 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.

6.9 Minimum subscription

There is no minimum subscription for the Entitlement Offer.

6.10 Payment

For payment by BPAY[®], please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY[®] if you are the holder of an account with an Australian financial institution that supports BPAY[®] transactions. Please note that should you choose to pay by BPAY[®]:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and

- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4:00pm (AEST) on the Closing Date. You should be aware that your financial institution may implement either cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

Eligible Shareholders with a registered address in New Zealand, Egypt or the UAE should contact the Company Secretary at frontdesk@avenira.com for EFT payment details.

Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

One (1) New Option will be issued for every three (3) Shares subscribed for and issued under the Entitlement Offer.

6.11 Underwriting

The Entitlement Offer is fully underwritten by the Underwriter. Refer to Section 11.5 of this Prospectus for details of the terms of the underwriting.

6.12 Effect on control of the Company

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

- (a) from 20% or below to above 20%; or
- (b) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter to the issue. Another exception is where the increase is approved by shareholders under item 7 of section 611 of the Corporations Act.

The Underwriter presently holds a relevant interest (as that term is defined in the Corporations Act) in 98,121,529 Shares in the Company, giving it present voting power of 11.03%.

On 9 March 2021 the Company announced it had executed agreements with the Underwriter for the Underwriter to provide a three year \$3 million secured loan facility to the Company (the **Loan Facility**). The Underwriter may elect to convert outstanding amounts under the Loan Facility into Shares based on the 30 day volume weighted average price of Shares prior to the conversion date (**Conversion**). The earliest the Underwriter may elect to make a Conversion is on 9 September 2022.

At the Company's extraordinary general meeting on 14 June 2021, Shareholders approved, for the purposes of item 7 of section 611 of the Corporations Act and ASX Listing Rule 10.1, as a consequence of the Conversion of the Loan Facility the Underwriter's acquisition of a relevant interest in the Company up to a maximum voting power of 40.47%. Accordingly, the Underwriter cannot increase its interest in the Company past 40.47% as a result of the Conversion of the Loan Facility, no matter what its voting power in the Company is prior to Conversion.

The Underwriter has confirmed it has no intention of acquiring further Shares before the Record Date. The Underwriter has agreed to fully underwrite the Entitlement Offer.

The Underwriter is not a related party of the Company for the purpose of the Corporations Act.

If all Entitlements are accepted by Shareholders in full, then the Entitlement Offer will not result in any change to the control of the Company. If all Entitlements under the Entitlement Offer are not accepted in full, then the shareholding interest of non-participating Shareholders will be diluted.

The maximum voting power the Underwriter would acquire in the unlikely event the Underwriter was required to take up 100% of the Shortfall is 20.91%. New Options may only be exercised by the Underwriter if permitted to do so under relevant exceptions to section 606 of the Corporations Act. As mentioned above, under the shareholder approval received on 14 June 2021, the Underwriter may not acquire an interest greater than 40.47% of the Company's then issued share capital as a result of any Conversion of the Loan Facility in the future.

The table below provides examples of the potential effect on control on different take up levels of the Entitlement Offer:

Holder	Shortfall to be taken up	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Maximum Shortfall to be taken up	Holdings on shortfall & their entitlements	% post Entitlement Offer
Au Xingao Investment Pty Ltd & associated entities	0%	98,121,529	11.03%	12,265,191	-	110,386,720	11.03%
	25%	98,121,529	11.03%	12,265,191	26,964,151	135,128,323	13.50%
	50%	98,121,529	11.03%	12,265,191	53,928,301	159,869,926	15.97%
	100%	98,121,529	11.03%	12,265,191	111,231,602	209,353,131	20.91%

6.13 Potential dilution to Shareholders

In addition, Shareholders should note that if they do not participate in the Entitlement Offer, their holdings are likely to be diluted. Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Entitlement Offer	Holdings if Entitlement Offer not taken Up	% post Entitlement Offer
Shareholder 1	50,000,000	5.62%	6,250,000	50,000,000	4.99%
Shareholder 2	25,000,000	2.81%	3,125,000	25,000,000	2.50%
Shareholder 3	10,000,000	1.12%	1,250,000	10,000,000	1.00%
Shareholder 4	1,000,000	0.11%	125,000	1,000,000	0.10%
Shareholder 5	100,000	0.01%	12,500	100,000	0.01%

Notes:

1. This is based on a share capital of 889,852,818 Shares, as at the Record Date.
2. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted by Eligible Shareholders are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

6.14 ASX listing

Application for Official Quotation of the New Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out in Section 2 of this Prospectus. If ASX does not grant Official Quotation of the New Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus (or such period as varied by the ASIC), the Company will not issue any Securities and will repay all Application Monies for the New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

The New Options will not be quoted.

