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**ABN 48 116 296 541**

**INTERIM FINANCIAL REPORT  
FOR THE HALF YEAR ENDED  
31 DECEMBER 2021**

**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 2021 and any public announcements made by Avenir Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.**

## 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 2021.

### 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) (*appointed 8 July 2021*)  
 Dr Geoffrey Xue (Non-Executive Director) (*appointed 23 July 2021*)

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 2021 and considered together with any public announcements made by the Group during the half-year ended 31 December 2021 in accordance with continuous disclosure requirements of the Corporations Act 2001.

### HIGHLIGHTS

- Scoping study underway to investigate high value phosphoric acid products for LFP battery metals and fertilizers.
- Two additional Exploration Licences pegged adjacent to flagship Wonarah Project.
- Licences located in areas previously identified with phosphate exploration potential.

### WONARAH PHOSPHATE PROJECT, Australia NT (Avenira 100%)



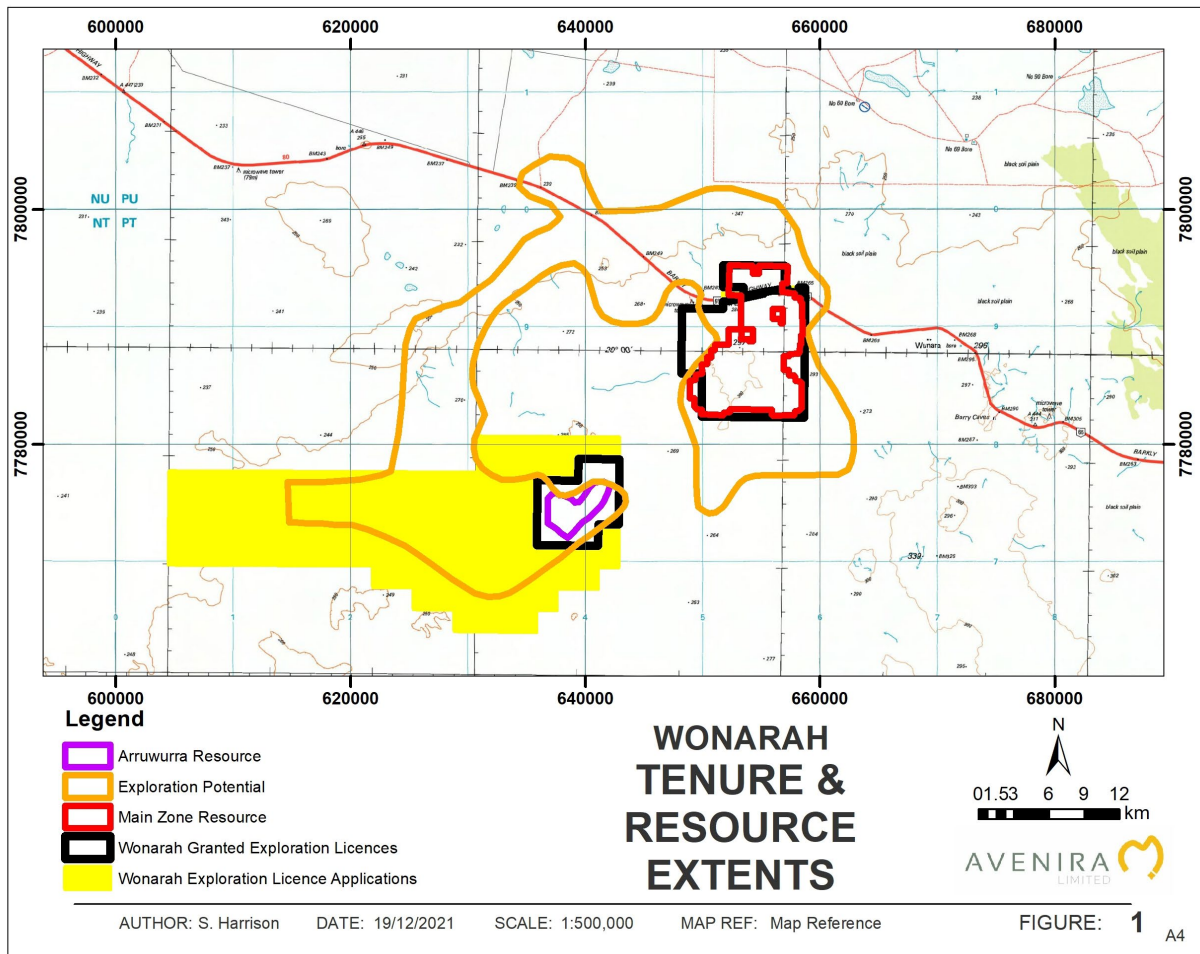
**Directors' Report**

The Wonarah Phosphate Project is considered to be one of Australia's largest phosphate projects:

- Measured Resource of 64.9 Mt @ 22.4% P<sub>2</sub>O<sub>5</sub>
- Indicated Resource of 133 Mt @ 21.1% P<sub>2</sub>O<sub>5</sub>
- Inferred Resource of 352 Mt @ 21% P<sub>2</sub>O<sub>5</sub> (15% cut-off)
- High Grade Component Resource of 67Mt @ 30.0% P<sub>2</sub>O<sub>5</sub> using a 27% P<sub>2</sub>O<sub>5</sub> cutoff grade.
- 100%-owned by Avenira.
- Scoping study to develop the Tier 1 Wonarah Phosphate Project to produce critical end products for LFP batteries underway.
- Excellent infrastructure including nearby road, rail, gas, and water.
- Strategic review underway into supply/demand from:
  - Lithium ferro phosphate (LiFePO<sub>4</sub>) cathode market;
  - Fertilizer market.

