



ABN 48 116 296 541

**INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED
31 DECEMBER 2023**

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2023 and any public announcements made by Avenira Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CORPORATE INFORMATION

ABN 48 116 296 541

DIRECTORS

Brett Clark

(Executive Chairman & CEO)

Kevin Dundo

(Non-executive Director)

Winnie Lai Hadad

(Non-executive Director)

Roger Harris

(Non-executive Director)

Nam Cheng

(Non-executive Director)

COMPANY SECRETARY

Graeme Smith

REGISTERED OFFICE

Unit 13, 6 – 10 Douro Place

West Perth WA 6005

PRINCIPAL PLACE OF BUSINESS

Unit 13, 6 – 10 Douro Place

West Perth WA 6005

SOLICITORS

Thomson Geer Lawyers

Level 27, Exchange Tower,

2 The Esplanade, Perth WA 6000

BANKERS

National Australia Bank Limited

Level 14, 100 St George's Terrace

Perth, WA 6000

SHARE REGISTER

Automic Pty Ltd

Level 5, 191 St Georges Terrace

Perth, WA 6000

AUDITORS

Hall Chadwick WA Audit Pty Ltd

283 Rokeby Road

Subiaco WA 6008

INTERNET ADDRESS

www.avenira.com

EMAIL ADDRESS

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STOCK EXCHANGE LISTING

Avenira Limited shares are listed on the:

Australian Securities Exchange (Code: AEV)

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Directors' Report

Your Directors submit their report on the consolidated entity consisting of Avenira Limited and the entities it controlled (Avenira or the Group) at the end of, or during, the half-year ended 31 December 2023.

DIRECTORS

The names of the Directors who held office during or since the end of the half-year to the date of this report are:

Brett Clark (Executive Chairman)
 Kevin Dundo (Non-Executive Director)
 Winnie Lai Hadad (Non-Executive Director)
 Roger Harris (Non-Executive Director)
 Nam Cheng (Non-Executive Director)

The Directors held their position throughout the entire half-year period and up to the date of this report unless stated otherwise.

REVIEW OF OPERATIONS

The review of operations should be read in conjunction with the half-year statements, the consolidated annual financial report of the Group as at 30 June 2023 and considered together with any public announcements made by the Group during the half-year ended 31 December 2023 in accordance with continuous disclosure requirements of the Corporations Act 2001.

HIGHLIGHTS

- Binding Agreement executed granting the right to use Advanced Lithium Electrochemistry Ltd ('**Aleees**') intellectual property and technology for the manufacture of LFP cathode active material¹.
- Successfully completed A\$4.8 million placement, including A\$2 million strategic equity investment from Sichuan Hebang Biotechnology Corporation Limited ("**Hebang**") and cornerstone investment from Singapore-based resource investment firm Golden Energy and Resources (**GEAR**)².
- **Hebang's strategic equity investment** comes with a Cooperation and Offtake Memorandum of Understanding ("MOU"), facilitating the cooperation between both parties to develop a Yellow Phosphorous plant at Wonarah, with Hebang providing funding, operational and offtake support³.
- Re-evaluated Mineral Resource Estimate (MRE) for the Wonarah Project lifting the global resource to **66Mt at 30% P₂O₅ (based on a 27% cut-off grade)**⁴.
- Wonarah DSO Project Feasibility Study provided a potential project pathway with limited capital investment and attractive operating margins⁵.
- Received **Mining Authorisation** from the Northern Territory Government for the Wonarah Project, enabling the commencement of mining⁶.
- Avenira and Arruwurra Aboriginal Corporation signed an agreement allowing Avenira to continue to develop the Wonarah Phosphate Project⁷.

¹ Avenira executes Binding Agreements with Technology Partner Aleees - 26 September 2023

² Avenira Successfully Completes Approximately A\$5 Million Placement - 6 December 2023

³ Equity Investment and Strategic Cooperation and Offtake MOU, with Sichuan Hebang Biotechnology - 4 December 2023

⁴ Mineral Resource Estimate to support DSO Feasibility Study - 27 September 2023

⁵ Wonarah DSO Project Feasibility Study Delivers Strong Financial Results - 19 October 2023

⁶ Avenira receives Mining Authorisation for Direct Shipping Ore operations - 24 October 2023

⁷ Mining Agreement with Arruwurra Aboriginal Corporation - 3 July 2023

Directors' Report

Lithium Ferro (Iron) Phosphate (LFP) Supply Chain

Avenira has embarked on a landmark project to establish an LFP cathode manufacturing supply chain originating from the Wonarah Mine. LFP batteries are rapidly growing in popularity for use in electric vehicles and energy storage solutions and demand is currently at unprecedented levels.

Under the guidance of Project Director, Brian Campbell, a Scoping Study has been completed investigating the potential for the Wonarah Phosphate Project to supply inputs to downstream products required for this global battery market. The results of the Scoping Study demonstrated strong economics and technical viability for the ore from Wonarah to provide feed, highlighting the potential for Avenira to establish a leading LFP cathode supply chain, and participate as one of few LFP cathode producers in the world outside of China, Japan or Taiwan. Following the completion of the Scoping Study, Avenira is in the process of commencing a Feasibility Study based on the same production parameters.

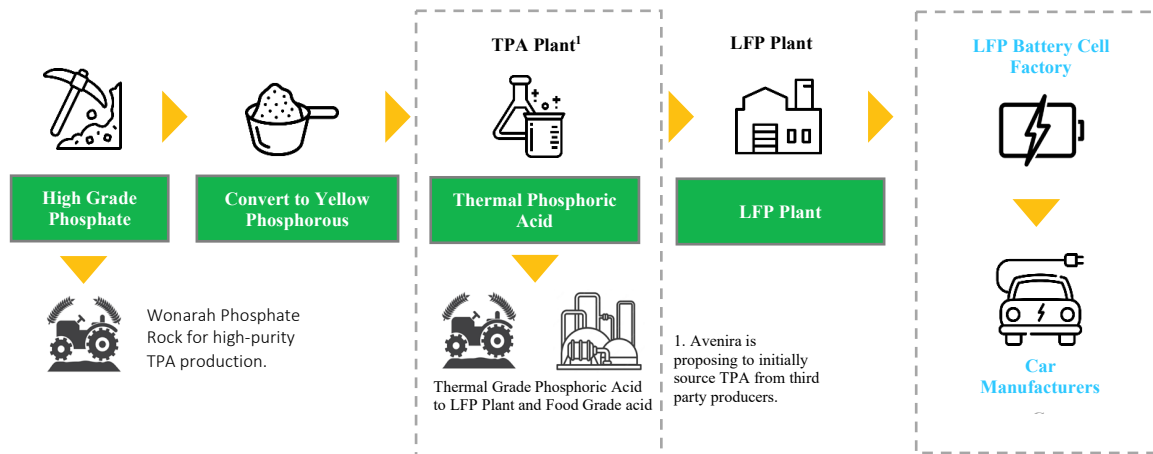


Figure 1. Upstream to Downstream Phosphate Process.

