

2024 Notice of Annual General Meeting and Explanatory Memorandum

The Annual General Meeting of Clara Resources Australia Limited will be held at 11:00am on 8 November 2024 at Level 7, Waterfront Place, 1 Eagle Street, Brisbane, QLD, Australia.

Clara Resources Australia Limited ACN 122 957 322

Registered office:

Level 19, 10 Eagle Street
Brisbane
Queensland 4000

Each Resolution to be put to the Meeting will be decided by poll vote, as a combination of proxy votes lodged, together with any votes cast in person at the Meeting. Accordingly, Shareholders are encouraged to lodge their votes online via the Company's Registry (www.linkmarketservices.com.au) or via the proxy form to be supplied.

Any questions that Shareholders would like to put to the Meeting can also be emailed to the Company Secretary (jhaley@clararesources.com.au) by 5:00pm on 7 November 2024. Responses to any questions will be given verbally at the Meeting, with a summary of material issues addressed in a subsequent ASX release.

ASX takes no responsibility for the content of this Notice or of the Explanatory Memorandum.

The Directors recommend that you vote AGAINST Resolutions 10 to 13.

Letter to Shareholders

26 September 2024

Dear Shareholder

Notice of Annual General Meeting

On behalf of the Board, I am pleased to invite you to attend the Annual General Meeting (**AGM** or **Meeting**) of Shareholders of Clara Resources Australia Limited ACN 122 957 322 (ASX:C7A) (the **Company**). The Meeting will be held at the offices of HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, on 8 November 2024 at 11:00am (Brisbane time).

We recognise that the AGM is an important part of our corporate calendar for Shareholders. It allows us to update you on our business priorities and progress.

As previously announced, on 9 September 2024, the Company received a notice of requisition of meeting under section 249D of the Corporations Act (**Requisition Notice**) from a Shareholder (**Requisitioning Shareholder**) who holds approximately 6.5% of the Company's Shares. The Requisitioning Shareholders proposed resolutions to remove two of the Directors and to appoint two new directors (**Proposed Directors**), one of which is the Requisitioning Shareholder and the other whom the Company consider is closely connected with the Requisitioning Shareholder. The Company is concerned with ensuring that Company resources are not unnecessarily diverted in calling a further general meeting in response to the Requisition Notice very close to the previously contemplated timing for the AGM so, the valid resolutions the subject of the Requisition Notice will be put to shareholders at this Meeting.

The Requisition Notice is unnecessarily disruptive to the Company at a time when the Company is seeking to take advantage of the strategic foundations it has developed over the past few years and build on the important relationships with its key stakeholders.

We strongly consider it is in the best interests of the Company and **all** shareholders to vote **AGAINST** each resolution proposed by the Requisitioning Shareholder for the following key reasons:

- (a) the entire Senior Management team are not familiar with working with the Proposed Directors and there is a risk that those key personnel would choose not to work with the Proposed Directors; and
- (b) the Board has considered a matrix of skills that it considers the Board should collectively hold across its membership. The Board is satisfied that the identified skills are well represented in the current Board. Accordingly, Board considers that the board composition has the requisite skill, experience and knowledge to act as Directors and assist the Company in achieving its primary objectives for the benefit of all Shareholders. Any additional directors will be unnecessary and only add to an increased financial burden for the Company by way of directors' fees.

It is critical that there is a collaborative and effective leadership team in place with an appropriate skillset to deliver upon promises and implement the Company's strategy.

On behalf of the Board, I encourage you to consider all meeting material carefully and participate in this decision by attending in person or lodging the proxy form attached to the notice of Meeting. The Directors (with each relevant Director abstaining from the resolution regarding them) unanimously recommend that you vote **AGAINST** Resolution 10 to Resolution 13.

The Company looks forward to this issue being resolved so as to avoid wasting precious time and resources and maintain a focus on building value for shareholders through the advancement of the Ashford Coking Coal Project.



Brian Moller
Chairman
Clara Resources Australia Limited

AGENDA

ORDINARY BUSINESS

Annual Financial Report

To receive and consider the Company's Annual Report comprising the Directors' Report and Auditors' Report, Directors' Declaration, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to and forming part of the financial statements for the Company for the financial year ended 30 June 2024.

See the Explanatory Memorandum accompanying this Notice for further information.

Resolution 1. Remuneration Report

To consider and if thought fit, pass the following Advisory Resolution:

"That the Remuneration Report for the year ended 30 June 2024 (as set out in the Directors' Report) is adopted."

The vote on **Resolution 1** is advisory only and does not bind the Directors or the Company. The Company's 2024 Annual Report, which contains the Remuneration Report, is available on the Company's website <https://clararesources.com.au/>.

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING RESTRICTION PURSUANT TO SECTION 250R(4) OF THE CORPORATIONS ACT

A vote on Resolution 1 must not be cast (in any capacity) by or on behalf of any of the following persons:

- a member of the Key Management Personnel (**KMP**) details of whose remuneration are included in the Remuneration Report; or
- a Closely Related Party of a KMP.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with directions given to the proxy or attorney to vote on this Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on this Resolution, in accordance with a direction given to the chair to vote on this Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on this Resolution; and
 - the holder votes on this Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting including Resolution 1, other than Resolutions where the Chairman is a related party and the subject of the Resolution, or is an associate of a related party the subject of a Resolution, in which case the Chairman cannot cast undirected proxies in respect to that Resolution.

Resolution 2. Re-election of Nicholas Mather as a Director

To consider and if thought fit, pass the following Resolution as an Ordinary Resolution of the Company:

"That in accordance with Rule 38.1 of the Company's Constitution, Mr Nicholas Mather who retires by rotation in accordance with Rule 38.6 of the Company's Constitution and Listing Rule 14.4, and being eligible and offering himself for re-election, be re-elected as a Director of the Company."

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Resolution 3. Ratification of previous share issue (Placement Shares)

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

“That in accordance with the provisions of Listing Rule 7.4 and for all other purposes, shareholders ratify the previous issue by the Company on 28 August 2024, of a total of 30,000,000 fully paid ordinary shares under Listing Rule 7.1, at an issue price of \$0.012 per share, to unrelated professional and sophisticated investors on the terms set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

See Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 3 by or on behalf of:

- the recipients of the Shares the subject of this Resolution 3 ; or
- an associate of those recipients.

However, this does not apply to a vote cast in favour of this Resolution 3 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4. Ratification of previous share issue (Placement Shares)

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

“That in accordance with the provisions of Listing Rule 7.4 and for all other purposes, shareholders ratify the previous issue by the Company on 28 August 2024, of a total of 20,000,000 fully paid ordinary shares under Listing Rule 7.1A, at an issue price of \$0.012 per share, to unrelated professional and sophisticated investors on the terms set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

See Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 4 by or on behalf of:

- the recipients of the Shares the subject of this Resolution 4; or
- an associate of those recipients.

However, this does not apply to a vote cast in favour of this Resolution 4 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 5. Approval to issue 1,666,667 shares to Mr Richard Willson (a Director of the Company) under the Placement

To consider and, if thought fit, pass the following Resolution, with or without amendment, as an Ordinary Resolution of the Company:

*“That in accordance with Listing Rule 10.11 and for all other purposes the Company be authorised to issue 1,666,667 Shares at an issue price of \$0.012 to Mr Richard Willson (**Willson Shares**), who is a related party of the Company on the terms set out in the Explanatory Memorandum accompanying this Notice of Meeting.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution 5 by or on behalf of:

- Mr Richard Willson and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Willson Shares (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 5 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 6. Approval to issue up to 119,554,600 Shares to debtholders of the Company under the Bridging Loan

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

*“That in accordance with the provisions of Listing Rule 7.1 and for all other purposes, shareholders approve the issue by the Company of up to a total of 119,554,600 fully paid ordinary shares, at an issue price of \$0.01 per share, to those debtholders of the Company identified in the Explanatory Memorandum (**Lenders**) and otherwise on the terms set out in the Explanatory Memorandum, accompanying this Notice of Meeting.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 6 by or on behalf of:

- the Lenders and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 6 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 7. Approval to issue up to 12,076,200 Shares to Mr Richard Willson (a Director of the Company) under the Bridging Loan

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

“That in accordance with the provisions of Listing Rule 10.11 and for all other purposes, shareholders approve the issue by the Company of up to a total of 12,076,200 fully paid ordinary shares, at an issue price of \$0.01 per share, to Mr Richard Willson and otherwise on the terms set out in the Explanatory Memorandum, accompanying this Notice of Meeting.”

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

Voting exclusion statement

The Company will disregard any votes cast in favour of this Resolution 7 by or on behalf of:

- Mr Richard Willson and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Willson Shares (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 7 by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 8. Issue of Broker Shares to Cerberus Australia Advisors Pty Ltd

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

*“That in accordance with the provisions of Listing Rule 7.1 and for all other purposes, shareholders approve the issue by the Company of that number of shares calculated in the manner set out in the Explanatory Memorandum up to a maximum of 10,005,564 fully paid ordinary shares (**Broker Shares**), at an issue price of \$0.01 per share, to Cerberus Australia Advisors Pty Ltd (or its nominees) (**Cerberus**) and otherwise on the terms set out in the Explanatory Memorandum, accompanying this Notice of Meeting.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 8 by or on behalf of:

- Cerberus (or its nominees) and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 8 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 9. Issue of Broker Options to Cerberus Australia Advisors Pty Ltd

To consider and if thought fit, pass the following Ordinary Resolution with or without modification:

*“That in accordance with the provisions of Listing Rule 7.1 and for all other purposes, shareholders approve the issue by the Company of that number of options calculated in the manner set out in the Explanatory Memorandum up to a maximum of 3,335,188 options exercisable at \$0.015 expiring two years from the date of issue, to Cerberus Australia Advisors Pty Ltd (or its nominees) (**Cerberus**) and otherwise on the terms set out in the Explanatory Memorandum, accompanying this Notice of Meeting.”*

See the Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

In accordance with Listing Rule 14.11 the Company will disregard any votes cast in favour of this Resolution 9 by or on behalf of:

- Cerberus (or its nominees) and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares in the Company); or
- an associate of those persons.

However, this does not apply to a vote cast in favour of this Resolution 9 by:

- a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- the chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 10. Removal of Director - Mr Brian Gerry Moller

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

“That, in accordance with section 203D of the Corporations Act and Rule 36.3 of the Company’s constitution, Mr Brian Gerry Moller be removed as a director of the Company, with effect from the conclusion of the general meeting.”

Your Board is not proposing Resolution 10. The Company is required to put Resolution 10 to Shareholders due to the request made by the Requisitioning Shareholder.

Your Board (with Mr Moller abstaining) recommends Shareholders vote AGAINST this Resolution 10 and each Director will be voting all Shares that he or she holds or controls AGAINST this Resolution 10.

Resolution 11. Removal of Director - Mr Nicholas Mather

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

"That, in accordance with section 203D of the Corporations Act and Rule 36.3 of the Company's constitution, Mr Nicholas Mather be removed as a director of the Company, with effect from the conclusion of the general meeting."

Your Board is not proposing Resolution 11. The Company is required to put Resolution 11 to Shareholders due to the request made by the Requisitioning Shareholder.

Your Board (with Mr Mather abstaining) recommends Shareholders vote AGAINST this Resolution 11 and each Director will be voting all Shares that he or she holds or controls AGAINST this Resolution 11.

Resolution 12. Appointment of Director - Mr Frederick Bart

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

"That, in accordance with Rule 36.3 of the Company's constitution, Mr Frederick Bart, be appointed as a director of the Company with effect from the conclusion of the general meeting."