**Wonarah Update**

During the half year, Avenira acquired two Exploration Licences adjacent to the Wonarah Project. One licence (EL33063) links the portions of the Main Zone Deposit straddling the Barkly Highway, whilst the other (EL33062) overlies areas previously identified as a target for ongoing exploration adjacent to the Arruwurra Deposit (see ASX release dated 30 April 2014). The location of the Exploration Licences is displayed in Figure 2.



**Figure 2. Location of EL33062 and EL33063**

Immediate proposed work on these licences will comprise compilation of historic data, refining of the geological interpretation and reconnaissance exploration.

**Directors' Report**

**Avenira appoints Project Manager for Wonarah Phosphate project**

Subsequent to the end of the half year, Avenira is pleased to announce the appointment of Brian Campbell, an experienced chemical engineer, as Project Manager for the Wonarah Phosphate Project. Mr Campbell has a history of leading engineering teams specializing in phosphate for leading global engineering organisations including roles with Worley and ThyssenKrupp.

**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 area is located within 3km of the Jundee Mine and covers more than a 60km strike length 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.

During the half several new tenements were incorporated into the company portfolio. These are located throughout the Yandal Belt as far South as Darlot. For the time being, given all new tenements are currently applications, they have been retained as being part of the Jundee South Project however will be given new project designations once they are granted.

Avenira continues to increase its ground position in the Yandal greenstone belt with the recent acquirement of the Bronzewing North tenement.

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.