The quality of the Wonarah Project has attracted the attention of global LFP cathode manufacturing leader, Taiwanese-based Aleees, which has granted Avenira licensing rights to its cutting-edge LFP cathode material manufacturing technology. This licensing agreement is pivotal to realizing Avenira's vision of producing LFP materials for delivery to the growing battery materials sector.

Beyond the agreement with Aleees, a tripartite cooperation MOU has been signed with Aleees and the Northern Territory Government to collaboratively work on advancing the LFP battery cathode manufacturing plant in Darwin, Australia.

In support of this plan, the Northern Territory Land Development Council has issued a 'do-not-deal' commitment for an allocation of land within the Middle Arm Sustainable Development Precinct. The site is preferentially located to meet the requirements for the manufacturing facility and underscores the Northern Territory Government's commitment to facilitating Avenira's LFP Cathode Manufacturing Plant.

Directors' Report

WONARAH PHOSPHATE PROJECT, Australia NT (Avenira 100%)



Figure 2. Wonarah Location map.

Binding Agreement with Technology Partner Aleees

During the September quarter, Avenira executed a formal binding agreement with technology partner Advanced Lithium Electrochemistry Ltd ('Aleees') granting the right to use the intellectual property for the manufacturing and distribution of LFP cathode active materials (CAM). The two agreements, a License and Technology Transfer Agreement and a Subscription Agreement, were signed in Darwin in front of the Northern Territory Chief Minister and sets out the terms for Avenira's use of Aleees technology for the LFP Project.

Taiwan-based Aleees is a globally recognised LFP battery material manufacturer and one of the few companies outside China with complete LFP cathode material manufacturing capability and patents for electric vehicle and energy storage systems. Aleees has deep industry connections with off-takers in Asia and will provide management support during the development and operations of the LFP Project.

Following the execution of the binding License and Technology Transfer Agreement with Aleees in September, Avenira undertook a verification of basic process design. This was successfully completed including the basic engineering process data, equipment process design and specifications, process flow, materials balance and energy balance.

Working closely with Aleees, Avenira commenced negotiations with several global car manufacturers seeking supply of Lithium Ferro Phosphate (LFP) cathode active material and continued discussions with the Northern Territory Government to

Directors' Report

finalise site-specific requirements at Darwin's Middle Arm Sustainable Development Precinct. Aleees provided valuable technical support to these discussions.

Yellow Phosphorous (YP) and Thermal Phosphoric Acid (TPA) Plant

The proposed Yellow Phosphorous YP plant will be built at Wonarah and provides YP that is converted into TPA that will provide Battery Grade Phosphoric Acid to the LFP Plant, and Food Grade acid to food and industrial chemical markets.

There is also demand from YP off takers globally including most significantly Hebang where Avenira intends to develop an export market for YP where demand is starting to exceed supply.

Equity Investment and Strategic Cooperation and Offtake MOU, with Sichuan Hebang Biotechnology

In December of 2023, Avenira secured a binding strategic equity investment of A\$2 million from Sichuan Hebang Biotechnology Corporation Limited (SHSE: 603077) ("**Hebang**"), by way of a placement of Avenira shares.

The Company also entered a non-binding Strategic Cooperation and Offtake Memorandum of Understanding ("**MOU**") with Hebang. The MOU established a framework for close cooperation between Avenira and Hebang in the fields of phosphate mining and yellow phosphorus production.

Hebang has the necessary technology and processes required for photovoltaic power station and yellow phosphorus plant construction, and as a yellow phosphorus user, has a procurement demand for yellow phosphorous products.

Yellow Phosphorus is a vital intermediate product in the production of thermal phosphoric acid (TPA), a core feedstock in the manufacturing process of LFP Cathode Active Material.

The MOU provides for cooperation between Avenira and Hebang for the development of the Wonarah Project, covering the following key aspects of the development of a yellow phosphorous plant, direct shipping of ore and development of renewable energy solutions:

1. **Yellow Phosphorus Project** - Hebang to contribute to the investment, construction, and operation of a yellow phosphorus plant with an initial production capacity of 50,000 tons per annum, including:

Offtake of yellow phosphorus: A commitment made by Hebang to purchase part of the production of yellow phosphorus from the yellow phosphorus plant. The purchase will not affect the supply of yellow phosphorus for the production of thermal phosphoric acid (TPA) required for the LFP Plant. The MOU provides an initial framework for negotiations regarding pricing, terms, product quality and other related offtake possibilities. Avenira and Hebang are working closely towards finalising a formal binding offtake agreement.

Construction and Operations Support: Hebang providing the yellow phosphorus plant with technology, processes, construction management, operational experience, personnel and other logistical advice to assist Avenira in the construction and operation of the yellow phosphorus plant.

Funding Support: Hebang contributing to the funding of the yellow phosphorus plant on terms that are beneficial to both parties with a common goal. The financial support may include further equity investment in Avenira and/or investment at the yellow phosphorus plant at the asset level.

2. **Development of renewable energy solution** – Avenira and Hebang to jointly pursue renewable energy options for the yellow phosphorus plant, notably photovoltaic and wind power with energy storage systems.

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Directors' Report

Revised Mineral Resource Estimate supporting DSO Feasibility Study

Avenira received an independent Mineral Resource Estimate from Matrix Resource Consultants for the Wonarah deposit based on a 27% P₂O₅ cut-off grade. The result of the assessment reinforces the deposit's potential to support operations and downstream processing opportunities such as Yellow Phosphorous, Thermal Phosphoric Acid and Lithium Iron Phosphate Cathode Material.

