



ASX Announcement

Clara Resources Australia Limited (ASX: C7A)

19 May 2023

Agreement executed for sale of Granville Tin project

The Board of Directors of Clara Resources Australia Limited (ASX: C7A) are pleased to advise that the company has now executed a Share Sale Agreement for the sale of the company's wholly owned subsidiary, Ten Star Mining Pty Ltd ("Ten Star"). Ten Star holds the tenements and other assets relating to the Granville Tin project in Tasmania.

The purchaser is Reforme Group Pty Ltd ("Reforme"), an unrelated private company which holds mining tenements elsewhere in Australia.

Completion of the Share Sale Agreement is subject to limited Conditions Precedent, including financial assistance approvals being passed by each of Ten Star and Reforme. Subject to the satisfaction or waiver (as applicable) of the Conditions Precedent, completion is currently anticipated by end June 2023.

The purchase price totaling \$650,001 will be payable as follows:

1. \$250,001 payable on completion, and
2. \$400,000 in deferred payments, to be paid post-completion, as follows:
 - \$130,000 by the date that is one month following completion,
 - \$130,000 by the date that is two months following completion, and
 - \$140,000 by the date that is three months following completion.

A General Security Agreement forms part of the Share Sale Agreement and is required to be executed on completion, pursuant to which, the deferred payments will be secured for the benefit of Clara over the Granville assets.

The Share Sale Agreement may be terminated by notice in writing by Clara, if Reforme fails to make any payments of the purchase price or fails to remedy a material breach of any term of the agreement within 5 business days of such notice from Clara. Either party may terminate the Share Sale Agreement if either party becomes insolvent.

This announcement has been authorized by the Board of Directors
John Haley, Company Secretary

Email: jhaley@austinmining.com.au

For further information contact:

Peter Westerhuis
Chief Executive Officer
Ph: 07 3303 0680

John Haley
Company Secretary