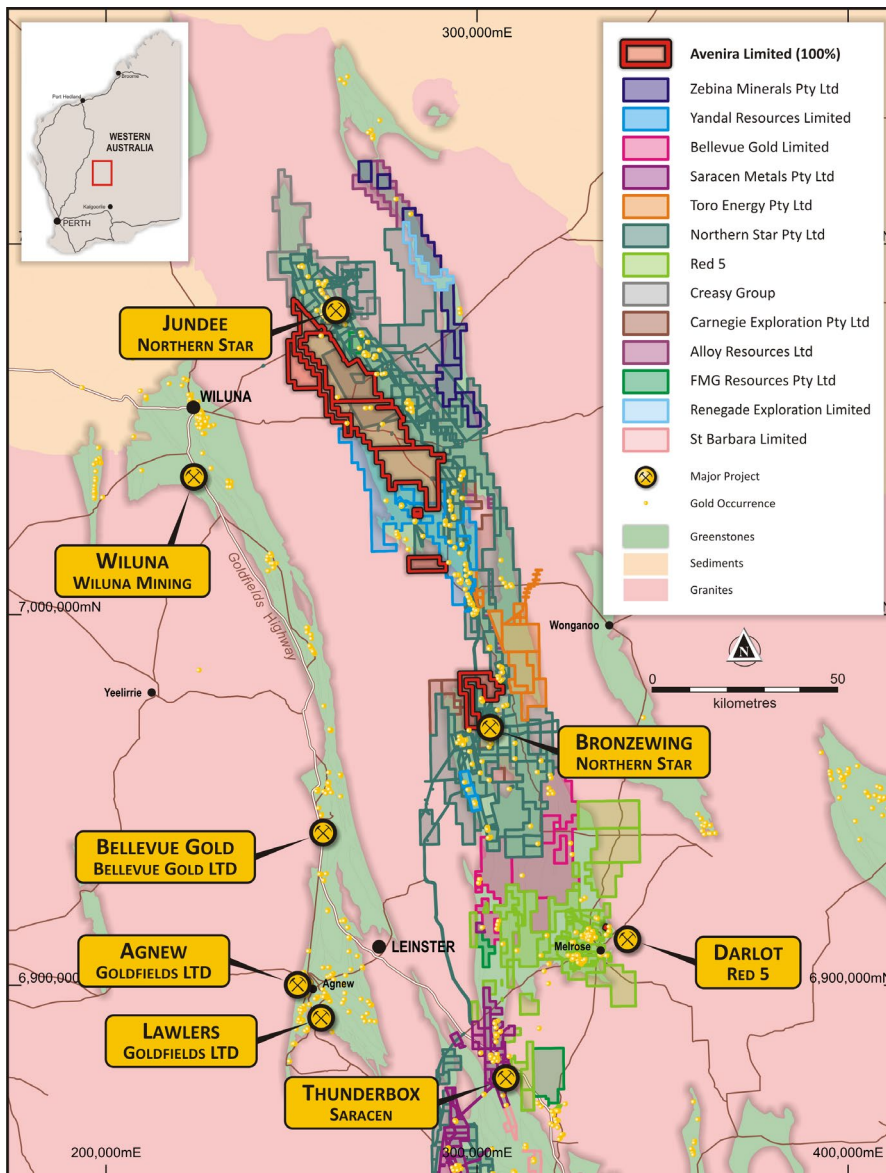
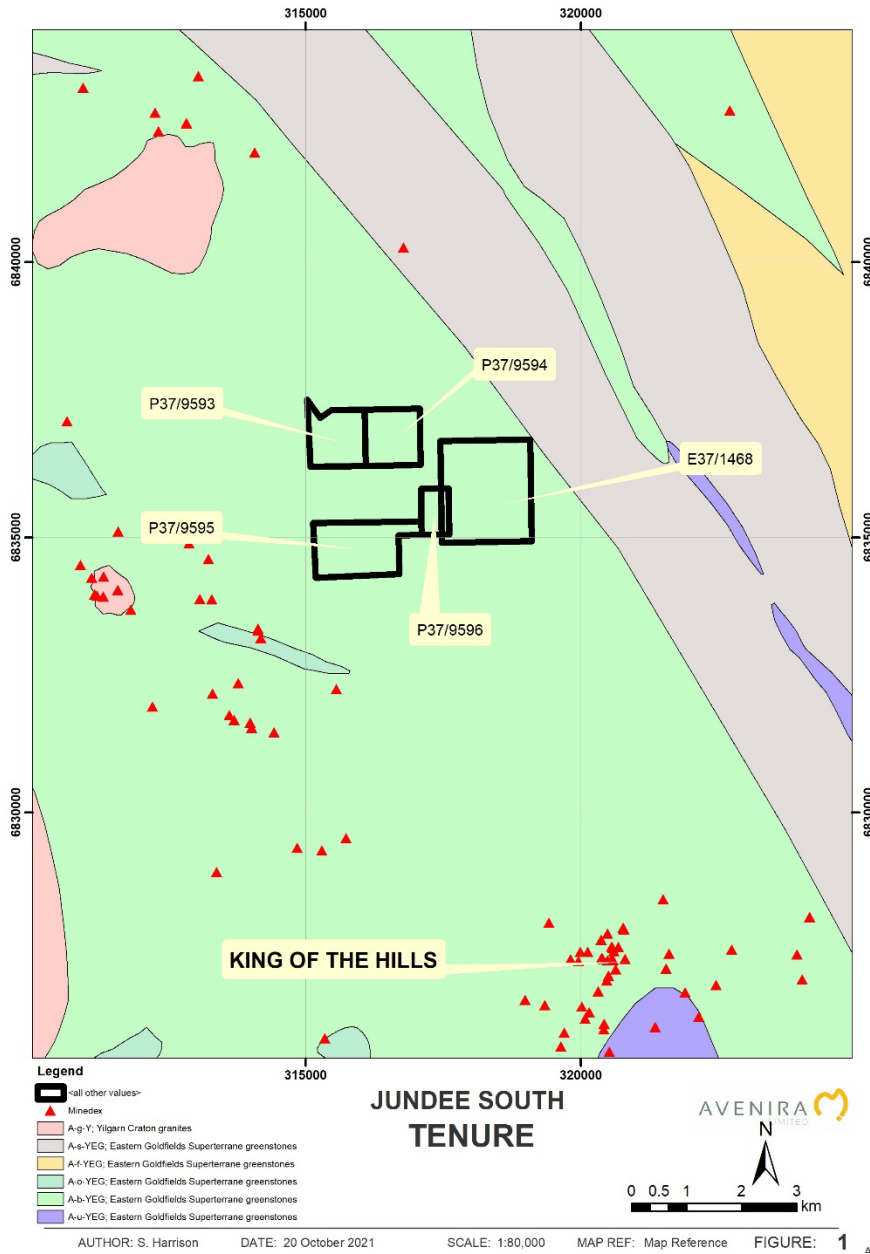


Figure 3: Jundee South Project and Bronzewing North location map

Directors' Report



**Jundee South Heritage Agreement – Tarlka Matua Piarku Aboriginal Corporation (TMPAC)**

A formal heritage agreement was executed for the portions of the Jundee South Project which lie in TMPAC country. This agreement accounted for disturbance and activities that were undertaken with no heritage surveys during the 2020 Aircore drilling program.

A heritage survey for the Reverse Circulation (RC) drilling program was undertaken immediately on execution of the agreement.

Directors' Report

Jundee South RC Drilling Program

A RC drilling program was undertaken to test depth extensions beneath high priority anomalous intercepts. A total of 23 holes were drilled over November and December for 4,888 metres. Results are anticipated in the upcoming quarter due to laboratory delays.

Figure 5 shows the locations of holes drilled and summary statistics for each target.