The Wonarah Mineral Resource Estimate for the Wonarah deposit remains unchanged at previously reported cut-off grades, being:

533Mt at 21% P₂O₅ based on a 15% P₂O₅ cut-off grade; and

812Mt at 17% P₂O₅ based on a 10% P₂O₅ cut-off grade.

Table 1: Wonarah Mineral Resource Estimates at 27% P₂O₅ cut-off grade

Resource Category	Tonnes	P ₂ O ₅	Al ₂ O ₃	CaO	Fe ₂ O ₃	K ₂ O	MgO	MnO	Na ₂ O	SiO ₂	TiO ₂
	Mt	%	%	%	%	%	%	%	%	%	%
Measured	3.4	30.9	3.14	42.1	0.85	0.18	0.19	0.05	0.08	18	0.14
Indicated	9.6	30	3.43	38.8	1.14	0.28	0.11	0.03	0.08	24.7	0.15
M+I	13.4	30.2	3.35	39.7	1.07	0.26	0.13	0.04	0.08	22.9	0.15
Inferred	53	30	3.1	40	1.3	0.3	0.1	0.1	0.06	22	0.1
Total	66	30	3.1	40	1.3	0.3	0.1	0.1	0.06	22	0.1

Wonarah DSO Project Feasibility Study

The results of the feasibility study for the DSO Project was delivered in October of 2023. With limited capital investment, attractive operating margins and a favourable global phosphate price environment, the DSO Project serves as an opportunity to generate cash flows to support and part-fund the development Avenira's downstream ventures.

Avenira's proposed DSO Project will mine readily saleable phosphate rock from one open pit across the Arruwurra phosphate rock deposit at Wonarah. The low technical risk and lack of wet beneficiation requirements is reflected through the low pre-production Capex of A\$11.5 million.

Table 2: Wonarah DSO Project Base Case Results

Metric	Unit	Base Case
BPH Lumps Product Sales	Kt	180
BPH Fines Product Sales	Kt	271
BPH Product Price ⁸	A\$/tonne	308
APH DAPR Product Sales	Kt	225
APH Product Price	A\$/tonne	100
Project Operations	Months	23
Capital Investment	A\$M	11.5
Total Free Cash Flows	A\$M	27.3
Average Product Price ⁹	A\$/tonne	238.6
All-In Sustaining Cost	A\$/tonne	181.3
Total Cash Revenues	A\$M	161.3
Total Cash Operating Costs	A\$M	122.5
Payback Period ¹⁰	Months	14

⁸ Price assumptions is based on US\$200/tonne and an exchange rate of 0.65 AUD/USD

⁹ Based on the weighted price for BPH lumps, fines and APH product.

¹⁰ The payback period is calculated from the beginning of the capital investment period and extends to the point in time when the cumulative net cash flows from the project turn positive. No income tax payments have been assumed as the Company anticipates having adequate tax losses available to offset any potential tax liabilities over the life of the project

Directors' Report

Avenira receives Mining Authorisation for Direct Shipping Ore Operations

During the month of October, the Northern Territory Government granted approval of the Mine Management Plan (MMP) to Avenira for the Wonarah DSO Project. This authorisation allows the company to commence mining activities with an initial 40,000 tonnes of ore extraction, covering the test pit and early stages of the DSO Project.

The MMP authorises:

- the initial test pit targeting 5,000 tonnes of marketable DSO material;
- the commencement of the DSO Project, to mine an estimated further 35,000 tonnes of ore; and
- surface grade control drilling to support detailed mine planning for the remaining DSO operations.

Staged expansion of the DSO Project has been approved with customary conditions of submission of an amended MMP with findings of surface grade control drilling, pathway to development and consideration of site rehabilitation, with other support documents that demonstrate appropriate management of environmental risks.

Avenira Successfully Completes Equity Investment and Approximately A\$5 Million Placement

Hebang entered into a binding strategic equity investment to invest A\$2 million by way of a placement of Avenira shares. In conjunction with this agreement, a non-binding Strategic Cooperation and Offtake MOU was signed with Hebang.

In parallel to the equity investment, Avenira successfully completed a placement of new fully paid ordinary shares to raise A\$4.8 million Singapore-based resource investment firm Golden Energy and Resources (**GEAR**).

The placement included 434,314,311 fully paid ordinary shares (260,588,587 shares) and 7.1A (173,725,724 shares) placement capacity at an issue price of A\$0.011 per share.

Mining Agreement with Arruwurra Aboriginal Corporation

In July 2023, Avenira and the Arruwurra Aboriginal Corporation signed an agreement which will allow Avenira to continue to develop the Wonarah Phosphate Project. The Agreement provides Avenira with continued Arruwurra Members' support for the Wonarah Phosphate Project, while delivering confidence to the Arruwurra Members regarding sustainable commercial outcomes, social benefits, and cultural matters. The terms of the Agreement provide a strong commitment to create mutual benefits while continuing to respect the traditional lands, activities, values, and the rights of Arruwurra Members.

TENURE

The Wonarah Phosphate Project comprises of 6 exploration licences, 2 Mineral Leases and 1 Access Authority covering 1,413 km². The only changes during the half year were the granting of Access Authority 33669 and the granting of EL33063 which was amalgamated with EL29849 to form the new Exploration Licence EL33610.

Table 3: Wonarah Phosphate Tenement Status

Tenement ID	Status	Area (approx km ²)
ML33343	LIVE	30
ML33344	LIVE	17
EL29840	LIVE	42
EL32359	LIVE	99
EL33062	LIVE	373
EL33192	LIVE	462
EL33193	LIVE	462
EL33610	LIVE (amalgamation of EL29849 & EL33063)	14
AA33669	LIVE	16.44

Directors' Report

JUNDEE SOUTH GOLD PROJECT, Australia WA (Avenira 100%)

The Yandal Greenstone belt is located in the north-eastern part of the Norseman-Wiluna belt of the Archaean Craton in Western Australia. It is one of few Archaean greenstone belts containing multiple million-ounce deposits, including Jundee, Bronzewing and Darlot (Figure 3).

The Jundee South Project covers a significant footprint adjacent to significant historical and operating gold projects including Jundee, Bronzewing and Darlot and contains more than a 60km strike of highly prospective greenstone stratigraphy. The Project area contains major regional structures interpreted to control gold mineralisation throughout the Yandal Greenstone Belt and contains a number of historically defined gold occurrences.