6.15 Issue

Securities issued pursuant to the Entitlement Offer and Shortfall Offer will be issued in accordance with the ASX Listing Rules and timetable set out in Section 2 of this Prospectus.

Where the number of New Shares issued is less than the number applied for, or where no issue is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Pending the issue of the Securities or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for New Shares issued under the Entitlement Offer and Shortfall Offer will be mailed in accordance with the ASX Listing Rules and timetable set out in Section 2 of this Prospectus.

6.16 No rights trading

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

6.17 Overseas shareholders

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

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of New Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Entitlement Offer is not being extended and New Shares and New Options will not be issued to Shareholders with a registered address which is outside Australia, New Zealand, Egypt or the United Arab Emirates (UAE).

This document does not constitute an offer of Securities in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the Securities may not be offered or sold, in any country outside Australia except to the extent permitted below.

New Zealand

The Offer is being made in New Zealand in reliance on the transitional provisions of the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This Prospectus has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

Egypt

The Company is offering the Securities in Egypt solely to its existing Shareholders. The Securities are not being offered to the public or any other person in Egypt. This document has not been, and will be not, reviewed by any Egyptian regulatory authority.

United Arab Emirates (UAE)

This document does not constitute a public offer of securities in the UAE and the Securities may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the Securities have been approved by the Securities and Commodities Authority or any other authority in the UAE.

This document may be distributed in the UAE only to existing Shareholders of the Company and may not be provided to any person other than the original recipient. Information about the Entitlement Offer may be found in this document and on the Company's website. If a recipient of this document ceases to be a Shareholder of the Company at the time of subscription, then such person should discard this document and may not participate in the Entitlement Offer.

No marketing of the Securities has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market).

No offer or invitation to subscribe for Securities is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

6.18 Notice to nominees and custodians

Nominees and custodians that hold Shares should note that the Entitlement Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Entitlement Offer is compatible with applicable foreign laws.

Nominees and custodians may not distribute this Prospectus, and may not permit any beneficial Shareholder to participate in the Entitlement Offer, in any country outside Australia except, with the consent of the Company, to beneficial Shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Entitlement Offer.

6.19 Enquiries

Any questions concerning the Entitlement Offer should be directed to Graeme Smith, Company Secretary, on +61 8 9264 7000 or frontdesk@avenira.com.

7. PURPOSE AND EFFECT OF THE ENTITLEMENT OFFER

7.1 Purpose of the Entitlement Offer

Monies raised by the Entitlement Offer will result in an increase in cash in hand of up to approximately \$1.45 million (before the payment of costs associated with the Entitlement Offer).

The funds raised from the Entitlement Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Entitlement Offer	Full Subscription (\$m)	%
1.	Exploration, development and scoping study for the Wonarah Phosphate Project	0.73	51%
2.	Exploration and development of the Jundee South Gold Project	0.22	15%
3.	Expenses of the Entitlement Offer ¹	0.11	7%
4.	Working capital	0.39	27%
	Total	1.45	100%

Notes:

1. Refer to Section 11.10 for further details relating to the estimated expenses of the Entitlement Offer.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

The New Options are being issued with disclosure under this Prospectus in order to:

- (a) remove any secondary sale restrictions that may otherwise attach to such options; and
- (b) ensure a disclosure exception is available for the issue of Shares on the exercise of such options and any on-sale of those Shares in the 12 months from the date of issue, pursuant to *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2016/08*.

7.2 Effect of the Entitlement Offer

The principal effect of the Entitlement Offer, assuming all Entitlements are accepted, will be to:

- (a) increase the cash reserves by approximately \$1,332,010 (after deducting the estimated expenses of the Entitlement Offer) immediately after completion of the Entitlement Offer;
- (b) increase the number of Shares on issue from 889,852,818 as at the date of this Prospectus to approximately 1,001,084,420 Shares; and
- (c) increase the number of Options on issue from 63,000,000 as at the date of this Prospectus to approximately 100,077,201 Options following completion of the Entitlement Offer.

7.3 Pro-forma balance sheet

The reviewed balance sheet as at 31 December 2021 and the unaudited pro-forma balance sheet as at 31 December 2021 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Entitlement Offer.