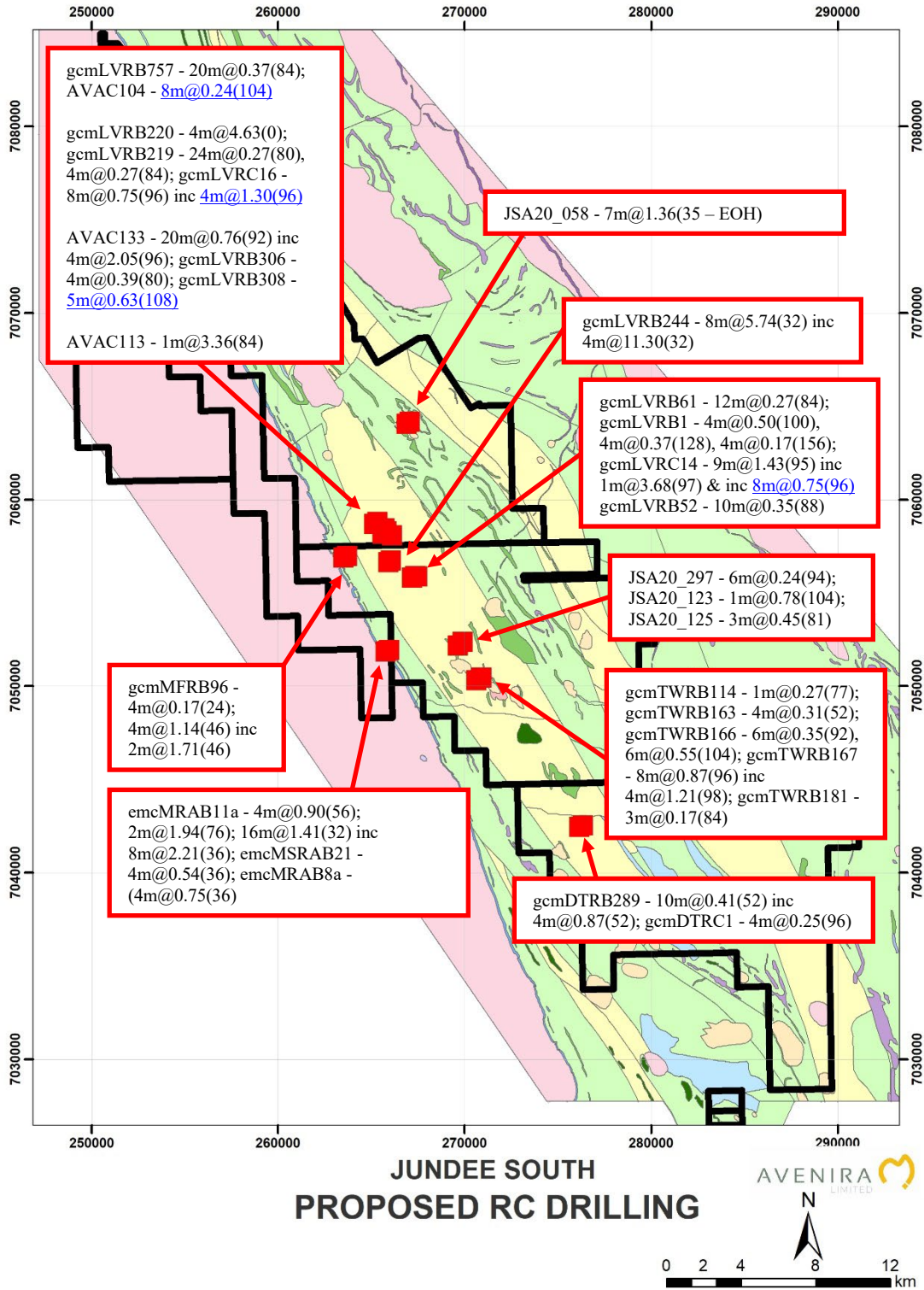


Figure 5. Location of Proposed RC Drilling with Historical Intercepts

## Directors' Report

### ***Jundee South Aircore (AC) Drilling Program***

Pre-operational works commenced for an AC drilling program to be undertaken in Q1CY22. This drilling is intended to identify areas for sterilisation in the upcoming compulsory relinquishment for E53/1859 due in March 2022.

Activities completed include:

- Heritage survey of proposed drill lines
- Submission of Program of Works for ground disturbance

### ***Jundee South Exploration Incentive Scheme (EIS) Funding***

A successful application was made for funding to allow for deep drilling to the west of the Nimary Fault which is believed to offset down-dip mineralisation present at Jundee. A total of \$105,000 of funding was allocated to the project, with expenditure being required during 2022.

### ***Jundee South Soils Sampling***

A small orientation soils sampling program was completed to test for anomalies adjacent to a remote sensing anomaly on the western extents of the Jundee South Project. Three size fractions were generated from each primary sample resulting in 92 samples being analysed. Results pending.

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## Directors' Report

### TENEMENTS AND MINERAL RESOURCE STATEMENT

#### Schedule of Avenira Limited Tenements as at 31 December 2021

Location	Tenement Name	Tenement	Nature of Company's Interest
Western Australia	Bronzewing North	E36/1021	100%
Western Australia	Jundee South	E53/1856	100%
Western Australia	Jundee South	E53/1859	100%
Western Australia	Jundee South	E53/2078	100%
Western Australia	Jundee South	E53/2079	100%
Western Australia	Jundee South	E53/2204	100%
Western Australia	Jundee South	E53/2205	100%
Western Australia	Jundee South	P53/1712	100%
Western Australia	Jundee South	P53/1713	100%
Western Australia	Darlot	P37/9539	100%
Western Australia	Darlot	P37/9593	100%
Western Australia	Darlot	P37/9594	100%
Western Australia	Darlot	P37/9595	100%
Western Australia	Darlot	P37/9596	100%
Northern Territory	Arruwurra	EL29840	100%
Northern Territory	Wonarah	EL29849	100%
Northern Territory	Dalmore	EL32359	100%
Northern Territory	Arruwurra South	ELA33062	100%
Northern Territory	Wonarah	ELA33063	100%