Your Board is not proposing Resolution 12. The Company is required to put Resolution 12 to Shareholders due to the request made by the Requisitioning Shareholder.

Your Board recommends Shareholders vote AGAINST this Resolution 12 and each Director will be voting all Shares that he or she holds or controls AGAINST this Resolution 12.

Resolution 13. Appointment of Director - Mr Glenn Ross Whiddon

To consider and, if thought fit, pass the following Ordinary Resolution, with or without amendment:

" That, in accordance with Rule 36.3 of the Company's constitution, Mr Glenn Ross Whiddon, be appointed as a director of the Company with effect from the conclusion of the general meeting."

Your Board is not proposing Resolution 13. The Company is required to put Resolution 13 to Shareholders due to the request made by the Requisitioning Shareholder.

Your Board recommends Shareholders vote AGAINST this Resolution 13 and each Director will be voting all Shares that he or she holds or controls AGAINST this Resolution 13.

SPECIAL BUSINES

Resolution 14. Approval to issue an additional 10% of the fully paid ordinary issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

To consider and, if thought fit, pass the following Resolution, with or without amendment, as a Special Resolution of the Company:

*“That pursuant to and in accordance with Listing Rule 7.1A, and for all other purposes, Shareholders approve the issue of Equity Securities of up to 10% of the fully paid ordinary issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, over a 12 month period from the date of the Meeting (or such shorter time period as described in Listing Rule 7.1A.1), at a price not less than that determined pursuant to Listing Rule 7.1A.3 and otherwise on the terms and conditions described in the Explanatory Memorandum (**Placement Securities**).”*

See Explanatory Memorandum accompanying this Notice for further information about this Resolution.

VOTING EXCLUSION STATEMENT

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- any person who is expected to participate in, or who will obtain a material benefit as a result of the proposed issue of Equity Securities under this Resolution (except a benefit solely by reason of being a holder of Shares if this Resolution is passed); or
- an associate of that person.

However, this does not apply to a vote cast in favour of this Resolution by:

- a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- the chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the chair to vote on the Resolution as the chair decides; or
- a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

GENERAL BUSINESS

To consider any other business as may be lawfully put forward in accordance with the Constitution of the Company.

By order of the Board



John Haley
Company Secretary
26 September 2024

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is provided to Shareholders of Clara Resources Australia Limited ACN 122 957 322 (the **Company**) to explain the Resolutions to be put to Shareholders at the Annual General Meeting to be held at the offices of HopgoodGanim Lawyers, Level 7, Waterfront Place, 1 Eagle Street, Brisbane, Queensland on 8 November 2024 at 11.00am (Brisbane time).

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of Resolution 1 to Resolution 14 contained in the Notice of Meeting. The Directors recommend that Shareholders read the accompanying Notice of Meeting (including this Explanatory Memorandum) in full before making any decision in relation to the Resolutions.

Terms used in this Explanatory Memorandum are defined in section 11.

1. Consider the Company's 2024 Annual Report

The Corporations Act requires the Company's Annual Report comprising the Directors' Report, the Auditor's Report, Directors' Declaration, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to and forming part of the financial statements to be laid before the Annual General Meeting for discussion.

There is no requirement either in the Corporations Act or in the Constitution of the Company for Shareholders to approve the Company's Annual Report. The Company's 2024 Annual Report is placed before the Shareholders for discussion. No voting is required for this item.

The Company will not provide a hard copy of the Company's Annual Financial Report to Shareholders unless specifically requested to do so. Shareholders can obtain a copy of the Company's 2024 Annual Report by sending a request to info@clararesources.com.au or by downloading a copy from the Company's website: <https://clararesources.com.au/>.

2. Resolution 1: Adoption of Remuneration Report

Remuneration Report

In accordance with section 250R of the Corporations Act, the Board has submitted its Remuneration Report (included in the 2024 Annual Report) to Shareholders for consideration and adoption by way of a non-binding advisory Resolution.

The Remuneration Report is set out in the Directors' Report section of the 2024 Annual Report. The Report, amongst other things:

- explains the Board's policy for determining the nature and amount of remuneration of Key Management Personnel of the Company;
- explains the relationship between the Board's remuneration policy and the Company's performance;
- sets out remuneration details for each Director and the most highly remunerated senior executives of the Company; and
- details and explains any performance conditions applicable to the remuneration of Key Management Personnel of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of adopting the Remuneration Report. A vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting restrictions on Key Management Personnel and their Closely Related Parties and their proxies

A Voting Exclusion Statement is set out in the Notice of Meeting for this Resolution. Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act.

As set out in the notes to Resolution 1, a voting restriction applies with respect to the voting on this Resolution by members of the Key Management Personnel and their Closely Related Parties and their proxies voting (in any capacity) (**Voting Restriction**). Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Voting Restriction does not apply where:

- (a) the Chairman or any other member of the Key Management Personnel is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy with specific instructions on how to vote on a resolution to adopt the remuneration report of the Company; or
- (b) the Chairman is appointed in writing (by a Shareholder who is not a member of the Key Management Personnel or a Closely Related Party of the Key Management Personnel) as a proxy with no specific instructions on how to vote on a non-binding Shareholder vote on remuneration, where the Shareholder provides express authorisation for the Chairman to do so.

Shareholders should be aware that any undirected proxies given to the Chairman will be cast by the Chairman and counted in favour of the Resolutions the subject of this Meeting, including this Resolution 1, subject to compliance with the Corporations Act. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

3. Resolution 2: Re-election of Mr Nicholas Mather as a Director

Retirement by Rotation

Under Rule 38.6 of the Company's Constitution and Listing Rule 14.4, Directors shall not continue in office for a period in excess of three consecutive years or until the third annual general meeting following the Director's appointment, whichever is the longer, without submitting to re-election. Mr Mather was last re-elected as a Director of the Company at the 2022 AGM.

Mr Nicholas Mather retires by rotation in accordance with the Company's Constitution as well as Listing Rule 14.4 and, being eligible, offers himself for re-election as a Non-Executive Director. There is no voting exclusion statement for this Resolution.

Qualifications and Experience

Nick Mather was appointed as a Director of the Company on 22 December 2006 and offers extensive and valuable experience to the Board. The Board supports the re-election of Mr Mather for the reasons described below.

Nick Mather's special area of experience and expertise is the generation of and entry into undervalued or unrecognised resource exploration opportunities. Nick has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Nick brings a wealth of valuable experience.

Mr Mather has acknowledged to the Company that he will have sufficient time and capacity to fulfil his responsibilities as a Non-Executive Director.

Considering Mr Mather's relationship with the Company, the Board do not consider that Mr Mather, if re-elected, will be an independent director.

Details of material directorships held by Mr Mather

Mr Mather currently serves as Non-Executive Director of LSE and TSX listed SolGold plc and managing director of DGR Global Limited.

Directors' recommendation

The Directors (with Mr Mather abstaining) recommend that you vote in favour of this Ordinary Resolution.

NOTE | If this Resolution 2 is not passed by Shareholders, Resolution 11 will not be put to Shareholders given that Mr Nicholas Mather will in that scenario have been removed as a Director of the Company pursuant to this Resolution 2.

4. Resolutions 3 and 4: Ratification of previous share issue (Placement Shares) under the Placement

1. General

On 27 August 2024 the Company announced to ASX a placement of 50,000,000 Shares at an issue price of \$0.012 per Share (the **Placement Shares**), to various unrelated professional and sophisticated investors (**Placement Recipients**) to raise \$600,000 (the **Placement**). The Placement Shares were issued to the Placement Recipients on 28 August 2024. It is noted that Mr Richard Willson, a Non-Executive Director of the Company, has agreed, subject to obtaining Shareholder approval pursuant to Resolution 5, to also participate in the Placement to the extent of a further \$20,000, taking the total funds raised (excluding costs) to \$620,000.

Funds raised from the Placement Shares will be applied towards paying down outstanding debts and budgeted expenditure at the Company's 100% owned Ashford coking coal project.

This issue was undertaken within the Company's capacity under both Listing Rule 7.1 and Listing Rule 7.1A.

The Company has issued:

- (a) 30,000,000 Placement Shares (the subject of Resolution 3) under the operation of Listing Rule 7.1; and
- (b) 20,000,000 of the Placement Shares (the subject of Resolution 4) under Listing Rule 7.1A, pursuant to the approval obtained at the Company's last annual general meeting held on 27 November 2023.

2. Listing Rules 7.1, 7.1 A and 7.4

In accordance with Listing Rule 7.4, Shareholder approval is sought to ratify the issue and allotment of the Placement Shares, being issues of securities made by the Company on 28 August 2024 for which shareholder approval has not already been obtained.

In broad terms Listing Rule 7.1 (subject to certain exceptions), limits the number of equity securities that a listed company can issue in any 12 month period without the approval of its shareholders, to a number equal to 15% of the fully paid ordinary securities that it had on issue at the start of that 12 month period (**15% Capacity**).

Under Listing Rule 7.1A an eligible entity can seek approval from its members, by way of a Special Resolution passed at its Annual General Meeting, to increase this 15% Capacity by an extra 10%. This will mean that during the relevant 12 month period the listed entity can issue up to 25% of the fully paid ordinary securities that it had on issue at the start of the relevant 12 month period without shareholder approval.

The Company is an eligible entity for these purposes, and obtained Shareholder approval for the additional 10% capacity under Listing Rule 7.1A, at its 2023 Annual General Meeting held on 27 November 2023.

As noted above, of the Placement completed on 28 August 2024, the Company issued without Shareholder approval:

- 30,000,000 Shares in reliance on Listing Rule 7.1; and
- 20,000,000 Shares in reliance on Listing Rule 7.1A.

Listing Rule 7.4 allows the shareholders of a listed company to approve the issue of equity securities after that issue has been made. If that approval is granted, the relevant issue will be excluded from the calculation of the listed company's remaining capacity under Listing Rules 7.1 and 7.1A.

The Company wishes to retain as much flexibility as possible to utilise its combined capacity under Listing Rule 7.1 and Listing Rule 7.1A, in order to take advantage of commercial opportunities as they may arise. Accordingly the

Company now seeks Shareholder approval to ratify the issue of the Placement Shares in accordance with Listing Rule 7.4.

As the issue of the Placement Shares has been split between the capacity available under each of Listing Rule 7.1 and the approval obtained under Listing Rule 7.1A, the approval (by way of ratification) sought under Listing Rule 7.4 is separated between Resolution 3 (for those Placement Shares issued under Listing Rule 7.1) and Resolution 4 (for those Placement Shares issued under the approval given under Listing Rule 7.1A).

As the 12 month period for the approval under Listing Rule 7.1A has almost expired, the Company is seeking ratification in accordance with Listing Rule 7.4 for the 20,000,000 Placement Shares issued in reliance on Listing Rule 7.1A for the purposes of including these shares when assessing the Company's placement capacity moving forward. Resolution 14 provides for shareholder approval under Listing Rule 7.1A.

If Resolution 3 is passed, it will have the effect of refreshing the Company's ability, to the extent of the 30,000,000 Placement Shares issued in reliance of Listing Rule 7.1, to issue further capital during the next 12 months under its 15% Capacity pursuant to Listing Rule 7.1 without the need to obtain further Shareholder approval (subject to the Listing Rules and the Corporations Act). If Resolution 4 is passed, it will enable the Company to include the 20,000,000 Placement Shares in its calculations when assessing its placement capacity moving forward.

If Resolution 3 is not passed, the 30,000,000 Placement Shares issued in reliance of Listing Rule 7.1 will be included when calculating the Company's 15% Capacity under Listing Rule 7.1. If Resolution 4 is not passed, the Company will not be able to include the 20,000,000 Placement Shares in its calculations when assessing its placement capacity moving forward.