The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Reviewed		Subsequent Events Expenditure ¹	Offer	Reviewed
	31-Dec-21				Proforma 31-Dec-21
CURRENT ASSETS					
Cash and cash equivalents	887,936	(587,000)		1,332,010	1,632,946
Other receivables	378,080				378,080
TOTAL CURRENT ASSETS	1,266,016	(587,000)		1,332,010	2,011,026
NON-CURRENT ASSETS					
Trade and other receivables	1,481,600				1,481,600
Financial assets	1,793,618	(180,000)			1,613,618
Plant and equipment	2,199				2,199
Capitalised exploration and evaluation expenditure	8,574,115	400,000			8,974,115
Right-of-use asset	31,462				31,462
TOTAL NON-CURRENT ASSETS	11,882,994	220,000			12,102,994
TOTAL ASSETS	13,149,010	(367,000)		1,332,010	14,114,020
CURRENT LIABILITIES					
Trade and other payables	1,011,016	530,000			481,016
Lease liability	36,275				36,275
Provisions	50,844				50,844
TOTAL CURRENT LIABILITIES	1,098,135	530,000			568,135
NON-CURRENT LIABILITIES					
Provisions	1,996,770				1,996,770
Loans and borrowings	3,080,739				3,080,739
TOTAL NON-CURRENT LIABILITIES	5,077,509				5,077,509
TOTAL LIABILITIES	6,175,644	530,000			5,645,644
NET ASSETS	6,973,366	163,000		1,332,010	8,468,376
EQUITY					
Issued capital	140,516,513	351,000		1,332,010	142,199,523
Reserves	17,457,768				17,457,768
Accumulated losses	(151,000,915)	(188,000)			(151,188,915)
TOTAL EQUITY	6,973,366	163,000		1,332,010	8,468,376

1. Includes Share Placement of \$351,000, sale of Investments of \$180,000, exploration expenditure of \$400,000, creditor payments of \$530,000 and working capital expenditure of \$188,000.

7.4 Effect on capital structure

The effect of the Entitlement Offer on the capital structure of the Company, assuming all Entitlements are accepted, is set out below.

Shares

	Number
Shares currently on issue	889,852,818
Shares offered pursuant to the Entitlement Offer (approximately only, subject to rounding of Entitlements)	111,231,602

Total Shares on issue after completion of the Entitlement Offer (approximately only, subject to rounding of Entitlements)	1,001,084,420
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Unquoted Options

	Number
Options currently on issue*	63,000,000
New Options to be issued pursuant to the Entitlement Offer	37,077,201
Total Options on issue after completion of the Entitlement Offer (approximate only)	100,077,201

*Key terms and conditions of existing options on issue

Number	Exercise Price	Expiry Date
24,000,000	\$0.02	30 November 2022
24,000,000	\$0.03	30 November 2022
6,000,000	\$0.025	7 September 2023
6,000,000	\$0.035	7 September 2023
1,500,000	\$0.02	30 June 2024
1,500,000	\$0.03	30 June 2024

Note:

The capital structure on a fully diluted basis as at the date of this Prospectus would be 952,852,818 Shares and on completion of the Entitlement Offer (assuming all Entitlements are accepted) would be approximately 1,101,161,621 Shares.

The Company has no Shares or Options on issue which are subject to escrow restrictions, either voluntary or ASX imposed.

7.5 Details of substantial holders

Based on publicly available information as at the date of this Prospectus, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below.

AU Xingao is the Underwriter and the effect on control on the basis of any shortfall is set out in section 6.12 of this Prospectus.

Shareholder	Shares	%
Au Xingao Investment Pty Ltd & associated entities	98,121,529	11.03%

8. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered 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.

8.1 General meetings

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

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

8.2 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:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid 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 such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

8.3 Dividend rights

Subject to the rights of persons (if any) entitled of shares with special rights to dividend, the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend.

The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Interest may not be paid by the Company in respect of any dividend, whether final or interim. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Director may in their absolute discretion establish on such terms and conditions as they think fit:

- (a) plans (to be called "dividend reinvestment plan" or an "interest reinvestment plan" as the case may be) for cash dividends paid by the Company in respect of shares issued by the Company and interest paid by the Company on unsecured notes or debenture stock issued by the Company to be reinvested by way of subscription for shares in the Company; and

- (b) a plan (to be called “dividend election plan”) permitting holders of shares to the extent that his shares are fully paid up, to have the option to elect to forego his right to share in any dividends (whether interim or otherwise) payable in respect of such shares and to receive instead an issue of shares credited as fully paid up to the extent as determined by the Directors.