#### Mineral Resource Statement

WONARAH PROJECT, NORTHERN TERRITORY, AUSTRALIA												
Cut off P <sub>2</sub> O <sub>5</sub> %	Resource Category	Tonnes Mt	P <sub>2</sub> O <sub>5</sub> %	Al <sub>2</sub> O <sub>3</sub> %	CaO %	Fe <sub>2</sub> O <sub>3</sub> %	K <sub>2</sub> O %	MgO %	MnO %	Na <sub>2</sub> O %	SiO <sub>2</sub> %	TiO <sub>2</sub> %
10	Measured	78.3	20.8	4.85	28	1.11	0.43	0.25	0.04	0.1	39.7	0.21
	Indicated	222	17.5	4.75	23.2	1.49	0.47	0.2	0.04	0.09	48.3	0.22
	M+I	300	18.3	4.77	24.4	1.4	0.46	0.21	0.04	0.09	46.1	0.22
	Inferred	512	18	4.8	24	2.1	0.5	0.2	0.08	0.05	46	0.2
15	Measured	64.9	22.4	4.47	30	1.1	0.37	0.19	0.04	0.09	37	0.19
	Indicated	133	21.1	4.77	28	1.53	0.47	0.21	0.04	0.09	39.7	0.22
	M+I	198	21.5	4.67	28.7	1.39	0.44	0.2	0.04	0.09	38.8	0.21
	Inferred	352	21	4.5	28	2.0	0.5	0.2	0.10	0.06	39	0.2

#### Competent Persons Statement

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

#### Previously Reported Results

There is information in this report relating to Mineral Resource estimates which was previously reported on 15 Mar 2013 and 30 Apr 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



## Directors' Report

### FINANCIAL REVIEW

During the half year ended 31 December 2021 the Group reported an operating loss after tax of \$1,301,343 (half-year ended 31 December 2020: loss of \$1,087,394).

As at 31 December 2021 the total cash balance was \$887,936 (30 June 2021: \$3,123,043).

### SUBSEQUENT EVENTS

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 10.

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



**Brett Clark**  
Chairman / CEO  
Perth, 10 March 2022

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 2021, 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**

  
**DOUG BELL CA**  
**Director**

Dated the 10<sup>th</sup> day of March 2022  
Perth, Western Australia

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

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Consolidated	
		31 December 2021 \$	31 December 2020 \$
<b>INCOME</b>			
Interest income		3,342	12,651
Other income		-	10,940
<b>EXPENDITURE</b>			
Depreciation and amortisation expense		(17,626)	(17,672)
Salaries and employee benefits expense		(484,284)	(415,395)
Impairment of exploration and evaluation expenditure	4	(260,316)	(43,705)
Interest expense		(1,451)	(2,600)
Share based payment expense	5	(7,335)	(77,919)
Net foreign currency gain/(loss)		1	70
Administrative and other expenses		(533,674)	(553,764)
<b>LOSS BEFORE INCOME TAX</b>		<b>(1,301,343)</b>	<b>(1,087,394)</b>
<b>INCOME TAX BENEFIT</b>		<b>-</b>	<b>-</b>
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<b>(1,301,343)</b>	<b>(1,087,394)</b>
<b>OTHER COMPREHENSIVE INCOME/ (LOSS)</b>			
<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		(840,112)	366,211
<b>TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD</b>		<b>(2,141,455)</b>	<b>(721,183)</b>
Income / (Loss) for the period is attributable to:			
Owners of Avenira Limited		(1,301,343)	(1,087,394)
		<b>(1,301,343)</b>	<b>(1,087,394)</b>
Total comprehensive income / (loss) for the period is attributable to:			
Owners of Avenira Limited		(2,141,455)	(721,183)
		<b>(2,141,455)</b>	<b>(721,183)</b>
<b>LOSS PER SHARE</b>			
Basic profit /(loss) per share (cents)		(0.15)	(0.15)
Diluted profit /(loss) per share (cents)		(0.15)	(0.15)

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

**Consolidated Statement of Financial Position**

AS AT 31 DECEMBER 2021

	Notes	Consolidated	
		31 December 2021	30 June 2021
		\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		887,936	3,123,043
Other receivables		378,080	129,209
<b>TOTAL CURRENT ASSETS</b>		<b>1,266,016</b>	<b>3,252,252</b>
<b>NON-CURRENT ASSETS</b>			
Other assets		1,481,600	1,481,600
Financial assets	3	1,793,618	1,718,543
Plant and equipment		2,199	-
Capitalised exploration and evaluation expenditure	4	8,574,115	7,511,257
Right-of-use asset		31,462	48,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11,882,994</b>	<b>10,760,200</b>
<b>TOTAL ASSETS</b>		<b>13,149,010</b>	<b>14,012,452</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		1,011,016	527,286
Lease liability		36,275	38,148
Provisions		50,844	43,404
Amounts received in advance on sale of financial assets		-	31,306
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,098,135</b>	<b>640,144</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions		1,996,770	1,768,081
Lease Liability		-	16,741
Loans and borrowings	6	3,080,739	2,480,000
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>5,077,509</b>	<b>4,264,822</b>
<b>TOTAL LIABILITIES</b>		<b>6,175,644</b>	<b>4,904,966</b>
<b>NET ASSETS</b>		<b>6,973,366</b>	<b>9,107,486</b>
<b>EQUITY</b>			
Issued capital	7	140,516,513	140,516,513
Reserves	8	17,457,768	18,290,545
Accumulated losses	8	(151,000,915)	(149,699,572)
<b>TOTAL EQUITY</b>		<b>6,973,366</b>	<b>9,107,486</b>