3. Information required by Listing Rule 7.5

Listing Rule 7.5 sets out the requirements for notices of meeting at which shareholder approval is sought for the purposes of Listing Rule 7.4. For the purposes of Listing Rule 7.5 the Company notes as follows:

- (a) **7.5.1: The names of the persons to whom the Securities are issued or agreed to be issued or the basis on which those persons were identified or selected** - The Placement Shares were issued to the various parties listed in the column headed "Allottee/Subscriber" in Table 1 below none of whom is a related party of the Company. In accordance with paragraph 7.2 of the ASX Guidance Note 21, the Company confirms that other than as is noted below, none of the Placement Recipients are related parties of the Company, members of the Company's key management personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties. The Company also confirms that none of the Placement Recipients have been issued more than 1% of the issued capital of the company;

Mr Peter Westerhuis (the Company's CEO) participated in the Placement for an amount of \$30,000. Mr John Haley (the Company Secretary) participated in the Placement for an amount of \$10,000;

- (b) **7.5.2: The number and class of Securities issued or agreed to be issued** -The Company issued 30,000,000 Placement Shares in reliance of Listing Rule 7.1 (the subject of Resolution 3) and 20,000,000 Placement Shares under Listing Rule 7.1A (the subject of Resolution 4). The Placement Shares are fully paid ordinary shares in the capital of the Company. These Placement Shares are not subject to escrow restrictions, and were issued on the same terms as and rank pari passu with the Shares that were already on issue. The rights and liabilities of all Shareholders are set out in the Constitution of the Company. The Constitution can be obtained from the Company's website at the following link:
<https://www.clararesources.com.au/s/Constitution.pdf>.
- (c) **7.5.3: Summary of the material terms of the Securities** - The Placement Shares were fully paid on issue and ranked equally in all aspects with all existing Shares previously issued by the Company;
- (d) **7.5.4: Date or dates on which the Securities were or will be issued** - The Placement Shares were issued on 28 August 2024;
- (e) **7.5.5: The price or other consideration the entity has received or will receive for the issue** - The price at which Placement Shares were issued was \$0.012 per share;
- (f) **7.5.6: The purpose of the issue, including the use or intended use of any funds raised by the issue** - The proceeds of the Placement were applied towards paying down outstanding debts and budgeted expenditure at the Company's 100% owned Ashford coking coal project;

- (g) **7.5.7: Summary of the material terms of the agreement** - The Placement Shares were issued under a placement acceptance letter that contained standard terms for the issue of shares;
- (h) **7.5.8 – Voting exclusion statement** - A Voting Exclusion Statement for this Resolution is included in the Notice of Meeting for each of Resolutions 3 and 4.

Table 1

Allottee/Subscriber	Number of Placement Shares
MR FREDERICK BART	11,250,000
MR PETER FITZGERALD & MS HELEN FITZGERALD & MR ALBERT ALLOO	10,000,000
MR GLENN ROSS WHIDDON	1,666,667
CERBERUS INVESTMENTS PTY LTD	6,666,667
FOSTER STOCKBROKING PTY LTD	5,416,666
PALM BEACH NOMINEES PTY LTD	2,500,000
MR PIER WESTERHUIS	2,500,000
JKH SUPERANNUATION PTY LTD	833,333
RIMOYNE PTY LTD	4,166,667
MRS BELINDA GORDON & MR IAN GORDON	2,500,000
CHETAN ENTERPRISES PTY LTD	2,500,000
	50,000,000

4. Directors Recommendation

The Directors recommend that Shareholders vote in favour of Resolutions 3 and 4.

5. Resolution 5: Approval to issue 1,666,667 shares to Mr Richard Willson (a Director of the Company) under the Placement

1. Background

Mr Richard Willson, a director of the Company, has agreed, subject to obtaining Shareholder approval, to participate in the Placement to the extent of a further \$20,000, taking the total funds raised (excluding costs) to \$620,000.

2. Introduction

Resolution 5 seeks Shareholder authorisation to issue 1,666,667 fully paid ordinary shares at an issue price of \$0.012 to Mr Richard Willson (**Willson Shares**) in connection with the Placement.

Approval for the issue of the Willson Shares is sought in accordance with Listing Rule 10.11. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

2. Listing Rule 10.11

Listing Rule 10.11 requires that an entity must obtain the approval of Shareholders to issue securities to any of the following persons:

- a Related Party;
- a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%) holder in the entity;
- a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity (in the case of a trust, to

the board of the responsible entity of the trust) pursuant to a relevant agreement which gives them a right or the expectation to do so;

d. an associate of a person referred to in items 3.2(a) to 3.2(c); or

e. a person whose relationship with the entity or a person referred to in items 3.2(a) to 3.2(d) is such that, in ASX's opinion, the issue or agreement should be approved by security holders,

(individually referred to as an **Allottee** and jointly as **Allottees**), and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

Mr Willson is an Allottee as he is a Related Party of the Company by virtue of him being a Director of the Company.

If Resolution 5 is passed, the Willson Shares must be issued within one month of that approval or else the approval will lapse.

3. Shareholder approval requirement

Listing Rule 10.11 prohibits a listed company from issuing, or agreeing to issue, Equity Securities to an Allottee without shareholder approval (unless one of the exceptions specified in Listing Rule 10.12 is satisfied).

A Related Party is defined by reference to the Corporations Act and, under section 228 of the Corporations Act, 'related party' is defined widely to include a director (or proposed director) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a related party, or there are reasonable grounds to believe that a person/entity is likely to become a related party of the public company.

Mr Richard Willson is a director of the Company.

An explanation of the limitations on the issue of Equity Securities under Listing Rule 7.1 (ie. the 15% Capacity) is set out above in relation to Resolution 3. However, under Listing Rule 7.2 (Exception 14), if approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore the Willson Shares will not count towards the Company's 15% Capacity under Listing Rule 7.1.

4. Information for Shareholders

For the purposes of Listing Rule 10.13 and for all other purposes the following information is provided to Shareholders:

- (a) **10.13.1 and 10.13.2: Name and categorisation of the Allottee** - The Allottee is Mr Richard Willson who is an Allottee for the purposes of Listing Rule 10.11 because he is a director of the Company. As at the date of this Notice, Mr Richard Willson and parties associated with him hold 536,883 ordinary shares in the company or 0.002%;
- (b) **10.13.3: Number and class of Securities to be issued (if known) or the maximum number or the formula for calculating the number of Securities to be issued** - 1,666,667 fully paid ordinary shares;
- (c) **10.13.4: Summary of the material terms of the Securities** - The Willson Shares to be issued to Mr Willson are fully paid ordinary shares. The Willson Shares will otherwise rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- (d) **10.13.5: Date or dates on or by which the Securities will be issued** - The Company will issue the Willson Shares (if this Resolution is approved) as soon as practicable after the Meeting but in any event no later than one month from the date of the Meeting;
- (e) **10.13.6: Price or other consideration the Company will receive for the issue** - The Willson Shares are being issued at an issue price of \$0.012 per Share;
- (f) **10.13.7: The purpose of the issue, including the intended use of funds raised** - The funds raised by the issue of the Willson Shares will be used for working capital;
- (g) **10.13.10: Voting exclusion statement** - A voting exclusion statement is included in the Notice of Meeting for Resolution 5.

5. Chapter 2E of the Corporations Act

A public company is also prohibited under Chapter 2E of the Corporations Act from giving a Financial Benefit to a Related Party of the company unless shareholder approval is obtained or unless the benefit falls within one of various exceptions to the general prohibition. The process for and requirements that need to be met for the convening of the shareholder's meeting are set out in Chapter 2E of the Corporations Act.

The issue of the Willson Shares to Mr Willson will confer a Financial Benefit on Mr Willson as a Related Party of the Company.

Under Chapter 2E of the Corporations Act the Company is not required to obtain the approval of Shareholders if the Financial Benefit is given on terms that would be reasonable in the circumstances if the Company and the Related Party were dealing at arm's length (or are less favourable than those terms).

On 28 August 2024, the Company placed some 50,000,000 shares to third party investors at \$0.012 per share, (**Placement**) the same price that Mr Willson has agreed to subscribe for shares.

The terms of the Placement were reached in consultation with the Company's advisory team and brokers for offer by the brokers to unrelated professional, sophisticated and other investors that fall within one or more of the classes of exemptions specified in section 708 of the Corporations Act. The Directors (excluding Mr Willson) consider that shareholder approval pursuant to Chapter 2E Corporations Act is not required as the Willson Shares will be issued to Mr Willson on the same terms as the Placement Shares issued to non-related parties participating in the Placement. Accordingly, the non-participating members of the Board, comprising Brian Moller and Nicholas Mather are of the view that the "arm's length" exception in section 210 of the Corporations Act is available to the Company.

6. Outcome of voting for and against the Resolution

If Resolution 5 is passed, the Company will have an additional \$20,000 of working capital available to progress the Company's projects, including the Ashford Coking Coal project. However, existing shareholders will be diluted by .006%.

If Resolution 5 is not passed, the Company will not have the additional \$20,000 of working capital available, and if this \$20,000 is later raised by a placement of shares by the Company, brokerage and other fees are likely to be incurred by the Company. Existing shareholders will however not be diluted at this time.

7. Director recommendation

The non-participating members of the Board, comprising Brian Moller and Nicholas Mather, recommend that Shareholders vote in favour of this Ordinary Resolution.

6. Resolution 6: Approval to issue up to 119,554,600 Shares to debtholders of the Company under the Bridging Loan

1. Background

On 29 May 2024, the Company entered into a \$1,090,000 debt facility to facilitate a payment of \$750,000 to Savannah Goldfields Limited as a part payment towards completion of the Ashford Coking Coal Project and to provide for working capital (**Bridging Loans** and each individually a **Bridging Loan**). These loans were undertaken with sophisticated and professional investors who are shareholders of the Company (**Lenders** and each individually a **Lender**). The Lenders include Mr Peter Westerhuis (the Company CEO), Mr John Haley (the Company CFO and Company Secretary). Mr Richard Willson (Company Director) also provided funding to the Company under a Bridging Loan.

This resolution deals with \$990,000 of the Bridging Loans provided by the Lenders. The balance of \$100,000 of the Bridging Loans provided by Richard Willson is dealt with under Resolution 7 under Listing Rule 10.11.

The due date for repayment of the Bridging Loans was 29 July 2024. As repayment did not occur on 29 July 2024, default interest is payable on the overdue amount at the rate of 5% per annum. Furthermore, if payment is not

received by 29 October 2024 (being three months from the repayment date), each Lender may elect to convert the loan, plus default interest, into ordinary shares in the Company (**Conversion Shares**) at a conversion price of \$0.01 per share subject to obtaining Shareholder approval.

2. Introduction

Resolution 6 seeks Shareholder authorisation to issue up to a maximum of 119,554,600 Conversion Shares at an issue price of \$0.01 to the Lenders who provided funding to the Company under the Bridging Loans.

On 20 September 2024, the Company announced its intention to undertake a non-renounceable rights issue to eligible shareholders of 2 New Shares for every 3 Shares held at an issue price of \$0.01 per New Shares to raise approximately \$1,667,594 before costs of the Offer (**Entitlement Offer**).

The purpose of the Entitlement Offer is, amongst other matters, to raise sufficient funds to provide for the repayment of the Bridging Loans prior to 29 October 2024. If the Entitlement Offer is fully subscribed, then the Bridging Loans are intended to be repaid and no Conversion Shares are intended to be issued. In such instance, this resolution may be withdrawn prior to the Meeting.