8.4 Winding-up

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

8.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

8.6 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 ASX Listing Rules.

8.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

8.8 Variation of rights

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

Any variation under this clause shall be subject to Sections 246B and 246E of the Corporations Act.

8.9 Alteration of constitution

In accordance with the Corporations Act, 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.

9. RIGHTS AND LIABILITIES ATTACHING TO NEW OPTIONS

Set out below is a summary of the more significant rights and liabilities of the New Options offered pursuant to this Prospectus.

9.1 Entitlement

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

9.2 Exercise Price

Subject to paragraph 9.9, the amount payable upon exercise of each Option will be \$0.022(**Exercise Price**).

9.3 Expiry Date

Each Option will expire at 5:00 pm (WST) on 30 April 2024 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

9.4 Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

9.5 Notice of Exercise

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

9.6 Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

9.7 Timing of issue of Shares on exercise

Within 5 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

9.8 Shares issued on exercise

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

9.9 Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

9.10 Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

9.11 Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

9.12 Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

9.13 No exercise permitted if issue will breach section 606 of Corporations Act

Notwithstanding any of the terms and conditions above, no Option may be exercised if the Company believes the issue of Shares on exercise will breach section 606 of the Corporations Act.

10. RISK FACTORS

10.1 Introduction

The Securities offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

10.2 Company specific

(a) Future capital requirements

Avenira's ongoing exploration and development activities will require substantial ongoing expenditures. Funds raised under the Entitlement Offer should be adequate to fund the Company's activities for the short-medium term. There can be no guarantee that the funds raised through the Entitlement Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund its activities after the substantial exhaustion of the net proceeds of the Entitlement Offer there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when required could delay or suspend the Company's future business strategy and could have a material adverse effect on the Company's activities, including its ability to continue as a going concern. Unfavourable market conditions may also adversely affect the Company's ability to raise additional funding regardless of the results of the Company's exploration and other activities.

(b) Dilution and control risk

As mentioned in Section 6.12, the Company is party to a three year \$3 million secured Loan Facility with the Underwriter. The Underwriter may elect to convert outstanding amounts under the Loan Facility into Shares based on the 30 day volume weighted average price of Shares prior to the conversion date. The earliest the Underwriter may elect to make a Conversion is on 9 September 2022.

At the Company's extraordinary general meeting on 14 June 2021, Shareholders approved, for the purposes of item 7 of section 611 of the Corporations Act and ASX Listing Rule 10.1, as a consequence of the Conversion of the Loan Facility the Underwriter's acquisition of a relevant interest in the Company up to a maximum voting power of 40.47%. Accordingly, from 9 September 2022 the Underwriter may

elect to convert the Loan Facility to a maximum of 40.47% of the Company's issued Share capital.

Any such election by the Underwriter will dilute the interests of then Shareholders.

Further, should the Underwriter as a result of a Conversion increase its interest in the Company past 25%, it will obtain a degree of influence over the Board where any future event that requires a special resolution to be passed by Shareholders. There is also a risk that the increased shareholding by the Underwriter limits the involvement of other sophisticated and/or strategic investors.

The Underwriter, as lender under the Loan Facility, also maintains the right to appoint two nominee directors to the Board. Any exercise of such rights will also provide the Underwriter with a degree of influence over the Board.

(c) **Failure to repay Loan Facility**

The Company is party to a secured three year \$3 million convertible Loan Facility with the Underwriter (approved by Shareholders at the general meeting held on 14 June 2021). If the Underwriter, as lender under the Loan Facility, does not elect to convert the Loan Facility and the Company is unable to repay outstanding amounts under the Loan Facility at the end of the term, the Underwriter has the right to enforce its security over the Wonarah Project tenements and listed shares held by Company. If the Company is unable to raise additional funding or agree alternative terms under such circumstances, there is a risk that its interest in the Wonarah Project could be forfeited.

(d) **Fluctuations in Commodity Prices & Exchange Rates**

Avenira's Projects are primarily prospective for phosphate and gold. Commodity prices can fluctuate significantly and are exposed to numerous factors beyond the control of the Company such as world demand for commodities, forward selling by producers, and production cost levels in major producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, commodity price forward curves, global economic trends and domestic and international fiscal, monetary and regulatory policy settings.

A significant decrease in commodity prices is likely to adversely affect sentiment and market support towards a commodity exploration company. If the Company achieves mineral production, the Company's financial performance will be dependent in part on the commodity prices as well as variations in the Australian dollar and currency exchange rates. International prices of commodities are generally denominated in United States dollars, but the expenditure of the Company will be predominantly be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar (and possibly other currencies) and the Australian dollar as determined in international markets.