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

**Consolidated Statement of Changes in Equity**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Attributable to Owners of Avenira Limited			Total
		Issued Capital	Reserves	Accumulated Losses	
		\$	\$	\$	\$
<b>BALANCE AT 30 JUNE 2020</b>		137,337,162	25,259,540	(155,059,077)	7,537,625
Profit/(loss) for the period		-	-	(1,087,394)	(1,087,394)
Other comprehensive income for the period		-	366,211	-	366,211
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		-	366,211	(1,087,394)	(721,184)
Shares issued during the period		3,376,783	-	-	3,376,783
Share issue transaction costs		(197,432)	-	-	(197,432)
Share based payments		-	77,919	-	77,919
Discontinued operations		-	(7,465,464)	7,465,464	-
<b>BALANCE AT 31 DECEMBER 2020</b>		<b>140,516,513</b>	<b>18,238,206</b>	<b>(148,681,007)</b>	<b>10,073,712</b>
<b>BALANCE AT 30 JUNE 2021</b>		<b>140,516,513</b>	<b>18,290,545</b>	<b>(149,699,572)</b>	<b>9,107,486</b>
Profit/ (loss) for the period		-	-	(1,301,343)	(1,301,343)
Other comprehensive income for the period		-	(840,112)	-	(840,112)
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		-	<b>(840,112)</b>	<b>(1,301,343)</b>	<b>(2,141,455)</b>
Shares cancelled in the period		-	-	-	-
Shares issued during the period		-	-	-	-
Share based payment		-	7,335	-	7,335
<b>BALANCE AT 31 DECEMBER 2021</b>		<b>140,516,513</b>	<b>17,457,768</b>	<b>(151,000,915)</b>	<b>6,973,366</b>

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

**Consolidated Statement of Cash Flows**

FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

	Notes	Consolidated	
		31 December 2021	31 December 2020
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers and employees		(596,610)	(1,033,322)
Payment of interest		(1,451)	(2,600)
Interest received		3,165	3,746
Proceeds from other income		-	10,940
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>		<b>(594,896)</b>	<b>(1,021,236)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for exploration expenditure		(944,485)	(929,782)
Payments for plant and equipment		(2,437)	-
Purchase of financial instruments		(2,321,927)	(75,000)
Proceeds from sale of investments		1,151,326	-
<b>NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES</b>		<b>(2,117,523)</b>	<b>(1,004,782)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of shares		-	3,376,791
Transaction costs on issue of shares		-	(197,432)
Proceeds from loans and borrowings		494,649	-
Payment of lease liabilities		(17,338)	(17,467)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>		<b>477,311</b>	<b>3,161,892</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(2,235,108)</b>	<b>1,135,874</b>
Cash and cash equivalents at the beginning of the period		3,123,043	1,288,337
Effects of exchange rate changes on cash and cash equivalents		1	70
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>887,936</b>	<b>2,424,281</b>

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

## Notes to the Consolidated Financial Statements

HALF-YEAR ENDED 31 DECEMBER 2021

### 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 2021 were authorised for issue in accordance with a resolution of the directors on 10 March 2022.

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 Suite 6, 100 Mill Point Road, South Perth WA 6008.

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 2021 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 2021 and considered together with any public announcements made by Avenira during the half-year ended 31 December 2021 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 2021 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, the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the period ended 31 December 2021 the Group incurred a loss of \$1,301,343 (2020: \$1,087,394) and net operating cash outflows of \$594,896 (2020: \$1,021,236).

The ability of the Group to continue as a going concern is principally dependent on the sale of liquid investments or raising capital. 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 Group holds liquid financial assets that can be sold to meet cash flow requirements;
- 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.

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.

**Notes to the Consolidated Financial Statements (cont.)**

HALF-YEAR ENDED 31 DECEMBER 2021

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

*Standards and Interpretations applicable to 31 December 2021*

In the period ended 31 December 2021, 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 2021. 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.

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**Notes to the Consolidated Financial Statements (cont.)**
**HALF-YEAR ENDED 31 DECEMBER 2021**
**2. SEGMENT INFORMATION**

The following tables present revenue and profit information for the Group's operating segments for the six months ended 31 December 2021 and December 2020, respectively.