If any Bridging Loans are not repaid from the Entitlement Offer by 29 October 2024 and a Lender issues a Conversion Notice for the issue of Conversion Shares, then the Company seeks the approval of shareholders for the issue of the identified number of Conversion Shares set out in all Conversion Notices received (not exceeding a maximum of 119,554,600 based on the total amount of the Bridging Loan plus interest) in accordance with Listing Rule 7.1. If the maximum number of 119,554,600 Conversion Shares are issued, the Company will have 369,693,638 shares on issue (based upon the number on issue at the date of this notice and excluding the Entitlement Offer and assuming that no current options are exercised). To the extent any Shares are issued under the Entitlement Offer, it is expected that this number will reduce to some extent, the number of Conversion Shares to be issued, as the proceeds from the Entitlement Offer will in part be applied to repayment of the Bridging Loans.

If all of the Bridging Loans are repaid and none of the Lenders are entitled to Conversion Shares, then this resolution will be withdrawn from the Meeting.

3. Listing Rule 7.1

Listing Rule 7.1 prohibits a listed company, except in certain cases, from issuing in any Relevant period new Equity Securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the Relevant period (**15% Capacity**) without either the prior approval of a majority of disinterested shareholders, or the issue otherwise falls within one of the prescribed exceptions to Listing Rule 7.1 (**15% Rule**).

Equity Securities issued with shareholder approval under Listing Rule 7.1 do not count towards the 15% Capacity.

The Conversion Shares are Equity Securities under the Listing Rules.

Therefore the Company is seeking Shareholder approval in accordance with Listing Rule 7.1 to issue the Conversion Shares so that the Conversion Shares issued do not count towards the Company's 15% Capacity.

For the purposes of Listing Rule 7.3 and for all other purposes the following information is provided to Shareholders:

- (a) **7.3.1: Name and categorisation of the Allottee** - The Conversion Shares will be issued to the Lenders identified in Table 1 below;
- (b) **7.3.2: Number and class of Securities that will be issued** – The number of Conversion Shares issued will be determined by the Conversion Notices received by the Company up to a maximum of 119,554,600 fully paid ordinary shares. The maximum number of Conversion Shares has been calculated based on an assumption that interest will be payable up to 30 November 2024;
- (c) **7.3.3: Summary of material terms of Securities** - The Conversion Shares shall rank pari passu with all other existing Shares on issue in the Company;

- (d) **7.3.4: Date or dates on or by which the Company will issue the Securities** - The Conversion Shares will be issued as soon as practicable after the date of the Meeting or upon later receipt of a Conversion Notice from a Lender but not later than three months of the date of the Meeting.
- (e) **7.3.5: Price of Equity Securities** - \$0.01 per share (payable as conversion of debt);
- (f) **7.3.6: Purpose of issuing the Securities** – Repayment of money owed by the Company under the Bridging Loans;
- (g) **7.3.7: Summary of agreement** – A summary of the terms of the Bridging Loans is set out in the Background Section to this Resolution 6 above;
- (h) **7.3.8: Information on reverse takeover** – Not relevant; and
- (i) **7.3.9:** A voting exclusion statement is included in the Notice of Meeting for Resolution 6.

Table 1

LENDER / CONTACT NAME	Debt Face value @ 30 November 2024	Shares Issued if 100% Conversion @ \$0.01
Frederick Bart	\$362,287	36,228,700
Alexander Fitzgerald	\$301,906	30,190,600
Glenn Whiddon	\$60,381	6,038,100
Duncan Gordon	\$60,381	6,038,100
Stuart Foster & Keith Quinn	\$120,762	12,076,200
Peter Westerhuis	\$181,143	18,114,300
JKH Superannuation Pty. Ltd	\$48,305	4,830,500
Giovanni Spagnolo	\$60,381	6,038,100
	\$1,195,546	119,554,600

4. Outcome of voting for and against the Resolution

If this Resolution is passed, the issue of the Conversion Shares will be able to take place and will also be excluded from the calculation of the Company's 15% Capacity in ASX Listing Rule 7.1, maintaining the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue of the Conversion Shares. Existing Shareholders (other than those who are Lenders) will be diluted by up to 32.34% by the issue of the Conversion Shares.

If this Resolution is not passed, the Company will not be able to issue the Conversion Shares and will need to make other arrangements with the effected Lenders for the repayment of their debt. Existing Shareholders will however not be diluted at this time.

The Company notes that the purpose of the Entitlement Offer is, amongst other matters, to raise sufficient funds to provide for the repayment of the Bridging Loans prior to 29 October 2024. If the Entitlement Offer is fully

subscribed, then the Bridging Loans are intended to be repaid and no Conversion Shares are intended to be issued. In such instance, this Resolution may be withdrawn prior to the Meeting.

If the Entitlement Offer is not fully subscribed, the Company will prioritise the payment of Bridging Loans from funds received under the Entitlement Offer (after costs) so as to reduce the number of Conversion Shares required to be issued under the approval obtained by this Resolution.

5. Director recommendation

The Board recommends that Shareholders vote in favour of this Ordinary Resolution.

7. Resolution 7: Approval to issue up to 12,076,200 Shares to Mr Richard Willson under the Willson Bridging Loan

1. Background

On 29 May 2024, the Company entered into a \$1,090,000 debt facility to facilitate a payment of \$750,000 to Savannah Goldfields Limited as a part payment towards completion of the Ashford Coking Coal Project and to provide for working capital (**Bridging Loans** and each individually a **Bridging Loan**). As noted above, these loans were undertaken with the Lenders. Mr Richard Willson who is a Director of the Company also provided funding to the Company in the amount of \$100,000 on the same terms as the Bridging Loan (**Willson Bridging Loan**).

This Resolution deals with \$100,000 of the Bridging Loans provided by Mr Richard Willson under Listing Rule 10.11. The balance of \$990,000 of the Bridging Loans provided by the Lenders is dealt with under Resolution 6 under Listing Rule 7.1.

The due date for repayment of the Bridging Loans was 29 July 2024. As repayment did not occur on 29 July, default interest is payable on the overdue amount at the rate of 5% per annum. Furthermore, if payment is not received by 29 October 2024 (being three months from the repayment date), Mr Willson may elect to convert his loan, plus default interest, into ordinary shares in the Company (**Willson Conversion Shares**) at a conversion price of \$0.01 per share.

2. Introduction

Resolution 7 seeks Shareholder authorisation to issue up to a maximum of 12,076,200 Willson Conversion Shares at an issue price of \$0.01 to Mr Richard Willson who provided funding to the Company under the Willson Bridging Loan.

Approval for the issue of the Willson Conversion Shares is sought in accordance with Listing Rule 10.11. As approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1.

As noted above, on 20 September 2024, the Company announced its intention to undertake a non-renounceable rights issue to eligible shareholders of 2 New Shares for every 3 Shares held at an issue price of \$0.01 per New Shares to raise approximately \$1,667,594 before costs of the Offer (**Entitlement Offer**).

The purpose of the Entitlement Offer is, amongst other matters, to raise sufficient funds to provide for the repayment of the Bridging Loans prior to 29 October 2024 and the conduct of the Meeting. If the Entitlement Offer is fully subscribed, then the Willson Bridging Loan is intended to be repaid and no Willson Conversion Shares are intended to be issued. In such instance, this Resolution may be withdrawn prior to the Meeting.

If the Willson Bridging Loan is not repaid from the Entitlement Offer and Mr Richard Willson issues a Conversion Notice for the issue of Willson Conversion Shares, then the Company seeks the approval of shareholders for the issue of the identified number of Willson Conversion Shares (not exceeding a maximum of 12,076,200 based on the total amount of the Willson Bridging Loan plus interest) in accordance with Listing Rule 10.11. If the maximum number of 12,076,200 Willson Conversion Shares are issued, the Company will have 262,215,238 shares on issue (based upon the number on issue at the date of this notice and excluding the Entitlement Offer, the Conversion Shares and assuming that no current options are exercised). To the extent any Shares are issued under the Entitlement Offer, it is expected that this number will reduce to some extent, the number of Willson Conversion

Shares to be issued, as the proceeds from the Entitlement Offer will in part be applied to repayment of the Bridging Loans.

If the Willson Bridging Loan is repaid then Richard Willson will not be entitled to the Willson Conversion Shares and this Resolution will be withdrawn from the Meeting.

3. Listing Rule 10.11

Listing Rule 10.11 requires that an entity must obtain the approval of Shareholders to issue securities to any of the following persons:

- a. a Related Party;
- b. a person who is, or was at any time in the six months before the issue or agreement, a substantial (30%+) holder in the entity;
- c. a person who is, or was at any time in the six months before the issue or agreement, a substantial (10%+) holder in the entity and who has nominated a director to the board of the entity (in the case of a trust, to the board of the responsible entity of the trust) pursuant to a relevant agreement which gives them a right or the expectation to do so;
- d. an associate of a person referred to in items 3.2(a) to 3.2(c); or
- e. a person whose relationship with the entity or a person referred to in items 3.2(a) to 3.2(d) is such that, in ASX's opinion, the issue or agreement should be approved by security holders,

(individually referred to as an **Allottee** and jointly as **Allottees**), and in doing so must provide the information specified in Listing Rule 10.13, unless an exception applies.

Mr Willson is an Allottee as he is a Related Party of the Company by virtue of him being a Director of the Company.

If Resolution 7 is passed, the Willson Conversion Shares must be issued within one month of that approval or else the approval will lapse.

4. Shareholder approval requirement

Listing Rule 10.11 prohibits a listed company from issuing, or agreeing to issue, Equity Securities to an Allottee without shareholder approval (unless one of the exceptions specified in Listing Rule 10.12 is satisfied).

A Related Party is defined by reference to the Corporations Act and, under section 228 of the Corporations Act, 'related party' is defined widely to include a director (or proposed director) of a public company, any entity that controls (or is reasonably likely to control) a public company, and any entity that is controlled by a person or entity which is otherwise a related party, or there are reasonable grounds to believe that a person/entity is likely to become a related party of the public company.

Mr Richard Willson is a director of the Company.

An explanation of the limitations on the issue of Equity Securities under Listing Rule 7.1 (ie. the 15% Capacity) is set out above under section 3 of Resolution 6. However, under Listing Rule 7.2 (Exception 14), if approval is being sought under Listing Rule 10.11, approval will not be required under Listing Rule 7.1. Therefore the Willson Conversion Shares will not count towards the Company's 15% Capacity under Listing Rule 7.1.

6. Information for Shareholders

For the purposes of Listing Rule 10.13 and for all other purposes the following information is provided to Shareholders:

- (a) **10.13.1 and 10.13.2: Name and categorisation of the Allottee** - The Allottee is Mr Richard Willson who is an Allottee for the purposes of Listing Rule 10.11 because he is a director of the Company. As at the date of this Notice, Mr Richard Willson and parties associated with him hold 536,883 ordinary shares in the company or 0.002%;
- (b) **10.13.3: Number and class of Securities to be issued (if known) or the maximum number or the formula for calculating the number of Securities to be issued** – The number of Willson Conversion Shares issued will be determined by the Conversion Notice received by the Company from Mr Richard Willson up to a maximum of 12,076,200 fully paid ordinary shares. The maximum number of Willson Conversion Shares has been calculated based on an assumption that interest will be payable up to 30 November 2024;

- (c) **10.13.4: Summary of the material terms of the Securities** - The Willson Conversion Shares to be issued to Mr Willson are fully paid ordinary shares. The Willson Conversion Shares will otherwise rank pari passu with all of the other fully paid ordinary shares on issue in the Company;
- (d) **10.13.5: Date or dates on or by which the Securities will be issued** - The Willson Conversion Shares will be issued as soon as practicable after the date of the Meeting or upon later receipt of a Conversion Notice from Richard Willson but not later than one month of the date of the Meeting;
- (e) **10.13.6: Price or other consideration the Company will receive for the issue** - \$0.01 per share (payable as conversion of debt);
- (f) **10.13.7: The purpose of the issue, including the intended use of funds raised** - Repayment of money owed by the Company to Richard Willson under the Willson Bridging Loan;
- (g) **10.13.9: If the securities are issued under an agreement, a summary of any other material terms of the agreement** - A summary of the terms of the Willson Bridging Loan is set out in the Background Section to this Resolution 7 above;
- (h) **10.13.10: Voting exclusion statement** - A voting exclusion statement is set out in Resolution 7.