Any production scenario for the Company's existing projects will be dependent upon the price of phosphate being adequate to make these properties economic.

Depending on Commodity prices, the Company could be forced to discontinue any current or planned production or development and may lose its interest in, or may be forced to sell, some of its properties. There is no assurance that, even as commercial quantities of phosphate are produced, a profitable market will exist for them.

Declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may eventually interrupt operations until a satisfactory reassessment can be completed.

(e) **Litigation risks**

The Company is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Company may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Company's operations, financial performance and financial position. The Company is not currently engaged in any litigation.

(f) **Mineral Resource and Ore Reserve estimates**

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available. Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to Mineral Resource and Ore Reserve estimates could affect the Company's future plans and ultimately its financial performance and value.

10.3 Industry specific

(a) **Exploration, Development, Mining and Processing Risks**

There is no assurance that phosphate or gold will be discovered in the areas in which the Company has an interest. Even if further phosphate or gold are discovered in those areas, there is no assurance that commercial quantities of these minerals can be recovered from the Company's permits.

Mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- (i) the discovery and/or acquisition of economically recoverable resources;
- (ii) successful conclusions to bankable feasibility studies;
- (iii) access to adequate capital for project development;
- (iv) design and construction of efficient mining and processing facilities within capital expenditure budgets;
- (v) securing and maintaining title to tenements;
- (vi) obtaining consents and approvals necessary for the conduct of exploration and mining;
- (vii) access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees, contractors and consultants;
- (viii) native title risks; and

- (ix) adverse weather conditions over a prolonged period which may adversely affect exploration and mining operations and the timing of revenues.

Whether or not income will result from development of the Company's tenements depends on the successful establishment of mining operations. Factors including costs, actual mineralisation, consistency and reliability of ore grades and commodity prices affect successful project development and mining operations.

(b) **Access Risk**

The Company's access to its projects may be affected by the following:

- (i) landholder and pastoralist approvals; and
- (ii) native title rights and the terms of native title agreements.

While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to the projects in which it has an interest will remain unfettered in the future.

(c) **Operational and technical risks**

The operations of the Company may be affected by various factors, including but not limited to:

- (i) failure to locate or identify mineral deposits;
- (ii) failure to achieve predicted grades and tonnes in exploration and mining;
- (iii) operational and technical difficulties encountered in mining;
- (iv) insufficient or unreliable infrastructure, such as power, water and transport;
- (v) difficulties in commissioning and operating plant and equipment;
- (vi) mechanical failure or plant breakdown;
- (vii) unanticipated metallurgical problems which may affect extraction costs;
- (viii) adverse weather conditions;
- (ix) industrial and environmental accidents;
- (x) industrial disputes and labour shortages; and
- (xi) unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

(d) **Title risk**

Interests in exploration licences are governed by the national legislation in the relevant jurisdiction. The licences which grant the title to each property are subject to compliance with certain requirements, including lodgement of reports, payment of royalties and compliance with environmental conditions and environmental legislation. Consequently, as is the case in Australia, Avenir runs the risk of incurring penalties or loss of title to or its interest in its licences if these requirements are not met.

(e) **Joint venture parties, contractors and agents**

In conducting its business, the Company relies on continuing existing strategic relationships and has been forming new relationships with other entities in the mineral exploration and mining industry, including joint venture partners, contractors and agents. There can be no assurance that existing relationships will

continue to be maintained or that new ones will be successfully formed and the Company could be materially adversely affected by changes to such relationships or difficulties in forming new ones.

The Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is, or may become a party, or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities, or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(f) **Environmental risk**

The Company's operations will be subject to various regulations regarding environmental matters. Development of each of the Company's projects will be dependent on the relevant licences meeting environmental guidelines and gaining approvals by government authorities. Whilst Avenira intends to conduct its activities in an environmentally responsible manner, risks arise in relation to compliance with these regulations and approvals.

(g) **Competition risk**

The industry in which the Company will be involved is subject to domestic and global competition. While the Company will undertake reasonable due diligence in its business decisions and operations, the Company will have no influence or control over the activities or actions of its competitors, whose activities or actions may, positively or negatively, affect the operating and financial performance of the Company's projects and businesses.