	WONARAH (NORTHERN TERRITORY) \$	JUNDEE SOUTH (WESTERN AUSTRALIA)	UNALLOCATED – OTHER SEGMENTS \$	TOTAL CONSOLIDATED \$
<b>Six months ended 31 December 2021</b>				
<b>Income</b>				
Interest income	1,734	-	1,608	3,342
Other income	-	-	185,598	185,598
<b>Total segment income</b>	<b>1,734</b>	<b>-</b>	<b>187,206</b>	<b>188,940</b>
Impairment of non-current assets	(260,316)	-	-	(260,316)
Salaries, administrative and other expenses	(18,853)	-	(1,007,890)	(1,026,743)
Depreciation and amortisation	-	-	(17,626)	(17,626)
<b>Segment net loss before tax</b>	<b>(277,435)</b>	<b>-</b>	<b>(838,310)</b>	<b>(1,115,745)</b>
Tax Benefit	-	-	-	-
<b>Segment net loss after tax</b>	<b>(277,435)</b>	<b>-</b>	<b>(838,310)</b>	<b>(1,115,745)</b>
Total net loss per statement of profit or loss and other comprehensive income				(1,115,745)
<b>Segment assets</b>				
Capitalised exploration and evaluation expenditure	5,889,800	2,684,315	-	8,574,115
Plant and equipment	-	-	2,199	2,199
Other assets at balance date	1,502,544	-	3,070,152	4,572,696
<b>Total segment assets</b>	<b>7,392,344</b>	<b>2,684,315</b>	<b>3,072,351</b>	<b>13,149,010</b>
<b>Segment liabilities</b>				
Provisions & other liabilities at balance date	1,997,810	-	4,177,834	6,175,644
<b>Total segment liabilities</b>	<b>1,997,810</b>	<b>-</b>	<b>4,177,834</b>	<b>6,175,644</b>
<b>Six months ended 31 December 2020</b>				
<b>Income</b>				
Interest income	6,941	-	5,710	12,651
Other income	10,000	-	940	10,940
<b>Total segment income</b>	<b>16,941</b>	<b>-</b>	<b>6,650</b>	<b>23,591</b>
Impairment of non-current assets	(43,705)	-	-	(43,705)
Salaries, administrative and other expenses	(18,852)	-	(1,030,756)	(1,049,608)
Depreciation and amortisation	-	-	(17,672)	(17,672)
Net loss on disposal of fixed assets	-	-	-	-
<b>Segment net loss before tax</b>	<b>(45,616)</b>	<b>-</b>	<b>(1,041,778)</b>	<b>(1,087,394)</b>
Tax Benefit	-	-	-	-
<b>Segment net loss after tax</b>	<b>(45,616)</b>	<b>-</b>	<b>(1,041,778)</b>	<b>(1,087,394)</b>
Total net loss per statement of profit or loss and other comprehensive income				(1,087,394)

Notes to the Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2021

2. SEGMENT INFORMATION (continued)

30 June 2021	WONARAH (AUSTRALIA) \$	JUNDEE SOUTH (WESTERN AUSTRALIA) \$	UNALLOCATED – OTHER SEGMENTS \$	TOTAL CONSOLIDATED \$
<b>Segment assets</b>				
Capitalised exploration and evaluation expenditure	5,889,800	1,621,457	-	7,511,257
Other assets at balance date	1,487,481	-	5,013,714	6,501,195
<b>Total segment assets</b>	<b>7,377,281</b>	<b>1,621,457</b>	<b>5,013,714</b>	<b>14,012,452</b>
<b>Segment liabilities</b>				
Provisions & other liabilities at balance date	1,768,430	-	3,136,536	4,904,966
<b>Total segment liabilities</b>	<b>1,768,430</b>	<b>-</b>	<b>3,136,536</b>	<b>4,904,966</b>

3. FINANCIAL ASSETS

	31 December 2021 \$	30 June 2021 \$
Fair value of financial assets through OCI – listed <sup>(Level 1)</sup>	<b>1,708,618</b>	<b>1,633,543</b>
Fair value of financial assets through OCI – unlisted <sup>(Level 3)</sup>	<b>85,000</b>	<b>85,000</b>
	<b>1,793,618</b>	<b>1,718,543</b>

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 Consolidated Financial Statements (cont.)**
**HALF-YEAR ENDED 31 DECEMBER 2021**
**4. NON-CURRENT ASSETS – CAPITALISED EXPLORATION AND EVALUATION EXPENDITURE**

	31 December 2021 \$	30 June 2021 \$
<i>Reconciliation of movements of exploration and evaluation costs in respect of areas of interest</i>		
Opening net carrying amount	7,511,257	6,344,326
Capitalised exploration and evaluation costs	1,094,485	1,231,448
Increase in rehabilitation provision	228,689	28,407
Impairment of exploration and evaluation expenditure	(260,316)	(92,924)
Closing net carrying amount	<b>8,574,115</b>	<b>7,511,257</b>

	31 December 2021 \$	30 June 2021 \$
<i>Closing net carrying amount represented by the following projects</i>		
Jundee South Project	2,684,315	1,621,457
Wonarah Phosphate Project	5,889,800	5,889,800
Closing net carrying amount	<b>8,574,115</b>	<b>7,511,257</b>

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

SRK Consulting conducted an update to the valuation of the Wonarah Project as at 30 June 2021. In SRK's opinion, the valuation of the Wonarah Project has not materially changed since the effective date of the 2019 SRK Report. As such the valuation summary outlined in the 2019 SRK Report and the 2019 Report Update is effective as at 30 June 2021 and the Directors do not believe this has materially changed since 31 December 2021.

The 2019 report revealed fair values for the Wonarah Project ranging from \$6,010,000 to \$16,020,000, based on a range of resource multiples derived from recent transactions and enterprise values of market participants with defined phosphate mineral resources (level 3 in the fair value hierarchy).

