

29 October 2024

ASX ANNOUNCEMENT

QUARTERLY ACTIVITIES REPORT

Period ending 30 September 2024

Highlights

- Completed 100% acquisition of Renison Coal P/L, owner of Ashford Project
- Completed sale of First Tin (LSE: 1SN) holdings
- Executed call & put option agreement to acquire land adjacent Ashford tenement
- Received s249D notice
- Commenced capital raise through Rights Issue

Clara Resources Limited (ASX: C7A) (“Clara”, “the Company”, “C7A”) presents here its Activities Report for the quarter ending 30 September 2024.

Completed acquisition of Renison Coal Pty Ltd

On 4th April 2024 Clara received shareholder approval at the EGM on that day for the acquisition agreement terms with Savannah Goldfields Ltd to acquire their 60% holding in Renison. Clara completed the acquisition on 17th July 2024 and now owns 100% of Renison and so is the sole owner of the Ashford Coking Coal Project. The acquisition presents a landmark transaction in firming the future of the Ashford coking coal project. Anticipated strong project economics and 100% ownership allows Clara vastly more flexibility with financing, permitting and general project management matters. The outlook for coking coal remains strong and the quality of Ashford is well placed to benefit from the forecast robust market conditions.

Clara funded the acquisition by selling Clara’s holding in LSE-listed First Tin plc, notwithstanding several short-term capital initiatives utilised to satisfy scheduled stage payments to Savannah.

Completed sale of First Tin holdings

On 12th July 2024 Clara completed and settled the sale of its holding in LSE-listed First Tin PLC. Proceeds of the sale, circa A\$4.3m, were applied towards the Ashford acquisition, discharging debt obligations and general working capital.

Repayment of Convertible Notes

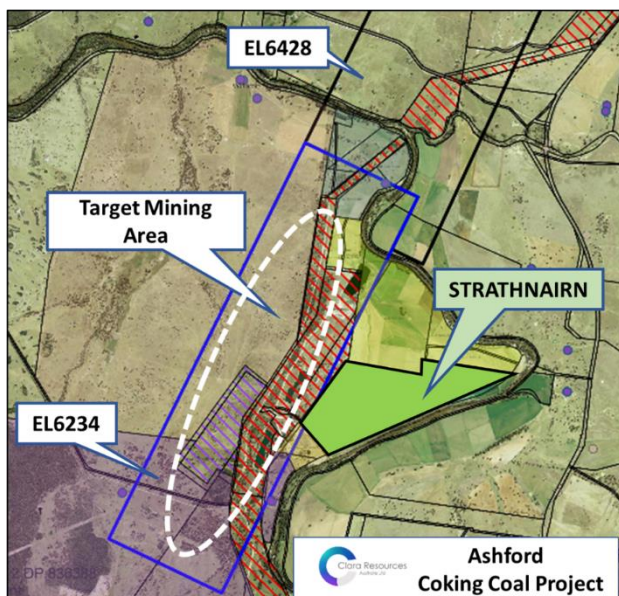
On 30th July 2024 Convertible Notes (total of A\$237,500) issued by the Company on 24th March 2024 were redeemed with the applicable interest (\$23,750) paid.

Placement of Shares

In August 2024 Clara conducted a Placement of A\$620,000 to sophisticated and professional investors including a Director and the CEO of the Company. The Capital was raised under the Company's existing Placement capacity (subject to shareholder approvals in the case of Director participation) and was applied towards paying down outstanding debts and budgeted expenditure at the Company's 100% owned Ashford coking coal project.

Call and Put Option land acquisition agreement

On 4th September 2024 Clara executed an Option Agreement with the owners of pastoral property Strathnairn. This 147Ha grazing and cropping property is located immediately adjacent EL6234, the development tenement of the Ashford coking coal project.



The Option Agreement is for 5 years and has two components:

1. A Call Option which can be exercised by the Company at any time.
2. A Put Option which can be exercised by the Landowner once Clara has obtained all mining leases to operate the Ashford mine, and mine construction has commenced.

Clara intends to obtain an ancillary services mining lease over the property. The area is an excellent location for mine support infrastructure, avoiding the need to fit this inside the limited space of the existing tenement area. The additional ground space will also make for a more efficient mine plan.

Section 203D and 249D Notices

On 11th September 2024 Clara received notices pursuant to Section 203D and Section 249D of the Corporations Act from Mr Frederick Bart, holder of approximately 6.5% of ordinary shares. The notices declared Mr Bart's intention to request a general meeting and to put forward resolutions to remove Mr Brian Moller and Mr Nicholas Mather as Directors and, further, consider resolutions to appoint Mr Bart and Mr Glenn Whiddon as Directors of the Company. Mr Bart also lodged a Member's Statement under Section 249P of Corporations Act.

On 26th September Clara notified the agenda of the AGM, to be held on 8 November 2024. The AGM includes the resolutions being sought by Mr Bart.

Bridging Loan

On 30th May Clara announced the establishment of a short-term A\$1.1m Bridging Loan to allow for payment obligations to Savannah Goldfields Ltd pursuant to Clara's purchase of the remaining 60% of the NSW based Ashford Coal Project, a transaction that was completed on 17th July. The terms of the Loan offered investors the opportunity to convert the capitalised interest to equity in the Company. This offer was accepted by all but one (1) investor who received the interest payment in cash. Converting the interest to equity was completed within Clara's issuance capacity under ASX Listing Rule 7.1.