10.4 Economic Risks

General economic conditions, movements in commodity prices, interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

10.5 Speculative investment

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by 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 Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

10.6 COVID-19

The ongoing coronavirus pandemic (COVID-19) continues to impact global economic markets. The nature and extent of the effect of the pandemic on the performance of the Company remains uncertain. The Company's Share price may be adversely affected in the short to medium term by the continued economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

The Directors are continuing to monitor the situation closely and consider the impact of COVID-19 on the Company's business. As the situation is continually evolving, the

consequences are inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to any adverse impact of COVID-19 on the Company. If any of these impacts appear material prior to close of the Entitlement Offer, the Company will notify investors under a supplementary prospectus.

11. ADDITIONAL INFORMATION

11.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

11.2 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.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, 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 3 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:
 - (i) the annual financial report most recently lodged by the Company with the ASIC;
 - (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and

- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

This Prospectus contains a summary of information only which the Company does not purport to be complete. The Prospectus is intended to be read in conjunction with the Company's periodic and continuous disclosure announcements lodged with the ASX. Copies of the Company's announcements can be obtained from www.asx.com.au or the Company's website www.avenira.com

11.3 ASX Announcements

ASX Announcements for the period from lodgement of the Company's latest Annual Financial Report to Shareholders until the issue of this Prospectus.

Date	Announcement
24/03/2022	Application for Quotation of Securities - AEV
11/03/2022	Half Yearly Report and Accounts
10/03/2022	Presentation - CRU Phosphates Conference
31/01/2022	Quarterly Activities/Appendix 5B Cash Flow Report
24/01/2022	Project Manager for Wonarah Phosphate Project Appointed
21/12/2021	Exploration Licences Acquired at Wonarah
11/11/2021	Wonarah Project Update
29/10/2021	Quarterly Activities/Appendix 5B Cash Flow Report
22/10/2021	Results of Meeting
22/10/2021	Response to ASX Price and Volume Query
21/10/2021	Trading Halt
1/10/2021	Pause in Trading
23/09/2021	Notice of Annual General Meeting/Proxy Form
22/09/2021	Corporate Governance Statement 2021
22/09/2021	Appendix 4G
22/09/2021	Annual Report to shareholders

11.4 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

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

	Price	Date
Highest	\$0.021	25 March 2022
Lowest	\$0.013	23 Feb 2022
Last	\$0.021	25 Mar 2022

11.5 Underwriting Agreement

By an agreement between the Underwriter and the Company (**Underwriting Agreement**), the Underwriter has agreed to fully underwrite the Entitlement Offer. The Company has agreed to pay the Underwriter an underwriting fee of 4% of the total gross amount raised under the Entitlement Offer.

The Underwriter may terminate this agreement by notice in writing to the Company given on or at any time before the issue of all the New Shares, without cost or liability to itself.

The obligation of the Underwriter to underwrite the Entitlement Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement (without cost or liability to it) if:

- (a) **(Prospectus)**: the Company does not lodge the Prospectus on the Lodgement Date or the Entitlement Offer is withdrawn by the Company;
- (b) **(Supplementary Prospectus)**:
 - (i) the Underwriter forms the view on reasonable grounds that a Supplementary Prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a Supplementary Prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a Supplementary Prospectus without the prior written agreement of the Underwriter;
- (c) **(market fall)**: the S&P/ASX 300 Index stands at a level that is 90% or less of the level of the index as at the close of trading on the day before the date of the Underwriting Agreement:
 - (i) at any time on three consecutive Business Days during any time after the date of this agreement and before Settlement Date; or
 - (ii) at any time on the Business Day that is the Business Day before the Settlement Date;
- (d) **(share price)**: the Shares of the Company close lower than \$0.013 (the issue price for New Shares) for three consecutive Business Days;