The Directors considered that the low end of the independent expert's range remaining is to be the most representative of the fair value less costs of disposal of the Wonarah Project. As a result, during the reporting period an amount of \$29,618 was impaired and recognised in the Statement of Profit or Loss and Other Comprehensive Income. The recoverable amount is calculated as \$5,889,800 after allowing for estimated costs of disposal.

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. SHARE BASED PAYMENTS**

2021	Vesting Date	Issued During the Year	Expiry Date	Exercise Price	Value per option grant day (cents)
Grant Date: 21 September 2021					
Tranche 1	01/07/2022	1,500,000	30/06/2024	0.02	0.001
Tranche 2	01/07/2022	1,500,000	30/06/2024	0.03	0.001
		3,000,000			

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 option:

Tranche 1 – 2 cent options		Tranche 2 – 3 cent options	
Options issued	1,500,000	Options issued	1,500,000
Measurement Date	21/09/2021	Measurement Date	21/09/2021
Share price at measurement date	0.01	Share price at measurement date	0.01
Exercise price	0.02	Exercise price	0.03
Fair value at grant date	0.007	Fair value at grant date	0.006
Volatility	145%	Volatility	145%
Expiry date	30/06/2024	Expiry date	30/06/2024
Risk free rate	0.19%	Risk free rate	0.19%

For the six months ended 31 December 2021, the Group recognised \$7,335 of share-based payment expense in the statement of profit or loss. (31 December 2020: \$77,919).

**Notes to the Consolidated Financial Statements (cont.)**

HALF-YEAR ENDED 31 DECEMBER 2021

**6. LOANS AND BORROWINGS**

Non-Current	INTEREST RATE %	31 December 2021	30 June 2021
		\$ <sup>(1)</sup>	\$
Loan Facility – secured	8%	<b>3,080,739</b>	2,480,000
<b>Total non-current loans and borrowings</b>		<b>3,080,739</b>	2,480,000

<sup>(1)</sup> The Loan balance at 31 December 2021 includes capitalised interest of \$106,090

**7. ISSUED CAPITAL**

	Notes	31 December 2021		30 June 2021	
		Number of shares	\$	Number of shares	\$
<b>(a) Share capital</b>					
Ordinary shares fully paid		<b>862,852,818</b>	<b>140,516,513</b>	862,852,818	140,516,513
Total share capital		<b>862,852,818</b>	<b>140,516,513</b>	862,852,818	140,516,513
<b>(b) Movements in ordinary share capital</b>					
Beginning of the financial period		862,852,818	140,516,513	440,754,926	137,337,162
Transactions during the period:					
– Issue of shares @ \$0.008		-	-	66,113,238	528,906
– Issue of shares @ \$0.008		-	-	74,966,928	599,735
– Issue of shares @ \$0.008		-	-	69,850,964	558,808
– Issue of shares @ \$0.008		-	-	136,878,660	1,095,029
– Issue of shares @ \$0.008		-	-	48,900,070	391,201
– Issue of shares @ \$0.008		-	-	25,388,032	203,104
Less: transaction costs		-	-	-	(197,432)
End of the financial period		<b>862,852,818</b>	<b>140,516,513</b>	862,852,818	140,516,513

	Number of options	
	31 December 2021	30 June 2021
<b>(c) Movements in unlisted options on issue</b>		
Beginning of the financial period	<b>60,000,000</b>	48,000,000
Expired during the period	-	-
Issued during the period		
– 2.5 cent options, 7 Sept 2023	-	6,000,000
– 3.5 cent options, 7 Sept 2023	-	6,000,000
– 2 cent options, 30 June 2024	<b>1,500,000</b>	-
– 3 cent options, 30 June 2024	<b>1,500,000</b>	-
End of the financial period	<b>63,000,000</b>	60,000,000

Notes to the Consolidated Financial Statements (cont.)

HALF-YEAR ENDED 31 DECEMBER 2021

8. RESERVES AND ACCUMULATED LOSSES

	31 December 2021 \$	30 June 2021 \$
<b>a) Reserves</b>		
Financial assets at fair value through OCI	(353,680)	486,432
Foreign currency translation	128,765	128,765
Share-based payments	17,682,683	17,675,348
<b>Total reserves</b>	<b>17,457,768</b>	<b>18,290,545</b>
<b>b) Accumulated losses</b>		
Balance at the beginning of the financial year	(149,699,572)	(155,059,077)
Net loss attributable to the owners of Avenira Limited	(1,301,343)	(2,105,959)
NCI reserve transfer <sup>(1)</sup>	-	7,465,463
<b>Balance at end of the year</b>	<b>151,000,915</b>	<b>(149,699,572)</b>

<sup>(1)</sup> As the Group no longer has any non-controlling interests, the NCI reserve for transactions with non-controlling interests has been derecognised and transferred to accumulated losses.

9. COMMITMENTS AND CONTINGENCIES

Since 30 June 2021 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 2021 annual report.

10. EVENTS AFTER THE REPORTING PERIOD

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

**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 2021 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 2021 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, 10 March 2022

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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 consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 2021 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 Regarding Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that the Group incurred a net loss of \$1,301,343 during the half year ended 31 December 2021. As stated in Note 1 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 Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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## 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 2021 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**



**DOUG BELL CA**  
**Director**

Dated this 10<sup>th</sup> day of March 2022  
Perth, Western Australia

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