Access is via a well-established road system. Accommodation and facilities including flight services are well established in the district, given the number of operating mines in the area.

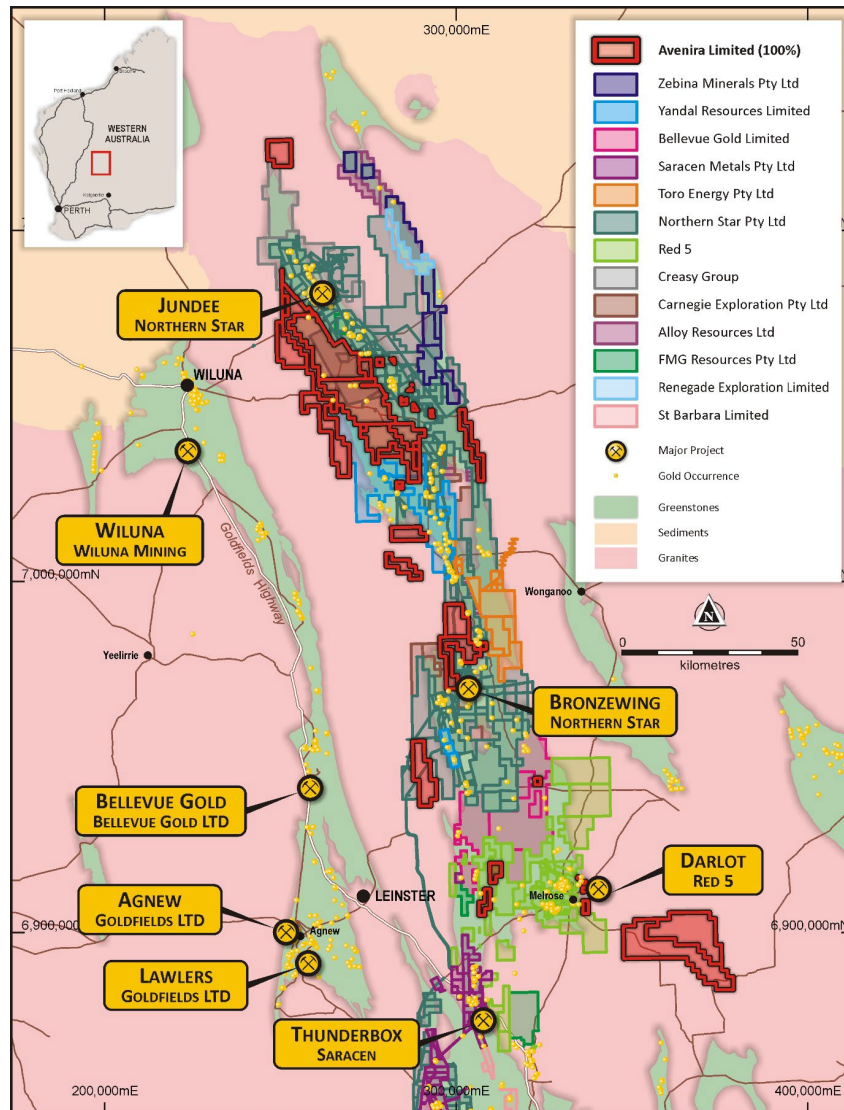


Figure 3: Jundee South Project Tenure Location Map

Directors' Report

During the period, the following achievements were recorded to advance the Jundee South Gold Project.

DATA COMPILATION AND REVIEW

Compilation of historic data for the new lease areas acquired by Avenir was commenced to allow leverage of existing data to fast track exploration efforts.

LITHIUM RECONNAISSANCE

First pass field reconnaissance was completed across the MacKenzie's Bore leases for pegmatites analogous to those found at Kathleen Valley.

TENURE

The Jundee South Project has been rationalised to maximise ground holding and prospectivity whilst minimising expenditure. The portfolio has reduced from 54 licences over 1742km² on 30 June 2023, to 1430km² over 50 licences on 31 December 2023.

Table 4: Jundee South Tenement Status

Tenement ID	Status	Area (approx km ²)
E 36/1021	LIVE	45
E 36/1029	LIVE	79
E 36/1049	LIVE	15
E 36/1050	LIVE	15
E 36/1074	PENDING	21
E 37/1474	LIVE	6
E 37/1489	PENDING	3
E 37/1546	PENDING	58
E 37/1547	PENDING	3
E 53/1856	LIVE	62
E 53/1859	LIVE	104
E 53/2078	LIVE	176
E 53/2079	LIVE	194
E 53/2204	LIVE	61
E 53/2205	LIVE	34
E 53/2208	LIVE	9
E 53/2209	LIVE	101
E 53/2210	PENDING	31
E 53/2211	LIVE	3
E 53/2216	LIVE	1
E 53/2218	LIVE	2
E 53/2219	LIVE	2
E 53/2220	LIVE	2
E 53/2250	LIVE	40
E 53/2251	PENDING	9
E 53/2252	PENDING	15
E 53/2253	LIVE	3
E 53/2272	PENDING	55
E 53/2280	PENDING	15
E 53/2288	LIVE	9

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E 53/2289	LIVE	34
E 53/2290	PENDING	28
E 53/2291	PENDING	28
E 53/2296	LIVE	3
E 53/2297	LIVE	3
E 53/2298	PENDING	3
E 53/2299	PENDING	12
E 53/2308	PENDING	43
E 53/2317	PENDING	9
E 53/2318	PENDING	15
E 69/4020	LIVE	46
P 37/9539	LIVE	1
P 37/9593	LIVE	1
P 37/9594	LIVE	1
P 37/9595	LIVE	2
P 37/9596	LIVE	1
P 37/9630	LIVE	1
P 37/9631	LIVE	1
P 53/1712	LIVE	1
P 53/1713	LIVE	2

COMPETENT PERSONS STATEMENT

The information in this report that relates to exploration results is based on and fairly represents information and supporting documentation prepared by Mr. Steve Harrison, a Competent Person who is a member of the Australian Institute of Geoscientists (AIG). Mr. Harrison is an employee of Avenir Limited and is a holder of options and shares in the company. Mr. Harrison has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code). Mr Harrison consents to the inclusion in the report of the matters based upon his information in the form and context in which it appears.