3. Chapter 2E of the Corporations Act

A public company is also prohibited under Chapter 2E of the Corporations Act from giving a Financial Benefit to a Related Party of the company unless shareholder approval is obtained or unless the benefit falls within one of various exceptions to the general prohibition. The process for and requirements that need to be met for the convening of the shareholder's meeting are set out in Chapter 2E of the Corporations Act.

The issue of the Willson Conversion Shares to Mr Willson will confer a Financial Benefit on Mr Willson as a Related Party of the Company.

Under Chapter 2E of the Corporations Act the Company is not required to obtain the approval of Shareholders if the Financial Benefit is given on terms that would be reasonable in the circumstances if the Company and the Related Party were dealing at arm's length (or are less favourable than those terms).

As noted above, on 29 May 2024, the Company entered into a debt facility with various unrelated sophisticated and professional investors (**Lenders**) on the same terms that Mr Willson agreed to lend money to the Company.

The Directors (excluding Mr Willson) consider that shareholder approval pursuant to Chapter 2E Corporations Act is not required as the Willson Conversion Shares will be issued to Mr Willson on the same terms as the Conversion Shares will be issued to the Lenders. Accordingly, the non-participating members of the Board, comprising Brian Moller and Nicholas Mather are of the view that the "arm's length" exception in section 210 of the Corporations Act is available to the Company.

4. Outcome of voting for and against the Resolution

If this Resolution is passed, the issue of the Willson Conversion Shares will be able to take place and will also be excluded from the calculation of the Company's 15% Capacity in ASX Listing Rule 7.1, maintaining the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue of the Willson Conversion Shares. Existing Shareholders (other than those who are Lenders) will be diluted by up to 4.61% by the issue of the Willson Conversion Shares.

If this Resolution not passed, the Company will not be able to issue the Willson Conversion Shares and will need to make other arrangements with Richard Willson for the repayment of his debt. Existing Shareholders will however not be diluted at this time.

The Company notes that the purpose of the Entitlement Offer is, amongst other matters, to raise sufficient funds to provide for the repayment of the Bridging Loans prior to the conduct of the Meeting. If the Entitlement Offer is fully

subscribed, then the Bridging Loans are intended to be repaid and no Willson Conversion Shares will need to be issued. In such instance, this Resolution may be withdrawn prior to the Meeting.

If the Entitlement Offer is not fully subscribed, the Company will prioritise the payment of Bridging Loans from funds received under the Entitlement Offer (after costs) so as to reduce the number of Willson Conversion Shares required to be issued under the approval obtained by this Resolution.

5. Director recommendation

The non-participating members of the Board, comprising Brian Moller and Nicholas Mather, recommend that Shareholders vote in favour of this Ordinary Resolution.

8. Resolution 8 and Resolution 9: Issue of Broker Shares and Broker Options to Cerberus Advisory

1. Background

The Company has entered a mandate with Cerberus Australia Advisors Pty Ltd (**Cerberus**) pursuant to which Cerberus has been appointed as lead manager to the Entitlement Offer (**Mandate Agreement**). The Lead Manager will provide a number of services to the Company in respect of the Entitlement Offer and has the right (but not the obligation) to allocate any shortfall in consultation with and subject to the agreement of the Company.

In consideration for providing the services under the Mandate Agreement, the Company has agreed to pay the Lead Manager:

- (a) a management fee of 1% of the funds raised under the Entitlement Offer and shortfall placement (**Management Fee**); and
- (b) a success fee of 5% of the funds raised under shortfall placement from investors introduced by Cerberus (**Success Fee**).

As part of the terms of the Mandate Agreement, Cerberus has the option, subject to the Company obtaining Shareholder approval, to elect for the Management Fee and Success Fee to be satisfied by the issue of Shares in the Company to Cerberus (or its nominees) at the same price per share as the Entitlement Offer (\$0.01).

Resolution 8 seeks Shareholder approval to issue Shares in satisfaction of payment of the Management Fee and the Success Fee.

When calculating the maximum number of Shares to be issued to Cerberus pursuant to the Mandate Agreement, the Company has assumed that:

- (a) in respect of the Management Fee, the Entitlement Offer is fully subscribed or the shortfall is fully placed and the Company receives \$1,667,594. 1% of this amount is \$16,676 which converts to a maximum of 1,667,594 Shares at an issue price of \$0.01 (**Management Fee Shares**);
- (b) in respect of the Success Fee, none of the Entitlement Offer is subscribed and Cerberus places 100% of the shortfall to parties it introduced. 5% of this amount is \$83,380 which converts to a maximum of 8,337,970 Shares at an issue price of \$0.01 (**Success Fee Shares**).

The total of Management Fee Shares and Success Fee Shares equals a maximum of 10,005,564 Shares. For clarity, it is noted that this maximum would only be issued if the total amount was raised by way of a placement of the shortfall by parties introduced by Cerberus.

In addition, to the Management Fee and Success Fee, the Company has also agreed, subject to obtaining Shareholder approval, to issue options to Cerberus to subscribe for Shares in the Company (**Broker Options**). The number of Broker Options will be 2% of the Shares issued under the shortfall placement to investors introduced by Cerberus. The Broker Options will have a term of 2 years and a strike price of 50% above the issue price under the Entitlement Offer (\$0.015).

When calculating the maximum number of Options to be issued to Cerberus pursuant to the Mandate Agreement, the Company has assumed that none of the Entitlement Offer is subscribed and Cerberus places 100% of the

shortfall to parties it introduced. 2% of this amount is \$33,352 which converts to a maximum of 3,335,188 Options with an exercise price of \$0.015 and expiring 2 years from the issue date.

The Company has agreed to reimburse Cerberus in respect of expenses incurred incidental to the Entitlement Offer, and further indemnify Cerberus and related persons against losses, liabilities and claims in respect of the Offer. The Mandate Agreement makes provisions (inter alia) for certain covenants to be observed by the Company. Either the Lead Manager or the Company may terminate the Mandate Agreement at any time by notice to the other party.

Resolution 8 and Resolution 9 are Ordinary Resolutions and seek Shareholder approval for the purposes of Listing Rule 7.1 to issue up to a maximum of:

- (a) 10,005,564 fully paid ordinary Shares in the Company (**Broker Shares**); and
- (b) 3,335,188 Options to subscribe for fully paid ordinary Shares in the Company, exercisable at \$0.015 each and expiring on the date which is two years from the date of issue (**Broker Options**),

to Cerberus (or its nominees).

2. Broker Option Terms

A summary of the terms of the Broker Options is set out in Schedule 1 to this Explanatory Memorandum.

3. Listing Rule 7.1 - Issues exceeding 15% of capital

An explanation of the operation of Listing Rule 7.1 is set out under section 3 of Resolution 6 of this Explanatory Memorandum.

Equity Securities issued with shareholder approval under Listing Rule 7.1 do not count towards the 15% Capacity.

The Broker Shares and Broker Options are Equity Securities under the Listing Rules.

Further under Exception 9 in Listing Rule 7.2, an issue of Equity Securities on the conversion of Convertible Securities (including Options) does not count towards the 15% Capacity provided that the Company issued the Convertible Securities:

- (a) before it was listed and disclosed the existence and material terms of the Convertible Securities in the prospectus, PDS or information memorandum lodged with ASX under the Listing Rule 1.1 condition 3; or
- (b) after it was listed and complied with the Listing Rules when it did so.

Therefore the Company is seeking Shareholder approval in accordance with Listing Rule 7.1 to issue the Broker Shares and the Broker Options so that the Broker Shares and the Broker Options and Equity Securities issued upon the exercise of the Broker Options do not count towards the Company's 15% Capacity.

4. Information for Listing Rule 7.3

For the purposes of Listing Rule 7.3, the Company provides the following information:

Listing Rule		Information
7.3.1:	Allottees of Equity Securities	The Broker Shares and the Broker Options are to be issued and allotted to Cerberus or its nominees.
7.3.2:	Number and class of Securities that will be issued	<p>The Company will issue a maximum of:</p> <ul style="list-style-type: none"> (a) 10,005,564 Broker Shares (the subject of Resolution 8); and (b) 3,335,188 Broker Options (the subject of Resolution 9). <p>Each Broker Option will have an exercise price of \$0.015 and on exercise the Option holder will be issued one Share for each Broker Option exercised. As such, the maximum number of Shares that may be issued on the exercise of the Broker Options is 3,335,188.</p> <p>The Company currently has on issue 250,139,038 Shares.</p>

Listing Rule		Information
		<p>Upon the issue of Broker Shares the Company will have 260,144,602 Shares on issue meaning that the Broker Shares would represent 3.85% of the diluted issued capital (based on the number of Shares presently on issue and without regard to the issue of any future Shares other than the Broker Shares including any other Shares issues approved at this Meeting. It also excludes any Shares issued under the Entitlement Offer or shortfall placement.</p> <p>Upon the exercise of the Broker Options the Company will have 253,474,226 Shares on issue meaning that the Broker Options would represent 1.32% of the diluted issued capital (based on the number of Shares presently on issue and without regard to the issue of any future Shares other than the Broker Options including any other Shares issues approved at this Meeting. It also excludes any Shares issued under the Entitlement Offer or shortfall placement).</p>
7.3.3:	Summary of material terms of Securities	<p>The Broker Shares will be fully paid on issue and rank equally in all aspects with all existing Shares previously issued by the Company.</p> <p>A summary of the terms of the Broker Options is set out in Schedule 1 to this Explanatory Memorandum. Any Shares issued upon the exercise of the Broker Options shall rank pari passu with all other existing Shares on issue in the Company.</p>
7.3.4:	Date or dates on or by which the Company will issue the Securities	The Broker Shares and Broker Options will be issued shortly after the Meeting, and, in any event, within three months of the date of the Meeting or such later date as is permitted by an ASX waiver or modification of the Listing Rules.
7.3.5:	Price of Equity Securities	The Broker Shares and Broker Options are being issued in consideration for the services provided by Cerberus in relation to the Entitlement Offer under the Mandate Agreement.
7.3.6:	Purpose of issuing the Securities	<p>The Broker Shares and Broker Options are being issued in consideration for the services provided by Cerberus in relation to the Entitlement Offer under the Mandate Agreement. Accordingly, the Company will receive no funds from their issue.</p> <p>If all the Broker Options are exercised, the Company will receive \$50,027.82 being 3,335,188 multiplied by the exercise price of the Broker Options.</p>
7.3.7:	Summary of agreement	The Broker Shares and Broker Options are being issued pursuant to the Mandate Agreement. The material terms of the Mandate Agreement are summarised in the Background section to this Resolution.
7.3.8:	Information on reverse takeover	The Broker Shares and Broker Options are not being issued under, or to fund, a reverse takeover.
7.3.9	Voting exclusion statement	A voting exclusion statement is included in the Notice of Meeting for each of Resolution 8 and Resolution 9

5. Outcome of Voting for or against the Resolutions

If Resolutions 8 and 9 are passed, the issue of the Broker Shares and Broker Options will be able to take place and will also be excluded from the calculation of the Company's 15% limit in ASX Listing Rule 7.1, maintaining the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue of the Broker Shares and Broker Options.

