

Clara Resources Australia Limited ACN 122 957 322 (**Company**)

Supplementary Prospectus

Supplementary Prospectus to a Prospectus dated 20 September 2024

Important Information

This supplementary prospectus is dated 11 October 2024 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date (**Supplementary Prospectus**). This Supplementary Prospectus supplements and is intended to be read together with the prospectus dated 20 September 2024 (**Prospectus**), which was issued by Clara Resources Australia Limited ACN 122 957 322 (**Company**).

ASIC, ASX Limited (**ASX**), and their officers take no responsibility as to the contents of this Supplementary Prospectus. This Supplementary Prospectus shall be read in its entirety together with the contents of the Prospectus. If you are in any doubt as to the contents of this document, you should consult your professional advisers without delay.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms used in this Supplementary Prospectus shall have the same meaning ascribed to them in the Prospectus. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, the provisions of this Supplementary Prospectus will prevail.

The Company has issued an electronic version of this Supplementary Prospectus and the Prospectus. Electronic versions of each may be accessed at www.clararesources.com.au.

1. Purpose of this Supplementary Prospectus

This Supplementary Prospectus has been issued for the purposes of amending the Prospectus as a result of the following changes to the membership and roles on the Board of Directors, announced by the Company on 11 October 2024:

- (a) the appointment of Non-Executive Director Mr Richard Willson as Independent, Non-Executive Chairman of the Board, with immediate effect;
- (b) Mr Brian Moller will step down as Chairman and remain as Non-Executive Director, with immediate effect;
- (c) the appointment of CEO Peter Westerhuis to the board as Managing Director of Clara, with immediate effect; and
- (d) the appointment of Mr Alexander Fitzgerald as Non-Executive Director, effective upon his completion of the requisite Australian Director's registration.

The amendments to the Prospectus are set out in sections 2 to 5 below.

2. Amendments to ‘Investment Summary’

2.1 Section 1.9 – Directors intentions in respect of Entitlements

In section 1.9 “Directors intentions in respect of Entitlements” on page 14, the table is amended to read:

Director	Shares	New Share Entitlement	Intentions
Brian Moller	1,044,505	696,337	Intends to take up Entitlements
Nicholas Mather	2,121,789	1,414,526	Intends to take up Entitlements
Richard Willson	536,883	357,922	Intends to take up Entitlements
Peter Westerhuis	3,500,000	2,310,000	Intends to take up Entitlements
Alex Fitzgerald*	10,000,000	6,666,667	Intends to take up Entitlements

** Alex Fitzgerald is not a director as at the date of this Supplementary Prospectus. He is proposed to be appointed as a director upon completion of the requisite Australian Director’s registration.*

3. Amendments to ‘Company Information’

3.1 Section 4.3 – The Directors

Section 4.3 “The Directors” on pages 30-31, is amended as follows:

- (a) Brian Moller’s role on the Board as “Non-Executive Chair” is amended to read “Non-Executive Director”;
- (b) Richard Willson’s role on the Board as “Non-Executive Director” is amended to read “Non-Executive Chair”; and
- (c) the below additional text is inserted:

Alex Fitzgerald – Proposed Non-Executive Director

Mr Alex Fitzgerald is proposed to be appointed to the Board, effective upon his completion of the requisite Australian Director’s registration.

Mr Fitzgerald is a director of Yarranabbe Capital, a deep value fund and family office. Yarranabbe invests across natural resource equities, credit and private equity. Under Mr Fitzgerald’s management net assets have grown at 18.9% rate of return. Previously Mr Fitzgerald held investment management & corporate finance roles at Myer Family Co & The Foodco Group.

With 10 years’ experience in funds and family office management Mr Fitzgerald has a track record of unlocking shareholder value via active company engagement.

(d) The following text is included following the summary of Mr Willson's experience:

Peter Westerhuis – Managing Director and Chief Executive Officer

A summary of Mr Westerhuis' experience is set out in section 4.4.