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

Directors' Report

FINANCIAL REVIEW

During the half year ended 31 December 2023 the Group reported an operating loss after tax of \$1,853,674 (half-year ended 31 December 2022: loss of \$2,631,852).

As at 31 December 2023 the total cash balance was \$4,117,030 (30 June 2023: \$3,267,502).

SUBSEQUENT EVENTS

Following approval at a shareholders meeting held on 22 January 2024, directors subscribed for 21 million shares at an issue price of \$0.011 to raise \$231,000. This shares were issued on 1 February 2024.

On 11 March 2024 the Company received a Notice of Demand with respect to the Loan requiring the outstanding amount to be paid by 18 March 2024. The Company repaid the loan (including interest) in instalments on 12 and 14 March 2024 and are in the process of having the security discharged via a deed of release.

On 12 March 2024, the Company disposed of some of its investments in listed companies raising approximately \$397,000.

On 14 March 2024 written confirmation was received from Aleees that it has granted an extension with respect to the two instalments of USD 750,000 payable on 31 March 2024 and 30 June 2024 to now be paid on 30 June 2024 and 30 September 2024 respectively.

The Board is also in advanced stages of securing further working capital and is confident it can be successful.

The Directors are not aware of any other matter or circumstance not otherwise dealt with in this report, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

AUDITORS' INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 13.

This report is made in accordance with a resolution of the Directors.



Brett Clark
Chairman / CEO

Perth, 16 March 2024

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To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of Avenira Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours Faithfully,



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 16th day of March 2024
Perth, Western Australia

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**Condensed Consolidated Statement of Profit or Loss
and Other Comprehensive Income**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Consolidated 31 December 2023 \$	31 December 2022 \$
INCOME			
Interest income		42,799	18,449
Other income		-	4,745
EXPENDITURE			
Depreciation and amortisation expense		(7,406)	(15,390)
Salaries and employee benefits expense		(855,882)	(554,615)
Impairment of exploration and evaluation expenditure	4	(42,106)	(519,426)
Interest expense		-	(253)
Share based payment expense	7	(527,523)	(929,025)
Net foreign currency gain/(loss)		(761)	741
Administrative and other expenses		(462,795)	(637,078)
LOSS BEFORE INCOME TAX		(1,853,674)	(2,631,852)
INCOME TAX BENEFIT		-	-
PROFIT / (LOSS) FOR THE PERIOD		(1,853,674)	(2,631,852)
OTHER COMPREHENSIVE INCOME/ (LOSS)			
<i>Items that may be reclassified subsequently to Profit or Loss, net of tax</i>			
Net fair value gain / (loss) on financial assets measured at fair value through OCI		151,068	(286,403)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		(1,702,606)	(2,918,255)
LOSS PER SHARE			
Basic profit /(loss) per share (cents)		(0.10)	(0.26)
Diluted profit /(loss) per share (cents)		(0.10)	(0.26)

The above Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2023

	Notes	Consolidated 31 December 2023 \$	30 June 2023 \$
CURRENT ASSETS			
Cash and cash equivalents		4,117,030	3,267,502
Other receivables		238,813	208,081
TOTAL CURRENT ASSETS		4,355,843	3,475,583
NON-CURRENT ASSETS			
Other assets		1,481,600	1,481,600
Financial assets	3	552,913	401,846
Plant and equipment		55,083	62,489
Capitalised exploration and evaluation expenditure	4	13,733,905	11,939,462
Intangibles	5	4,401,470	-
TOTAL NON-CURRENT ASSETS		20,224,971	13,885,397
TOTAL ASSETS		24,580,814	17,360,980
CURRENT LIABILITIES			
Trade and other payables	6	3,178,364	744,791
Provisions		135,769	108,577
Loans and borrowings	8	3,604,029	3,464,317
Amounts Received in Advance		5,000	-
TOTAL CURRENT LIABILITIES		6,923,162	4,317,665
NON-CURRENT LIABILITIES			
Provisions		2,042,829	2,184,012
TOTAL NON-CURRENT LIABILITIES		2,042,829	2,184,012
TOTAL LIABILITIES		8,965,991	6,501,677
NET ASSETS		15,614,823	10,859,303
EQUITY			
Issued capital	9	153,434,233	149,210,147
Reserves	10	19,806,745	17,421,637
Accumulated losses	10	(157,626,155)	(155,772,481)
TOTAL EQUITY		15,614,823	10,859,303

The above Condensed Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Condensed Consolidated Financial Statements.

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Condensed Consolidated Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Attributable to Owners of Avenir Limited			Total
		Issued Capital	Reserves	Accumulated Losses	
		\$	\$	\$	\$
BALANCE AT 30 JUNE 2022		142,385,648	16,525,327	(152,574,781)	6,336,194
Profit/(loss) for the period		-	-	(2,631,852)	(2,631,852)
Other comprehensive income for the period		-	(286,403)	-	(286,403)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		-	(286,403)	(2,631,852)	(2,918,255)
Shares issued during the period		2,282,000	-	-	2,282,000
Options converted to shares during the period		391,094	-	-	391,094
Share issue transaction costs		(482,642)	-	-	(482,642)
Options issued during the period		-	353,492	-	353,492
Share based payments		-	929,025	-	929,025
BALANCE AT 31 DECEMBER 2022		144,576,100	17,521,441	(155,206,633)	6,890,908
BALANCE AT 30 JUNE 2023		149,210,147	17,421,637	(155,772,481)	10,859,303
Profit/ (loss) for the period		-	-	(1,853,674)	(1,853,674)
Other comprehensive income for the period		-	151,068	-	151,068
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		-	151,068	(1,853,674)	(1,702,606)
Shares cancelled during the period		-	-	-	-
Shares issued during the period		4,777,457	-	-	4,777,457
Deemed shares issued during the period		510,000	-	-	510,000
Service Rights converted during the period		85,275	(85,275)	-	-
Share issue transaction costs		(1,148,646)	-	-	(1,148,646)
Performance Rights issued during the period		-	1,462,500	-	1,462,500
Options issued during the period		-	839,292	-	839,292
Share based payments		-	17,523	-	17,523
BALANCE AT 31 DECEMBER 2023		153,434,233	19,806,745	(157,626,155)	15,614,823

The above Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Condensed Consolidated Financial Statements.