If Resolutions 8 and 9 are not passed, the Company will not be able to issue the Broker Shares and Broker Options in consideration for the services provided by Cerberus and will need to make other arrangements for the payment of the fees to Cerberus under the Mandate Agreement.

6. Directors' recommendation

The Directors unanimously recommend that you vote in favour of Resolutions 8 and 9.

9. Resolution 10 to Resolution 13: Removal of existing directors and appointment of new directors

1. Introduction

On 9 September 2024 the Company received a notice of requisition of meeting under section 249D of the Corporations Act (**Requisition Notice**) from a Shareholder (**Requisitioning Shareholder**) who holds approximately 6.5% of the Company's Shares.

The Requisition Notice requested that the Company call a general meeting of Shareholders to consider four resolutions. A copy of the Requisition Notice is provided in Annexure A and a copy of the Statement of Members Reasons under section 249P of the Corporations Act is provided as Annexure B.

2. Details of the Resolutions

The proposed Resolutions 10 and 11 seek the removal of two of the current Directors (**Removal Resolutions**). The directors proposed to be removed are Mr Brian Gerry Moller and Mr Nicholas Mather (the **Current Directors**). Effectively, those resolutions called for the removal of all board members other than Mr Richard Willson, the independent non-executive director.

The proposed Resolutions 12 and 13 seek the appointment of two new Directors (**Appointment Resolutions**). Those proposed additional directors are Mr Frederick Bart and Mr Glenn Ross Whiddon (the **Proposed Directors**).

Each Resolution is an independent resolution and does not rely upon the outcome of the other resolutions.

Section 249P of the Corporations Act permits the shareholders who have requisitioned the meeting to submit a statement for circulating to shareholders regarding the resolutions and any other matter that may be properly considered at the meeting. A copy of the Statement of Members Reasons under section 249P of the Corporations Act is provided as Annexure B.

Each of the Proposed Directors has also provided their consent to act to the Company.

The Company considers that Resolutions 10 to 13 are not in the best interests of the Company and its Shareholders for the following key reasons:

- (a) the entire Senior Management team are not familiar with working with the Proposed Directors and there is a risk that those key personnel would choose not to work with the Proposed Directors; and
- (b) the Board has considered a matrix of skills that it considers the Board should collectively hold across its membership. The Board is satisfied that the identified skills are well represented in the current Board. Accordingly, Board considers that the board composition has the requisite skill, experience and knowledge to act as Directors and assist the Company in achieving its primary objectives for the benefit of all Shareholders. Any additional directors will be unnecessary and only add to an increased financial burden for the Company by way of directors fees.

Additionally, should the Appointment Resolutions succeed but the Removal Resolutions fail, the Company will end up with an unnecessarily large Board of five people. On the other hand, should the Removal Resolutions succeed

but the Appointment Resolutions fail, the Company would end up with only one director, lacking the desired mix of skills and experience and necessitating action to ensure compliance with the Corporations Act.

3. Resolution 10– Removal of director – Mr Brian Gerry Moller

Resolution 10 is an ordinary resolution and relates to the removal of Mr Brian Gerry Moller as a Director. This resolution has been proposed by the Requisitioning Shareholder.

A short biography of Mr Moller is provided below:

Brian Moller recently retired as a corporate partner in the Brisbane based law firm HopgoodGanim Lawyers, having been a partner since 1983, practicing almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.

Mr Moller holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.

Mr Moller acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas. He is also Chair of ASX listed Tempest Minerals Ltd, Mineral Commodities Ltd, NewPeak Metals Ltd and Platina Resources Ltd and non-executive director of ASX listed DGR Global Ltd.

4. Resolution 11– Removal of director – Mr Nicholas Mather

Resolution 11 is an ordinary resolution and relates to the removal of Mr Nicholas Mather as a Director. This resolution has been proposed by the Requisitioning Shareholder.

A short biography of Mr Mather is provided below:

Nick Mather's special area of experience and expertise is the generation of and entry into undervalued or unrecognised resource exploration opportunities. Mr Mather has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Mr Mather brings a wealth of valuable experience. Mr

Mather currently serves as non-executive director of LSE and TSX listed SolGold plc and managing director of DGR Global Limited.

5. Resolution 12– Appointment of director – Mr Frederick Bart

Resolution 12 is an ordinary resolution and relates to the appointment of Mr Frederick Bart as a Director. This resolution has been proposed by the Requisitioning Shareholder.

A short biography of Mr Bart is provided in Annexure A.

6. Resolution 13– Appointment of director – Mr Glenn Ross Whiddon

Resolution 13 is an ordinary resolution and relates to the appointment of Mr Glenn Ross Whiddon as a Director. This resolution has been proposed by the Requisitioning Shareholder.

A short biography of Mr Whiddon is provided in Annexure A.

7. Recommendation of Directors

The Directors, with Mr Moller abstaining, unanimously recommend that Shareholders vote **AGAINST** Resolution 10.

The Directors, with Mr Mather abstaining, unanimously recommend that Shareholders vote **AGAINST** Resolution 11.

The Directors do not support any of the Appointment Resolutions and unanimously recommend you vote **AGAINST** Resolution 12 and Resolution 13.

The Chairman of the Meeting intends to vote all available undirected proxies **AGAINST** each Removal Resolution and each Appointment Resolution.

SPECIAL BUSINESS

10. Resolution 14: Approval to issue an additional 10% of the fully paid ordinary issued capital of the Company over a 12-month period pursuant to Listing Rule 7.1A

Introduction

Pursuant to Resolution 14, the Company is seeking Shareholder approval to issue an additional 10% of its fully paid ordinary issued capital over a 12-month period pursuant to Listing Rule 7.1A. If passed, this Resolution will allow the Company to allot and issue up to the number of new equity securities calculated in accordance with Listing Rule 7.1A.2 (the **Placement Securities**) each at an issue price of at least 75% of the VWAP for the Company's equity securities in that class (calculated over the last 15 days on which trades in the equity securities in that class are recorded, immediately before the date on which the price at which the Placement Securities are to be issued is agreed, or if the Placement Securities are not issued within five trading days of that date, the date on which the Placement Securities are issued) (the **Issue Price**).

Pursuant to Listing Rule 7.1A, small and mid-cap listed entities that meet the eligibility threshold and have obtained the approval of their ordinary shareholders by Special Resolution at their annual general meeting, are permitted to issue an additional 10% of fully paid ordinary issued capital (the **Additional 10% Placement**). An entity may conduct the Additional 10% Placement at any time from the date of the annual general meeting at which the approval is obtained until the earlier of the following events to occur:

- (a) the date that is 12 months after the date of the annual general meeting at which the approval is obtained.
- (b) the time and date of the entity's next annual general meeting.
- (c) the time and date of the approval by holders of the entity's ordinary securities of a transaction under Listing Rule 11.1.2 or 11.2.

The Additional 10% Placement under Listing Rule 7.1A is in addition to the ability of the Company to issue 15% of its fully paid ordinary issued capital without shareholder approval over a 12-month period pursuant to Listing Rule 7.1. The Company may issue the Placement Securities to raise funds for the Company (further details of which are set out below).

Funds raised from the issue of the Placement Securities, if undertaken, would be applied towards the acquisition of new assets or investments (including expenses associated with such acquisitions), continued exploration and feasibility study expenditure on the Company's current assets and general working capital.

The Directors unanimously recommend that Shareholders vote in favour of this Special Resolution.

Listing Rule 7.1A

Eligibility

An entity is eligible to undertake an Additional 10% Placement if at the time of its annual general meeting it has a market capitalisation of \$300 million or less and it is not included in the S&P/ASX300 Index (**Eligible Entity**).

For illustrative purposes only, on 19 September 2024, the Company's market capitalisation was approximately \$3.25 million based on the closing market price on that date. The calculation of market capitalisation will be based on the closing market price of the Shares, on the last trading day on which trades in the Shares were recorded before the date of the Annual General Meeting, multiplied by the number of Shares on issue (excluding restricted securities and securities quoted on a deferred settlement basis).

The Company is also not included in the S&P/ASX300 Index as at the time of this Annual General Meeting. However, it should be noted that the S&P/ASX300 Index is rebalanced twice a year (in March and September). The Company is therefore an Eligible Entity and able to undertake an Additional 10% Placement under Listing Rule 7.1A. In the event that the Company for any reason ceases to be an Eligible Entity after the Company has already obtained Shareholder approval pursuant to this Resolution, the approval obtained will not lapse and the Company will still be entitled to issue the Placement Securities during the 12-month period following this Annual General Meeting.

Special Resolution

Listing Rule 7.1A requires this Resolution to be passed as a Special Resolution, which means that it must be passed by at least 75% of the votes cast by members entitled to vote on the Resolution. Pursuant to Listing Rule 7.1A, no Placement Securities will be issued until and unless this Special Resolution is passed at the Meeting.

Shareholder Approval

The ability to issue the Placement Securities is conditional upon the Company obtaining Shareholder approval by way of a Special Resolution at the Meeting.

Listing Rules 7.1 and 7.1A

At the date of this Notice of Meeting, the Company has on issue 250,139,038 Shares. If Resolution 3 and this Resolution are passed the Company will have the capacity to issue the following equity securities immediately following the Meeting (excluding any Shares issued under the Entitlement Offer):

- (1) subject to Shareholder approval being obtained under Resolution 3, 37,520,856 Equity Securities under Listing Rule 7.1; and
- (2) subject to Shareholder approval being obtained under this Resolution, a further 25,013,904 Placement Securities under Listing Rule 7.1A.

The actual number of Placement Securities that the Company will have the capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Placement Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (as described following).

Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that Eligible Entities which have obtained shareholder approval at an annual general meeting may issue, or agree to issue, during the relevant period a number of equity securities calculated in accordance with the following formula:

(A x D) – E

A is the number of shares on issue at the commencement of the relevant period:

plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;

plus the number of fully paid shares issued in the relevant period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:

- the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
- the issue of, or agreement to issue, the convertible securities was approved or taken under the Listing Rules to have been approved under Listing Rule 7.1 or Listing Rule 7.4;

plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:

- the agreement was entered into before the commencement of the relevant period; or
- the agreement or issue was approved or taken under the Listing Rules to have been approved under Listing Rule 7.1 or Listing Rule 7.4;

plus the number of partly paid shares that became fully paid in the relevant period;

plus the number of fully paid shares issued in the relevant period with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

Specific Information Required by Listing Rule 7.3A

Listing Rule 7.3A sets out the requirements for notices of meeting at which shareholder approval is sought for the additional capacity to issue equity securities under Listing Rule 7.1A. For the purposes of Listing Rule 7.1A the Company advises as follows:

1. Final Date for Issue - Listing Rule 7.3A.1

As required by Listing Rule 7.3A.1, the Company will only issue and allot the Placement Securities during the 12 months after the date of this Meeting which the Company anticipates will end on 8 November 2025. The approval under this Resolution for the issue of the Placement Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities of the Company) or Listing Rule 11.2 (the disposal of the main undertaking of the Company) before the anniversary of the Annual General Meeting.