3.2 Section 4.4 – Senior Management

In section 4.4 "Senior Management" on page 32, Peter Westerhuis's title of "Chief Executive Officer" is amended to read "Managing Director and Chief Executive Officer".

4. Amendments to 'Additional information'

4.1 Section 7.5 – Directors' interests

In section 7.5 "Directors' interests" on page 49, the table is amended to read:

Director	Number of Shares	Number of Options	Option Exercise Price	Option Expiry Date	Number of Options Vested
Brian Moller	1,044,505	750,000	\$0.12	29/06/2026	750,000
Nicholas Mather	2,121,789	750,000	\$0.12	29/06/2026	750,000
Richard Willson	536,883	750,000	\$0.12	29/06/2026	750,000
Alex Fitzgerald ¹	10,000,000	Nil	N/A	N/A	N/A
Peter Westerhuis ²	3,500,000	3,000,000	\$0.12	29/06/2026	3,000,000
		500,000	\$0.12	29/06/2026	500,000
		400,000	\$0.20	29/06/2025	Nil

Notes:

1. Alex Fitzgerald is not a director as at the date of this Supplementary Prospectus. He is proposed to be appointed as a director upon completion of the requisite Australian Director's registration.
2. Peter Westerhuis also holds 200,000 performance rights to acquire shares in the Company at nil consideration which will vest upon the granting of a Mining Lease for the Company's Ashford Coking Coal Project by May 2025. Mr Westerhuis must continue to be employed by the Company in order to exercise the performance rights.

4.2 Section 7.6 – Directors Fees

In section 7.6 "Directors' Fees" on page 49, the table and accompanying notes are amended to read:

	Remuneration for FY23			Remuneration for FY24		
Director	Salary / Director fees	Options	Total	Salary / Director fees	Options	Total
Brian Moller	\$65,547 ³	Nil	\$65,547	\$68,000	Nil	\$68,000
Nicholas Mather	\$115,547 ³	Nil	\$115,547	\$118,754	Nil	\$118,754

Richard Willson	\$57,464 ^{1, 3}	Nil	\$57,464	\$74,076 ²	Nil	\$74,076
Peter Westerhuis	\$455,784 ⁴	Nil	\$455,784	\$408,559 ⁵	Nil	\$408,559
Alex Fitzgerald ⁶	Nil	Nil	Nil	N/A	N/A	N/A

Notes:

1. Includes \$3,983 of superannuation contributions.
2. Includes \$2,921 of superannuation contributions.
3. Includes \$15,547 equity settled remuneration.
4. Includes \$25,296 of superannuation contributions and \$69,034 equity settled remuneration.
5. Includes \$25,296 of superannuation contributions and \$6,809 equity settled remuneration.
6. Mr Fitzgerald is a proposed Director of the Company and therefore has not received any remuneration as at the date of this Supplementary Prospectus.

5. Amendment to Corporate Directory

The Directors item in the Corporate Directory on page 59 is amended to read:

Richard Willson	(Non-Executive Chair)
Peter Westerhuis	(Managing Director & Chief Executive Officer)
Brian Moller	(Non-Executive Director)
Nicholas Mather	(Non-Executive Director)
Alex Fitzgerald	(Proposed Non-Executive Director)

6. Other Material Information

The Directors of the Company are not aware of any acts, matters or things (not already described in the Supplementary Prospectus or the Prospectus) which may be material to the making of an informed assessment of the effect of the Offer on the Company.

The Directors do not consider the amendments to the Prospectus set out in this Supplementary Prospectus are materially adverse from an investor's point of view.

7. Director Consent

Directors' authorisation and consent

This Supplementary Prospectus has been signed by a Director of the Company with the authority of each of the Directors and is dated 11 October 2024. Each Director has consented to lodgement of this Supplementary Prospectus with ASIC.

Brian Moller
Director
Clara Resources Australia Limited