Condensed Consolidated Statement of Cash Flows

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Consolidated 31 December 2023 \$	31 December 2022 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(948,872)	(860,068)
Payment of interest		-	(253)
Interest received		42,799	15,640
Proceeds from other income		-	4,745
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(906,073)	(839,936)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(1,977,732)	(1,268,266)
Payments for plant and equipment		-	(7,418)
Payments for intangibles		(739,010)	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(2,716,742)	(1,275,684)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		4,777,457	2,673,094
Transaction costs on issue of shares		(309,353)	(129,150)
Amounts received in advance for issue of shares		5,000	-
Payment of lease liabilities		-	(14,320)
NET CASH INFLOW FROM FINANCING ACTIVITIES		4,473,104	2,529,624
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		850,289	414,004
Cash and cash equivalents at the beginning of the period		3,267,502	1,009,638
Effects of exchange rate changes on cash and cash equivalents		(761)	742
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		4,117,030	1,424,384

The above Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Condensed Consolidated Financial Statements.

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Notes to the Condensed Consolidated Financial Statements

HALF-YEAR ENDED 31 DECEMBER 2023

1. BASIS OF PREPARATION

(a) Reporting Entity

The financial report of Avenira Limited and its subsidiaries (collectively, Avenira or the Group) for the six months ended 31 December 2023 were authorised for issue in accordance with a resolution of the directors on 16 March 2024.

Avenira Limited (the Company) is a for profit company limited by shares, domiciled and incorporated in Australia, whose shares are publicly traded. The company's principal place of business is Unit 13, 6-10 Douro Place, West Perth WA 6005.

The Group's principal activities are the exploration, development and production of valuable phosphate and other nutrient projects.

(b) Basis of preparation

The interim financial report for the half-year reporting period ended 31 December 2023 is a general purpose condensed financial report prepared in accordance with the *Corporations Act 2001* and AASB 134: Interim Financial Reporting.

The interim financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of Avenira Limited and its controlled entities (Avenira or the Group) as the annual financial report. It is recommended that the interim financial report be read in conjunction with the annual report of the Group for the year ended 30 June 2023 and considered together with any public announcements made by Avenira during the half-year ended 31 December 2023 in accordance with the continuous disclosure obligations of the ASX listing rules.

The interim financial report has been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2023 except for new accounting policies outlined at 1(d).

(c) Going concern

The financial report has been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the period ended 31 December 2023 the Group incurred a loss of \$1,853,674 (2022: \$2,631,852) and outflows from operating and investing activities of \$3,622,815 (2022: \$2,115,620). As at balance date the Group had a working capital deficit of \$2,567,319 (30 June 2023: \$842,082). Included in current liabilities was a secured loan payable of \$3,604,029 ("the Loan") (refer note 8) which was due for repayment on 8 March 2024 and US\$1,500,000 (A\$2,199,960) payable in two instalments on or before 31 March and 30 June 2024 (refer note 6) pursuant to the License and Technology Transfer Agreement with Aleees.

On 11 March 2024 the Company received a Notice of Demand with respect to the Loan requiring the outstanding amount to be paid by 18 March 2024. The Company repaid the loan (including interest) in instalments on 12 and 14 March 2024 and are in the process of having the security discharged via a deed of release.

On 12 March 2024, the Company disposed of some of its investments in listed companies raising approximately \$397,000.

On 14 March 2024 written confirmation was received from Aleees that it has granted an extension with respect to the two instalments of USD 750,000 payable on 31 March 2024 and 30 June 2024 to now be paid on 30 June 2024 and 30 September 2024 respectively.

The Board is also in advanced stages of securing further working capital and is confident it can be successful.

The ability of the Group to continue as a going concern is principally dependent on raising funds from the issue of capital or other financing arrangements. These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

The Directors believe it is appropriate to prepare these accounts on going concern basis for the following reasons:

- The Company has the ability to raise capital; and
- The Group has the ability to reduce corporate and overhead expenditures in line with available funds if required.

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

1. BASIS OF PREPARATION (continued)

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

(d) New standards, interpretations and amendments adopted by the Group

Standards and Interpretations applicable to 31 December 2023

In the period ended 31 December 2023, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2023. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Group accounting policies.

2. SEGMENT INFORMATION

The following tables present revenue and profit information for the Group's operating segments for the six months ended 31 December 2023 and December 2022, respectively.

	WONARAH (NORTHERN TERRITORY) \$	JUNDEE SOUTH (WESTERN AUSTRALIA)	UNALLOCATED – OTHER SEGMENTS \$	TOTAL CONSOLIDATED \$
Six months ended 31 December 2023				
Income				
Interest income	28,625	-	14,174	42,799
Other income	-	-	-	-
Total segment income	28,625	-	14,174	42,799
Impairment of non-current assets	-	(42,106)	-	(42,106)
Salaries, administrative and other expenses	(18,914)	-	(1,869,684)	(1,888,598)
Depreciation and amortisation	-	-	(7,406)	(7,406)
Segment net loss before tax	(9,711)	(42,106)	(1,862,916)	(1,895,311)
Tax Benefit	-	-	-	-
Segment net loss after tax	(9,711)	(42,106)	(1,862,916)	(1,895,311)
Total net loss per statement of profit or loss and other comprehensive income				(1,895,311)
Segment assets				
Capitalised exploration and evaluation expenditure	9,905,962	3,827,943	-	13,733,905
Plant and equipment	-	-	55,083	55,083
Intangibles	2,938,970	-	-	2,938,970
Other assets at balance date	1,540,192	-	4,850,164	6,390,356
Total segment assets	14,385,124	3,827,943	4,905,247	23,118,314
Segment liabilities				
Provisions & other liabilities at balance date	2,042,829	-	6,923,162	8,965,991
Total segment liabilities	2,042,829	-	6,923,162	8,965,991