- (e) **(Non-compliance with disclosure requirements):** it transpires that the Prospectus does not contain all the information that investors and their professional advisers would reasonably require to make an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to the New Shares; or
- (f) **(Misleading Prospectus):** it transpires that there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of sections 711, 713 and 716 of the Corporations Act) or if 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;
- (g) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent;
- (h) **(Quotation):** the Company fails to lodge an Appendix 2A in relation to the New Shares with ASX by the time required by the Corporations Act, the ASX Listing Rules or any other regulation;
- (i) **(future matters):** any statement or estimate in the Prospectus which relates to a future matter is or becomes incapable of being met or, in the reasonable opinion of the Underwriter, unlikely to be met in the projected timeframe;
- (j) **(proceedings):** ASIC or any other person proposes to conduct any enquiry, investigation or proceedings, or to take any regulatory action or to seek any remedy, in connection with the Entitlement Offer or the Prospectus, or publicly foreshadows that it may do so;
- (k) **(Unable to issue New Shares):** the Company is prevented from allotting and issuing the New Shares or the New Options by applicable laws, an order of a court of competent jurisdiction or a government agency, within the period required by the ASX Listing Rules or Timetable;
- (l) **(listing):** the Company ceases to be admitted to the official list of ASX;
- (m) **(notifications):** ASIC:
 - (i) applies for an order under section 1324B of the Corporations Act in relation to the Entitlement Offer or the Prospectus;
 - (ii) holds, or gives notice of intention to hold, a hearing or investigation under section 739 of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or ASIC makes an interim or final stop order in relation to the Prospectus under section 739 of the Corporations Act;
 - (iii) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Entitlement Offer or the Prospectus under the Corporations Act or the Australian Securities and Investments Commission Act 2001 (Cth);
 - (iv) prosecutes or gives notice of an intention to prosecute; or
 - (v) commences proceedings against, or gives notice of an intention to commence proceedings against, the Company or any of its officers or directors in relation to the Entitlement Offer or the Prospectus;

- (n) **(action against directors or senior management)**: any of the following occur:
 - (1) a director or senior executive of the Company is charged with an indictable offence relating to a financial or corporate matter;
 - (2) any government agency commences any public action against a director or senior executive of the Company;
 - (3) any director or senior executive of the Company is disqualified from managing a corporation under Part 2D.6;
 - (4) a director or senior executive of the Company engages in any fraudulent conduct or activity;
- (o) **(Certificate)** the Company fails to furnish a certificate confirming that the Company is in compliance with all of its obligations under the Underwriting Agreement and the Prospectus (amongst other things) and that no material default or breach of the Underwriting Agreement has occurred as required under the Underwriting Agreement;
- (p) **(new circumstance)**: if, after the Prospectus is lodged, a new circumstance arises that would have been required to be included in the Prospectus if it had arisen before lodgement of the Prospectus;
- (q) **(fraud)**: the Company or any of its directors or officers engage, or have engaged since the date of the Underwriting Agreement, in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- (r) **(force majeure)**: there is an event or occurrence, including any statute, order, rule or regulation, of any governmental agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement or to market the Entitlement Offer;
- (s) **(Event of Insolvency)**: an event of insolvency occurs in respect of the Company;
- (t) **(Timetable)**: any date in the timetable for the Entitlement Offer is not met for more than two Business Days otherwise than as a direct result of actions taken by the Underwriter, unless those actions were requested by the Company, or the actions of the Company, where those actions were taken with the prior consent of the Underwriter; or
- (u) **(material adverse change)**: any material adverse change occurs, or there is a development involving a prospective material adverse change, in the assets, liabilities, financial position or performance, profits, losses or prospects of the Company;
- (v) **(vacancy in office)**: there is a change to the chief executive officer or chief financial officer or any executive member of the board of directors, excluding non-executive directors, of the Company vacates their office.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

11.6 Other Termination Events

The Underwriter may also terminate its obligations under the agreement if:

- (a) **(breach)**: the Company defaults on one or more of its undertakings or obligations under the Underwriting Agreement;

- (b) **(representations and warranties)**: a representation or warranty contained in the Underwriting Agreement on the part of the Company is breached, becomes not true or correct or is not performed;
- (c) **(breach of laws)**: there is a contravention by the Company of its constitution or other constituent document, an encumbrance or document that is binding on it or any applicable law, regulation, authorisation, ruling, consent, judgement, order or decree of any government agency (including the Corporations Act, the Competition and Consumer Act 2010 (Cth), the Australian Securities and Investments Commission Act 2001 (Cth) and the Listing Rules);
- (d) **(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;
- (e) **(Judgement against the Company)**: a judgement in an amount exceeding \$50,000 is obtained against the Company and is not set aside or satisfied within 7 days;
- (f) **(hostilities)**: in respect of any one or more of Australia, New Zealand, the United State, the United Kingdom, China or Russia, as well as other listed countries:
 - (i) hostilities not presently existing commence;
 - (ii) a major escalation in existing hostilities occurs; or
 - (iii) a major terrorist act is perpetrated;
- (g) **(certificate incorrect)**: a statement in any certificate issued by the Company to the Underwriter is misleading, inaccurate or untrue or incorrect;
- (h) **(disruption in financial markets)**: any of the following occurs:
 - (i) a general moratorium on banking activities in Australia, New Zealand, the United Kingdom, the United States, Singapore, Hong Kong or Japan is declared by the relevant central banking authority, or there is a disruption in commercial banking services in those countries;
 - (ii) any adverse change or disruption to the political conditions or financial markets in the countries listed above, or the international financial markets, or any prospective adverse change in national or international conditions which, in the opinion of the Underwriter, has the effect of making the Entitlement Offer impractical or inadvisable;
 - (iii) trading in all securities quoted or listed on the ASX, NASDAQ, Hong Kong Stock Exchange, New York Stock Exchange or London Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading, other than as a result of a technical issue; or
- (i) **(Capital Structure)**: the Company alters its capital structure in any manner not contemplated by the Prospectus excluding the issue of any Shares upon exercise of options, such Options having been disclosed to the ASX as at the date of this agreement.