Assuming Resolution 14 is passed, Shareholder approval of the Additional 10% Capacity under Listing Rule 7.1A is valid from the date of the annual general meeting and expires on the earlier to occur of:

- (a) the date that is 12 months after the date of the annual general meeting;
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (Approval Period).

If Resolution 14 is passed by Shareholders, then the approval will expire, on 8 November 2025 unless the Company holds its next annual general meeting or Shareholder approval is granted pursuant to Listing Rules 11.1.2 or 11.2 prior to that date.

2. Minimum price of securities issued under Listing Rule 7.1A - Listing Rule 7.3A.2

Pursuant to and in accordance with Listing Rule 7.1A.3, the Placement Securities issued pursuant to approval under Listing Rule 7.1A must have an Issue Price of not less than 75% of the VWAP for the equity securities in that class calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (1) the date on which the price at which the Placement Securities are to be issued is agreed by the entity and the recipient of the Placement Securities; or
- (2) if the Placement Securities are not issued within ten trading days of the date in paragraph (1) above, the date on which the Placement Securities are issued.

The Company will disclose to the ASX the Issue Price on the date of issue of the Placement Securities.

3. Purpose - Listing Rule 7.3A.3

As noted above, the purpose for which the Placement Securities may be issued include to raise funds for the Company (further details of which are set out below). Funds raised from the issue of the Placement Securities, if undertaken, would be applied towards the acquisition of new assets or investments (including expenses associated with such acquisitions), continued exploration and feasibility study expenditure and development of the Company's current assets and general working capital.

4. Risk of economic and voting dilution - Listing Rule 7.3A.4

As provided by Listing Rule 7.3A.4, if this Resolution is passed and the Company issues the Placement Securities, there is a risk of economic and voting dilution to the existing Shareholders. The Company currently has on issue 250,139,038 Shares. The Company could issue 62,534,760 securities immediately following the Meeting (being 37,520,856 equity securities pursuant to Listing Rule 7.1 and 25,013,904 equity securities pursuant to Listing Rule 7.1A). However, it is important to note that the exact number of securities which may be issued will be calculated in accordance with the formula contained in Listing Rule 7.1A.2, details of which are set out above. Any issue of Placement Securities will have a dilutive effect on existing Shareholders.

There is a specific risk that:

- (1) the market price for the Company's equity securities may be significantly lower on the date of the issue of any Placement Securities than it is on the date of the Meeting; and
- (2) the Placement Securities may be issued at a price that is at a discount to the market price for the Company's equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue or the value of the Placement Securities.

As required by Listing Rule 7.3A.4, the table below shows the potential economic and voting dilution effect, in circumstances where the issued share capital has doubled and the closing market price of the shares has halved. Table 1 also shows the additional scenarios in which the issued share capital has increased (by both 50% and 100%) and the closing market price of the shares has:

- (1) decreased by 50%; and
- (2) increased by 100%.

Table 1 – Economic and voting dilutionary effect

Issued Share Capital	10% Voting Dilution	New issued share capital	50% decrease in Market Price \$0.007	Current Market Price \$0.014	100% increase in Market Price \$0.028
			Capital Raised		
Present Issued Share Capital 250,139,038	25,013,870	275,153,908	\$175,097	\$350,194	\$700,388
50% Increase in Share Capital 375,208,557	37,520,856	412,729,413	\$262,646	\$525,291	\$1,050,584
100% Increase in Share Capital 500,278,076	50,027,740	550,305,806	\$350,194	\$700,388	\$1,400,776

Assumptions and Explanations relating to Table 1:

- (a) \$0.014 was the closing market price of the Shares on ASX on 18 September 2024.
- (b) The above table only shows the dilutionary effect based on the issue of the Placement Securities (assuming only Shares are issued), and not any Shares issued under Listing Rule 7.1.
- (c) The 10% voting dilution reflects the aggregate percentage dilution against the issued Share capital at the time of the issue.
- (d) The Company issues the maximum number of Placement Securities.

- (e) *The issued Share capital has been calculated as the prescribed variable “A” (as set out in the formula in Listing Rule 7.1A.2) as at 18 September 2024.*
- (f) *The Issue Price of the Placement Securities used in the Table 1 is the same as the closing market price and does not take into account the discount to the closing market price (if any).*

5. Company’s Allocation Policy – Listing Rule 7.3A.5

The Company’s allocation policy is dependent on the prevailing market conditions at the time of any proposed issue of the Placement Securities. The identity of the allottees of the Placement Securities will be determined on a case-by-case basis having regard to a number of factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company including, but not limited to, rights issue or other issue in which existing shareholders can participate;
- (b) the effect of the issue of the Placement Securities on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, financial and broking advisers (if applicable).

The allottees of the Placement Securities have not been determined as at the date of this Notice but may include existing substantial Shareholders and new Shareholders who are not related parties or associates of a related party of the Company.

6. Equity Issues Under Listing Rule 7.1A.2 Over Last 12 Months – Listing Rule 7.3A.6

The Company previously sought approval for the additional placement capacity under Listing Rule 7.1A at its annual general meeting held on 27 November 2023 (**Previous Approval**).

As the Company has issued or agreed to issue equity securities under Listing Rule 7.1A.2 during the 12 month period from the Previous Approval, the following information is provided to shareholders in accordance with Listing Rule 7.3A.6:

Listing Rule 7.3A.6(a): – Total Equity Securities issued under Listing Rule 7.1A.2 over last 12 months

<i>Number of equity securities on issue at commencement of 12-month period</i>	189,039,038
<i>Equity securities issued in prior 12-month period* pursuant to Listing Rule 7.1A.2</i>	20,000,000
<i>Percentage equity issues pursuant to Listing Rule 7.1A.2 represent of total number of equity securities on issue at commencement of 12-month period</i>	10.58%

Listing Rule 7.3A.6(b): Details of equity securities issued under Listing Rule 7.1A.2 in previous 12 months

<i>Date of issue</i>	28 August 2024
<i>Names of persons who have been issued, or have agreed to be issued, securities or basis on which those persons were identified or selected</i>	The shares were issued as part of the Placement to the parties listed in the column headed “Allottee/Subscriber” in Table 1 under Resolution 3 and Resolution 4.
<i>Number and class of securities issued or agreed to be issued</i>	20,000,000 fully paid ordinary shares
<i>Price at which Equity Securities were issued or agreed to be issued</i>	\$0.012
<i>Discount to Market Price on date of issue or agreement (if any)</i>	Nil
<i>Total cash consideration received or to be received</i>	\$240,000
<i>Amount of cash consideration that has been spent</i>	\$240,000
<i>How cash consideration spent was used</i>	Paying down outstanding debts and budgeted expenditure at the Company’s 100% owned Ashford coking coal project.
<i>Intended use for remaining amount of cash consideration (if any)</i>	N/A

7. Voting Exclusion Statement

A Voting Exclusion Statement is included for this Resolution 14 in the Notice of Meeting accompanying the Explanatory Memorandum.

Directors' Recommendation

The Directors recommend that you vote in favour of this Special Resolution.

11. DEFINITIONS

Terms used in this Explanatory Memorandum shall have the meanings ascribed to them in the Listing Rules or the Corporations Act as appropriate, unless otherwise defined below, or in the body of the Explanatory Memorandum.

The following terms shall have the meanings ascribed to them below:

Additional 10% Placement means the additional 10% of fully paid ordinary issued capital over the relevant period under Listing Rule 7.1A.

Advisory Resolution has the same meaning as when used in Section 250R of the Corporations Act.

Annual General Meeting or Meeting means this meeting.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ABN 98 008 624 691.

Board means the board of Directors of the Company.

Broker Options means a maximum of 3,335,188 options exercisable at \$0.015 each on or before two years from the issue date to be issued to Cerberus (or its nominees).

Broker Shares means a maximum of 10,005,564 Shares to be issued to Cerberus (or its nominees) at an issue price of \$0.01 each.

Cerberus means Cerberus Australia Advisors Pty Ltd.

Closely Related Party (as defined in the Corporations Act) of a member of the Key Management Personnel for an entity means:

- a spouse or child of the member; or
- a child of the member's spouse; or
- a dependant of the member or the member's spouse; or
- anyone else who is one of the member's family and may be expected to influence the member, or to be influenced by the member, in the member's dealings with the entity; or
- a company the member controls; or
- a person prescribed by regulations issued pursuant to the Corporations Act.

Company means Clara Resources Australia Limited ACN 122 957 322 and **Clara Resources** has the same meaning.

Constitution means the Company's Constitution.

Conversion Shares means a maximum of 119,554,600 Shares to be issued to the Lenders at an issue price of \$0.01.

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

Director means a director of the Company.

Entitlement Offer means the non-renounceable rights issue to eligible shareholders of 2 new Shares for every 3 Shares held at an issue price of \$0.01 per new Shares to raise approximately \$1,667,594 before costs of the offer as announced on 20 September 2024.

Issue Price means the price per security at which the Placement Securities may be issued.

Key Management Personnel or **KMP** has the definition given in the accounting standards as those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of that entity.

Listing Rules means the listing rules of ASX as amended, varied or replaced from time to time.

Meeting or **Annual General Meeting** means the annual general meeting of the Company to be held on 8 November 2024.

Notice of Meeting or **Notice** means the Notice of Meeting and this Explanatory Memorandum.

Ordinary Resolution means a Resolution passed by a majority of the votes cast at a general meeting of Shareholders.

Placement means the placement of the Placement Shares and Willson Shares to raise up to a maximum of \$620,000.

Placement Securities means the new equity securities for the purposes of Listing Rule 7.1A.

Placement Shares means a maximum of 50,000,000 Shares issued to unrelated sophisticated and professional investors on 28 August 2024 at an issue price of \$0.012 each.

Proposed Directors means Mr Frederick Bart and Mr Glenn Ross Whiddon.

Related Entity has the meaning given to it in the Corporations Act.

Requisitioning Shareholder means Mr Frederick Bart.

Resolution means a resolution proposed at the Meeting.

Shareholder means a holder of ordinary Shares in the Company.

Shares means ordinary fully paid shares in the issued capital of the Company.

Special Resolution means a resolution passed by more than 75% of the votes cast at a general meeting of Shareholders.

VWAP means volume weighted average price.

Willson Shares means a maximum of 1,666,667 Shares to be issued to Richard Willson at an issue price of \$0.012 each under the Placement.

Willson Conversion Shares means a maximum of 12,076,200 Shares to be issued to Richard Willson at an issue price of \$0.01.

ENTITLEMENT TO VOTE

The Board has determined, in accordance with the Corporations Regulations 2001 that for the purposes of determining those Shareholders entitled to attend and vote at the Annual General Meeting of the Company, shall be those persons recorded in the register of Shareholders as at 7pm (Sydney Time) on 6 November 2024. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

How to Vote

You may vote by attending the Annual General Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Annual General Meeting on the date and at the place set out above.

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote on their behalf. Where a member is entitled to cast two or more votes, they may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes. A proxy need not be a member of the Company.

Members who are a body corporate are able to appoint representatives to attend and vote at the meeting under Section 250D of the *Corporations Act 2001* (Cth).

If a representative of the Company is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Signing instructions

You must sign the proxy form as follows in the spaces provided:

- | | |
|--------------------|--|
| Individual: | Where the holding is in one name, the holder must sign. |
| Joint Holding: | Where the holding is in more than one name, all of the security holders should sign. |
| Power of Attorney: | To sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it. |
| Companies: | Where the company has a sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the <i>Corporations Act 2001</i> (Cth)) does not have a Company Secretary, a sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. |

Please indicate the office or capacity held by signing in the appropriate place.