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

2. SEGMENT INFORMATION (continued)

	WONARAH (NORTHERN TERRITORY) \$	JUNDEE SOUTH (WESTERN AUSTRALIA) \$	UNALLOCATED – OTHER SEGMENTS \$	TOTAL CONSOLIDATED \$
Six months ended 31 December 2022				
Income				
Interest income	14,126	-	4,323	18,449
Other income	-	-	4,745	4,745
Total segment income	14,126	-	9,068	23,194
Impairment of non-current assets	(519,426)	-	-	(519,426)
Salaries, administrative and other expenses	(18,912)	-	(2,101,318)	(2,120,230)
Depreciation and amortisation	-	-	(15,390)	(15,390)
Segment net loss before tax	(524,212)	-	(2,107,640)	(2,631,852)
Tax Benefit	-	-	-	-
Segment net loss after tax	(524,212)	-	(2,107,640)	(2,631,852)
Total net loss per statement of profit or loss and other comprehensive income				(2,631,852)
30 June 2023				
Segment assets				
Capitalised exploration and evaluation expenditure	8,467,513	3,471,949	-	11,939,462
Property, plant and equipment	-	-	62,489	62,489
Other assets at balance date	1,527,227	-	3,831,802	5,359,029
Total segment assets	9,994,740	3,471,949	3,894,291	17,360,980
Segment liabilities				
Provisions & other liabilities at balance date	2,200,412	-	4,301,265	6,501,677
Total segment liabilities	2,200,412	-	4,301,265	6,501,677

3. FINANCIAL ASSETS

	31 December 2023 \$	30 June 2023 \$
Fair value of financial assets through OCI – listed (Level 1)	467,913	316,846
Fair value of financial assets through OCI – unlisted (Level 3)	85,000	85,000
	552,913	401,846

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy.

The three levels are defined based on the observe ability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

4. NON-CURRENT ASSETS – CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2023 \$	30 June 2023 \$
<i>Reconciliation of movements of exploration and evaluation costs in respect of areas of interest</i>		
Opening net carrying amount	11,939,462	8,927,892
Capitalised exploration and evaluation costs	1,977,732	2,933,375
Increase / (decrease) in rehabilitation provision	(141,183)	78,195
Impairment of exploration and evaluation expenditure	(42,106)	-
Closing net carrying amount	13,733,905	11,939,462

	31 December 2023 \$	30 June 2023 \$
<i>Closing net carrying amount represented by the following projects</i>		
Jundee South Project	3,827,943	3,471,949
Wonarah Phosphate Project	9,905,962	8,467,513
Closing net carrying amount	13,733,905	11,939,462

During the reporting period an amount of \$42,016 was impaired and recognised in the Statement of Profit or Loss and Other Comprehensive Income. The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

5. NON-CURRENT ASSETS - INTANGIBLES

Intangibles	31 December 2023 \$	30 June 2023 \$
Licence rights at cost	4,401,470	-
Movements in carrying amounts	31 December 2023 \$	30 June 2023 \$
Opening net carrying amount		-
Additions – cash component ⁽ⁱ⁾	2,938,970	-
Additions – performance rights ⁽ⁱⁱ⁾	1,462,500	-
Amortisation	-	-
Closing net carrying amount	4,401,470	-

During the period, the Company executed an agreement to be granted the rights to use intellectual property. The consideration was US\$2 million and 150 million Performance Rights (refer below). Refer Note 11 for contingent payments associated with the agreement. Refer Note 7 for basis for the value of the performance rights consideration.

- (i) The licence rights includes US\$2,000,000 paid by the Company to Aleees to extend and improve Avenira's exclusive Australian licence to construct a commercial scale LFP plant for the Wonarah Project.
- (ii) On 29th November 2023, the Company issued 150,000,000 unlisted performance rights to Aleees with the following conditions:

Performance Criteria / Vesting Conditions	Expiry Date	No. of Performance Rights
Performance Criteria A Completion of all funding required by the Company for the construction of the LFP Plant	3 years from date of issue	45,000,000
Performance Criteria B At Mechanical Completion	3 years from date of issue	45,000,000
Performance Criteria C First production and sale of 1,000 tonnes of LFP CAM from the LFP Plant	3 years from date of issue	60,000,000

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

6. TRADE AND OTHER PAYABLES

	31 December 2023	30 June 2023
	\$	\$
Trade payables	689,088	535,471
Other payables and accruals ⁽ⁱ⁾	2,489,276	209,320
	3,178,364	744,791

- (i) Includes accrual of US\$1,500,000 with regards to the Licence and Technology Transfer Agreement with Aleees. This amount is payable in equal instalments on or before 31 March 2024 and 30 June 2024. Refer to Note 12 regarding advice on extension.

7. SHARE BASED PAYMENTS

2023	Grant Date	Issued During the Year	Expiry Date	Exercise Price
AEVOPT23	12/12/2023	70,440,919	14/04/2026	0.017
AEVOPT24	12/12/2023	43,195,445	25/05/2026	0.017

The fair value of the options granted during the year were calculated using the Black Scholes option pricing model applying the following inputs for each tranche of options :

	Options	
	AEVOPT23	AEVOPT24
Options issued	70,440,919	43,195,445
Measurement Date	12/12/2023	12/12/2023
Share price at measurement date	0.012	0.012
Exercise price	0.0165	0.017
Fair value at grant date	0.0073	0.0075
Volatility	122.4%	122.4%
Expiry date	14/04/2026	25/05/2026
Risk free rate	4.02%	4.02%

The fair value of the performance rights granted during the year:

Performance Criteria / Vesting Conditions	No. of Performance Rights	Expiry Date	Fair Value at Grant Date	Probability	Fair Value
Performance Criteria A	45,000,000	3 years from date of issue	0.013	75%	\$438,750
Performance Criteria B	45,000,000	3 years from date of issue	0.013	75%	\$438,750
Performance Criteria C	60,000,000	3 years from date of issue	0.013	75%	\$585,000

For the six months ended 31 December 2023, the Group recognised \$527,523 of share-based payment expense in the statement of profit or loss. (31 December 2022: \$929,025).

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

8. LOANS AND BORROWINGS

Current	INTEREST RATE %	31 December 2023	30 June 2023
		\$ ⁽¹⁾	\$
Loan Facility – secured	8%	3,604,029	3,464,317
Total current loans and borrowings		3,604,029	3,464,317

(1) The Loan balance at 31 December 2023 includes capitalised interest of \$629,379. The loan expired 8th March 2024.

On 11 March 2024 the Company received a Notice of Demand with respect to the Loan requiring the outstanding amount to be paid by 18 March 2024. The Company repaid the loan (including interest) in instalments on 12 and 14 March 2024 and are in the process of having the security discharged via a deed of release.