The other termination events listed above do not entitle the Underwriter to exercise its termination rights unless, in the reasonable opinion of the Underwriter, the event has or is likely to have, or those events taken together have or could be expected to have, a material

adverse effect, including an effect on the outcome of the Entitlement Offer, or could give rise to liability of the Underwriter under the Corporations Act.

11.7 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Entitlement Offer; or
- (c) the Entitlement Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Entitlement Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Voting Power (%)	Entitlement Shares	Entitlement Options	\$
Brett Clark	-	24,000,000	-	-	-	-
Kevin Dundo	6,250,000	12,000,000	0.70%	781,250	260,417	\$10,156
Winnie Lai Hadad	-	12,000,000	-	-	-	-
Roger Harris	11,430,928	-	1.28%	1,428,866	476,289	\$18,575
Geoffrey Xue	-	-	-	-	-	-

As at the date of this Prospectus, Mr Kevin Dundo intends to subscribe for his Entitlement.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$300,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine

where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	FY2021 (Actual)	FY2022 (Proposed)
Brett Clark	365,438	275,000
Kevin Dundo	78,840	79,200
Winnie Lai Hadad	78,840	79,200
Roger Harris	-	79,200
Geoffrey Xue	-	66,000
TOTAL	523,118	578,600

11.8 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus; or
- (b) promoter of the Company,

holds, or has held within the two years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (c) the formation or promotion of the Company;
- (d) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Entitlement Offer; or
- (e) the Entitlement Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (f) the formation or promotion of the Company; or
- (g) the Entitlement Offer.

11.9 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified

in this section.

Computershare Investor Services Pty Limited has given its written consent to being named as the share registry to the Company in this Prospectus. Computershare Investor Services Pty Limited has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

Au Xingao Investment Pty Ltd has given its written consent to being named as the underwriter to the Company in this Prospectus. Au Xingao Investment Pty Ltd has not withdrawn its consent prior to the lodgement of this Prospectus with ASIC.

11.10 Expenses of the Entitlement Offer

In the event that all Entitlements are accepted, the total expenses of the Entitlement Offer are estimated to be approximately \$108,000 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	3,206
ASX fees	6,561
Underwriting fees	57,840
Expenses of the Entitlement Offer	46,393
Total	114,000

12. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.



Brett Clark
Executive Chairman
For and on behalf of
AVENIRA LIMITED

13. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

AEST means Australian Eastern Standard Time.

Applicant means an Eligible Shareholder who applies for New Shares and New Options pursuant to the Entitlement Offer or an Eligible Shareholder who applies for Shortfall Securities pursuant to the Shortfall Offer.

Application means an application to subscribe for New Shares and New Options under this Prospectus.

Application Monies means money submitted by Applicants in respect of Applications.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day has the meaning given in the ASX Listing Rules.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company or Avenira means Avenira Limited (ACN 116 296 541).

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

Conversion has the meaning given in Section 6.12.

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

Directors means the directors of the Company as at the date of this Prospectus.

Eligible Shareholder means a Shareholder of the Company as at the Record Date other than an Ineligible Shareholder.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Entitlement Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Entitlement Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Ineligible Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand, Egypt or the United Arab Emirates.

Loan Facility means the three year \$3 million secured loan facility described in Section 6.12.

New Option means an Option issued on the terms set out in Section 9.

New Shares means the Shares to be issued pursuant to the Entitlement Offer.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

Section means a section of this Prospectus.

Securities means New Shares and/or New Options offered pursuant to the Entitlement Offer.

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

Shareholder means a holder of a Share.

Shortfall means the New Shares not applied for under the Entitlement Offer (if any).

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 6.2.

Shortfall Securities means those Securities issued pursuant to the Shortfall Offer.

WST means Western Standard Time as observed in Perth, Western Australia.