Discussions are progressing with investors and key stakeholders to ensure capital flexibility around discharge of the principal amount of the Loan by using proceeds from the Rights Issue (see below) or additional equitisation of loan principal amounts.

Non-renounceable Rights Issue

On 20th September 2024 Clara announced a non-renounceable rights issue, on the basis of 2 new fully paid ordinary shares for every 3 shares held at an issue price of \$0.01 per share, to raise approximately A\$1.67m (before costs). Proceeds from the Rights Issue will be used to advance project development efforts at the Ashford Coking Coal project, repay outstanding debts and for general Working Capital. Cerberus Advisory was appointed the lead managers.

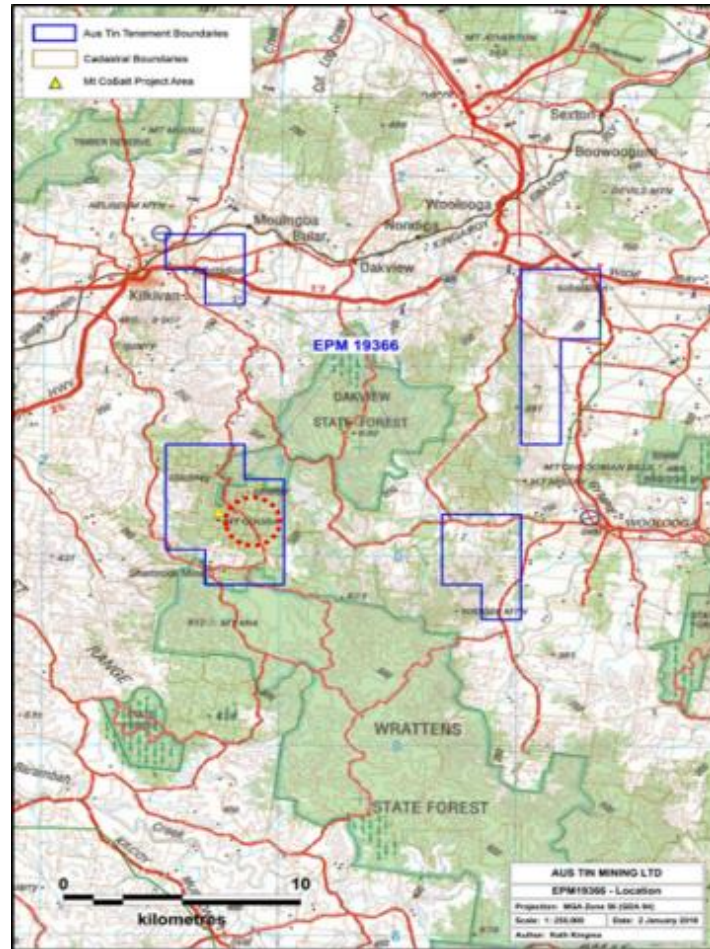
The Prospectus issued by the Company also outlined how shareholders can apply for additional New Shares above their entitlement, which will be allocated at the discretion of the Board.

Post-quarterly the Company announced a one (1) week extension to the closing date of the rights issue to 25th October 2024. Consequently, trading in the New Shares is expected to commence on Monday, 4th November 2024.

Kildanga Nickel/Cobalt (Qld) – Clara 100%

The Company continues to compile historical geological data extending to all exploration permit areas to create a regional reconciliation. The work includes establishing regional borehole and geochemical databases, completing a geophysical review and creating a new geological model. This will be used to determine the work needed, including costed additional exploration, to identify a

mineralized resource of sufficient size from which a conceptual economic mine plan may be developed. The ore is considered potentially suitable for crushing, milling and flotation to produce concentrate.



Corporate

The Company paid \$57,000 in non-executive Director fees in the quarter and \$10,000 in consulting fees to parties related to Directors.

Tenement Status

The status of the Company's tenement holdings as of 30 June 2024 is set out below:

Mining Leased/Exploration Licences held at 30 June 2024	Location	% Interest	Grant Date	Expiry Date
EPM 19366	QLD (Kilgiver)	100%	08.07.22	09.08.25
EL 6234	NSW (Ashford)	40%	19.04.04	19.04.26
EL 6428	NSW (Ashford)	40%	07.06.05	07.06.25

This ASX announcement has been approved by Clara Resources' Board of Directors.

For further information regarding this release or about Clara Resources in general please contact the undersigned below.

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MD & CEO

Clara Resources Aust Limited

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Duncan Gordon (Investor Relations)

Executive Director

Cerberus Advisory

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Principal ASX Announcements during the September 2024 Quarter

2/7/24	Renison Ashford settlement update
11/7/24	Sale of First Tin (LSE: 1SN) shares
17/7/24	Completion of Renison Coal acquisition
30/7/24	Repayment of convertible notes
2/8/24	Bridging loan update
27/8/24	\$620,000 Placement
29/8/24	Application for quotation of securities & cleansing statement
3/9/24	AGM Director nomination
4/9/24	Option to acquire strategic land
11/9/24	Notices pursuant to s203D & s249D
13/9/24	Becoming a substantial holder
19/9/24	Full Year statutory accounts
20/9/24	Non-renounceable rights issue
20/9/24	Proposed issue of securities
26/9/24	Appendix 4G
26/9/24	Corporate governance statement
26/9/24	Notification of AGM
30/9/24	Despatch of Rights Issue documents
30/9/24	Letters to shareholders