9. ISSUED CAPITAL

	31 December 2023		30 June 2023	
	Number of shares	\$	Number of shares	\$
(a) Share capital				
Ordinary shares fully paid	2,171,571,560	153,434,233	1,700,007,249	149,210,147
Total share capital	2,171,571,560	153,434,233	1,700,007,249	149,210,147
(b) Movements in ordinary share capital				
Beginning of the financial period	1,700,007,249	149,210,147	1,001,085,139	142,385,648
Transactions during the period:				
– Issue of shares @ \$0.01	15,000,000	255,000		
– Issue of shares @ \$0.015	15,000,000	255,000		
– Conversion of performance rights @ \$0.01	7,250,000	85,275		
– Issue of shares @ \$0.011	181,818,182	2,000,000		
– Issue of shares @ \$0.011	78,770,405	866,474		
– Issue of shares @ \$0.011	173,725,724	1,910,983		
– Issue of shares @ \$0.008			6,250,000	50,000
– Issue of shares @ \$0.010			210,000,000	2,100,000
– Issue of shares @ \$0.0113			11,681,416	132,000
– Conversion of options @ 0.020			9,350,000	187,000
– Conversion of options @ 0.030			6,000,000	180,000
– Conversion of options @ 0.022			903,520	19,877
– Conversion of options @ 0.022			191,681	4,217
– Conversion of options @ 0.022			38	1
– Issue of shares @ \$0.011			281,763,677	3,099,400
– Issue of shares @ \$0.011			172,781,778	1,900,600
Less: transaction costs	-	(1,148,646)	-	(848,596)
End of the financial period	2,171,571,560	153,434,233	1,700,007,249	149,210,147

	Number of unlisted options	
	31 December 2023	30 June 2023
(c) Movements in unlisted options on issue		
Beginning of the financial period	152,981,042	100,076,281
Expired during the period	(12,000,000)	(32,650,000)
Exercised during the period	-	(16,445,239)
Issued during the period		
– 1.7 cent options, 14 April 2026	70,440,919	-
– 1.7 cent options, 25 May 2026	43,195,445	-
– 2 cent options, 31 October 2025	-	36,000,000
– 3 cent options, 31 October 2025	-	36,000,000
– 2 cent options, 31 October 2025	-	7,500,000
– 3 cent options, 31 October 2025	-	7,500,000
– 4 cent options, 14 October 2026	-	15,000,000
End of the financial period	254,617,406	152,981,042

Notes to the Condensed Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2023

9. ISSUED CAPITAL (continued)

	Number of listed options	
	31 December 2023	30 June 2023
(d) Movements in listed options on issue		
Beginning of the financial period	145,000,000	-
Issued during the period		
– 2.5 cent listed options, 31 October 2025	-	105,000,000
– 2.5 cent listed options, 31 October 2025	-	40,000,000
End of the financial period	145,000,000	145,000,000

	Number of share rights	
	31 December 2023	30 June 2023
(e) Movements in share rights on issue		
Beginning of the financial period	7,250,000	-
Exercised during the period	(7,250,000)	
Issued during the period		
– Performance rights, 30 November 2023	150,000,000	
– Service rights under the ESIP, 31 October 2022	-	7,250,000
End of the financial period	150,000,000	7,250,000

10. RESERVES AND ACCUMULATED LOSSES

	31 December 2023	30 June 2023
	\$	\$
a) Reserves		
Financial assets at fair value through OCI	(1,637,003)	(1,788,070)
Foreign currency translation	128,765	128,765
Share-based payments	21,314,983	19,080,942
Total reserves	19,806,745	17,421,637
	31 December 2023	30 June 2023
	\$	\$
b) Accumulated losses		
Balance at the beginning of the financial year	(155,772,481)	(152,574,781)
Net loss attributable to the owners of Avenir Limited	(1,853,674)	(3,197,701)
Balance at end of the year	(157,626,155)	(155,772,481)

11. COMMITMENTS AND CONTINGENCIES

Under the Licence and Technology Transfer Agreement, Avenir will pay to Aleees the following Licence Down Payments upon achievement of the following milestones:

- USD 2,000,000 payment at Financial Close (completion of all funding required for the construction of the LFP Plant (Phase 1)) (USD500,000 paid 20 December 2023).
- USD 500,000 payment at Mechanical Completion (Production Completion of Phase 3: Production); and
- USD 500,000 payment upon first production and sale of LFP CAQM produced.

Since 30 June 2023 the Directors are not aware of any other matter or circumstance that has significantly or may significantly affect the commitments and contingencies disclosed in the 30 June 2023 annual report other than for the matters referred to under the heading “Subsequent Events” and “Events After the Reporting Period”.

Notes to the Condensed Consolidated Financial Statements (cont.)**HALF-YEAR ENDED 31 DECEMBER 2023****12. EVENTS AFTER THE REPORTING PERIOD**

Following approval at a shareholders meeting held on 22 January 2024, directors subscribed for 21 million shares at an issue price of \$0.011 to raise \$231,000. These shares were issued on 1st February 2024.

On 11 March 2024 the Company received a Notice of Demand with respect to the Loan requiring the outstanding amount to be paid by 18 March 2024. The Company repaid the Loan (including interest) in instalments on 12 and 14 March 2024 and are in the process of having the security discharged via a deed of release.

On 12 March 2024, the Company disposed of some of its investments in listed companies raising approximately \$397,000.

On 14 March 2024 written confirmation was received from Aleees that it has granted an extension with respect to the two instalments of USD 750,000 payable on 31 March 2024 and 30 June 2024 to now be paid on 30 June 2024 and 30 September 2024 respectively.

The Board is also in advanced stages of securing further working capital and is confident it can be successful.

The Directors are not aware of any other matter or circumstance not otherwise dealt with in this report, that has significantly or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent periods.

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DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Avenira Limited, I state that:

In the opinion of the Directors:

- a) the financial statements and notes of Avenira Limited for the half-year ended 31 December 2023 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date;
- b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the board.



Brett Clark
Chairman / CEO

Perth, 16 March 2024

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF AVENIRA LIMITED

Conclusion

We have reviewed the accompanying half-year financial report of Avenira Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Consolidated Entity does not comply with the *Corporations Act 2001* including:

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Consolidated Entity incurred a net loss of \$1,853,674 during the half year ended 31 December 2023. As stated in Note 1(c), these events or conditions, along with other matters as set forth in Note 1(c), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



HALL CHADWICK WA AUDIT PTY LTD



D M BELL CA
Director

Dated this 16th day of March 2024
Perth, Western Australia