To vote by proxy, the proxy form provided with this notice (and the original or a certified copy of any power of attorney under which it is signed) must be received by the Company not less than forty eight (48) hours before the scheduled time for the meeting. Any proxy form received after that time will not be valid for the scheduled meeting.

Completed proxies can be returned to the Company Secretary by either mail to Level 19, 1 Eagle Street, Brisbane, Queensland 4000, or scanned and emailed to jhaley@clararesources.com.au

Annexure A – Requisition Notice

9 September 2024

The Directors

Clara Resources Australia Ltd (**Company**)
Level 19, 10 Eagle Street
Brisbane QLD 9000

Dear Sirs

SECTION 249D NOTICE - REQUISITION OF GENERAL MEETING TO REMOVE AND APPOINT DIRECTORS

1. Section 249D notice - Requisition of general meeting

I, the undersigned (**Requisitioning Shareholder**), being the holder of more than 5% of the votes that may be cast at a general meeting of the Company hereby:

- (a) request, pursuant to section 249D of the *Corporations Act 2001* (Cth) (**Corporations Act**), that the directors of the Company call and arrange to hold a general meeting of the Company to consider the proposed resolutions set out below; and
- (b) demand, pursuant to Rule 27.1(d) of the Company's constitution, that the resolutions the subject of the general meeting requisitioned by the Requisitioning Shareholder be conducted by way of a poll rather than on a show of hands.

2. Proposed resolutions

The Requisitioning Shareholder hereby request that the Company put forth the following resolutions for consideration by the members of the Company at the general meeting of the Company:

2.1 RESOLUTION 1: REMOVAL OF BRIAN GERRY MOLLER AS A DIRECTOR

"That, in accordance with section 203D of the Corporations Act and Rule 36.3 of the Company's constitution, Mr Brian Gerry Moller be removed as a director of the Company with effect from the conclusion of the general meeting."

2.2 RESOLUTION 2: REMOVAL OF NICHOLAS MATHER AS A DIRECTOR

"That, in accordance with section 203D of the Corporations Act and Rule 36.3 of the Company's constitution, Mr Nicholas Mather be removed as a director of the Company with effect from the conclusion of the general meeting."

2.3 RESOLUTION 3: ELECTION OF FREDERICK BART AS DIRECTOR

"That, in accordance with Rule 36.3 of the Company's constitution, Mr Frederick Bart be appointed as a director of the Company with effect from the conclusion of the general meeting."

2.4 RESOLUTION 4: ELECTION OF GLENN ROSS WHIDDON AS DIRECTOR

"That, in accordance with rule 36.3 of the Company's constitution, Mr Glenn Ross Whiddon be appointed as a director of the Company with effect from the conclusion of the general meeting."

Each resolution noted above is to be voted on separately.

3. Qualifications of the proposed directors

Attached to this notice at the 0 is a statement of each of Messrs Bart's and Whiddon's experience, qualifications and suitability for these roles.

I request that these statements be included in the notice of meeting sent to the shareholders of the Company.

4. Other matters

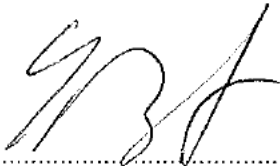
For the purposes of section 201D of the Corporations Act, copies of Messrs Bart's and Whiddon's consents to act as a director of the Company accompany this Requisition.

The Members' Statement prepared in accordance with section 249P of the Corporations Act also accompanies this Requisition.

Please contact me at [REDACTED] should you have any questions.

This notice is signed by the Requisitioning Shareholder

Signed by Frederick Bart

A handwritten signature in black ink, appearing to be 'F Bart', written over a horizontal dotted line.

Signature of Frederick Bart

Annexure – Qualifications of Proposed Directors

1. Biography of Mr Frederick Bart

Mr Bart has a wide and diverse interest in many private and public companies since 1980.

In 1989, Mr Bart established and chairs a number of private companies under the umbrella of the Bart Group which covered hotels, retail, commercial and residential land development and technologies which still continue to operate. The Group today employs in excess of 1,000 people and is active in many local and overseas markets.

In 2001, Mr Bart became Chairman of Electro Optic Systems Holdings Limited (ASX:EOS). Since that time it has grown to be one of Australia's premier defence companies with activities in many countries worldwide employing over 400 people and is currently included in the S&P/ASX 300. Mr Bart resigned as Chairman in 2021.

In September 2000, Mr Bart became a director and Chairman of Audio Pixels Holdings Limited (ASX:AKP). Audio Pixels is developing the first digital speaker in the world and currently has a market capitalisation of over \$321m.

In March 2018, Mr Bart joined the Board of Weebit Nano Limited (ASX:WBT). Weebit is a developer of memory technology (1,000 X faster, 1,000 X more energy efficient and 100X higher endurance) than existing flash memory technologies. Mr Bart resigned from the Board in June 2023.

2. Biography of Mr Glenn Ross Whiddon

Mr Whiddon is currently based in Perth, Australia and holds an Economics Degree from Macquarie University. Mr Whiddon has an extensive background in banking, corporate advisory and direct equity investments having worked for Bank of New York in Sydney, Melbourne, Geneva and Moscow.

Mr Whiddon has focused on natural resources and small cap equity markets, specifically the structuring, financing, development and completion of projects. In 1994, Mr Whiddon established a boutique merchant bank in Moscow, providing corporate advice and undertaking direct investments in the finance and natural resources sector over a 9 year period.

Mr Whiddon has extensive corporate and management experience and has held Chairman and Director roles since the 1990's in both Australian and International publicly listed companies. Mr Whiddon is currently Chairman of Calima Energy Ltd (and held this position since 2015) and was instrumental in the successful sale of its Canadian subsidiary in March 2024.

Mr Whiddon also holds a Director role in several other Australian publicly listed companies and is also sought after for his knowledge, expertise and experience in a consulting role.

Annexure B – Statement of Members Reasons

9 September 2024

The Directors

Clara Resources Australia Ltd (**Company**)
Level 19, 10 Eagle Street
Brisbane QLD 9000

Dear Messrs

STATEMENT OF REASONS | REQUISITION OF GENERAL MEETING

I, the undersigned (**Requisitioning Shareholder**), being the holder of more than 5% of votes that may be cast at a general meeting of the Company.

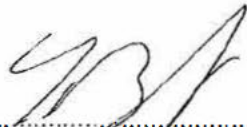
Attached to this letter is a Schedule which sets out a "Statement of Reasons" as to why I provided the Company with the requisition for a general meeting pursuant to section 249D of the *Corporations Act 2001* (Cth) on 9 September 2024.

This statement of reasons complies with the Corporations Act and must be provided to the members of the Company as part of the notice of meeting.

Please contact me at [REDACTED] should you have any questions.

This statement is signed by the Requisitioning Shareholder

Signed by Frederick Bart



.....
Signature of Frederick Bart

Schedule

STATEMENT OF MEMBERS' REASONS

Pursuant to section 249P of the *Corporations Act 2001* (Cth)

I, Frederick Bart (**Requisitioning Shareholders**), confirm that I am the holder of more than 5% of the votes that may be cast at a general meeting of Clara Resources Australia Ltd (**Company or Clara**) as at 9 September 2024.

1. Current issues with the Company

Default of convertible notes

The directors having had ample time have allowed the convertible note to fall into default incurring 5% per month interest without taking any steps to have the note repaid.

2. Our proposals

2.1 Appoint new directors

- (a) I propose that Messrs Frederick Bart, and Glenn Ross Whiddon be appointed as new directors of the Company.
- (b) Statements of their experience, qualifications and suitability to these roles are included with the Requisitioning Shareholders' section 249D notice dated 9 September 2024 (a copy of which accompanies this Statement of Members' Reasons).
- (c) I believe that Messrs Bart's and Whiddon's appointment as directors of the Company will substantially benefit the shareholders of Clara by aligning the interests of the Board of Directors and shareholders and improving the internal skills/experience/capabilities of the Company.

2.2 Remove current directors

- (a) I propose that Brian Gerry Moller and Nicholas Mather being current directors of the Company be removed from office as directors.
- (b) I believe that Brian Gerry Moller and Nicholas Mather are not suitable to their current roles due to the reasons outlined in this document.

Schedule 1 – Summary of Broker Option Terms

Clara Resources Australia Limited
ACN 122 957 322
Terms and Conditions of Broker Options

- (a) **Entitlement:** Each Broker Option entitles the holder to subscribe for one Share upon exercise of the Broker Option.
- (b) **Exercise Price:** The exercise price of each Broker Option is \$0.015.
- (c) **Expiry Date:** Each Broker Option will lapse and expire at 5.00pm (AEST) on the date that is two years after its date of issue (**Expiry Date**), and any Broker Option not exercised on or before the Expiry Date will expire and cease to carry any rights or benefits.
- (d) **Exercise Period:** Broker Options are exercisable at any time on or before the Expiry Date (**Exercise Period**).
- (e) **Exercise of Options:** Broker Options may be exercised during the Exercise Period by the relevant holder (**Holder**) by notice in writing to the Company stating the number of Broker Options to be exercised (**Notice**) together with payment (in Australian currency) for an amount equal to the Exercise Price multiplied by the number of Broker Options being exercised by electronic funds transfer or other means of payment acceptable to the Company (in its sole discretion). A minimum of 10,000 Broker Options must be exercised in each Notice unless the Company agrees to the exercise of a lesser number of Broker Options.
- (f) **Issue of Shares:** Upon a valid exercise of the Broker Options, the Company will within 5 Business Days of the date of exercise:
 - (1) issue the number of Shares required under these terms and conditions to be issued for which cleared funds have been received by the Company;
 - (2) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act;
 - (3) if admitted to the Official List at the relevant time, make application to ASX for quotation of all Shares issued pursuant to the exercise of the Broker Options.
- (g) **Ranking:** Shares issued pursuant to an exercise of Broker Options will, from the date of issue, rank equally with all other Shares on issue.
- (h) **Quotation:** The Broker Options will not be quoted on ASX.
- (i) **Transfer:** The Broker Options must not be transferred or assigned by the Holder except with the prior written consent of the Company (not to be unreasonably withheld).
- (j) **Dividends:** Holders do not participate in any dividends unless the Broker Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlement to dividends.
- (k) **Reconstruction:** In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) the number of Broker Options, the Exercise Price of the Broker Options, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will; not result in any benefits being conferred on the holders of the Broker Options which are not conferred on Shareholders of the Company: and
 - (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders of the Company approving a reconstruction of capital, in all other respects the terms for the exercise of the Broker Options will remain unchanged;

- (l) **Pro rata issue:** If there is a pro rata issue (except a bonus issue), the Exercise Price of the Broker Option may be reduced according to the following formula.

$$O_n = O - \frac{E [P - (S + D)]}{N + 1}$$

Where:

O_n = the new exercise price of the Broker Option;

O = the old exercise price of the Broker Option;

E = the number of underlying securities into which one Broker Option is exercisable;

P = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;

S = the subscription price for a security under the pro rata issue;

D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);

N = the number of securities with rights or entitlement that must be held to receive a right to one new security.

- (m) **Bonus Issue:** If there is a bonus issue to the holder of Shares, the number of Shares over which the Broker Option is exercisable may be increased by the number of Shares which the option holder would have received if the Broker Option had been exercised before the record date for the bonus issue.
- (n) **Change of terms:** The terms of the Broker Options shall only be changed if holders (whose votes are not to be disregarded) of Shares approve of such a change. However, the terms of the Broker Options shall not be changed to reduce the Exercise Price, increased the number of Broker Options or change and period for exercise of the Broker Options.