

ASX Code: AUQ

DIRECTORS

Stephen Gethin

Non-Executive Chairman

Atmavireshwar Sthapak

Managing Director

Vikas Jain

Non-Executive

Director Sanjeev

Kumar

Non-Executive Director

Devaki Khimji

Non-Executive

Director Farrokh

Masani

Alternate Director for

Devaki Khimji

COMPANY SECRETARY

Dinesh Aggarwal

CHIEF FINANCIAL OFFICER

Dinesh Aggarwal

31 June 2022

Key Highlights

- The construction stage of Alara's Al Wash-hi-Majaza Copper-Gold Joint Venture (JV) Project continued during the June 2022 quarter (Q4 FY22).
- After quarter end, Alara Resources entered a JV Agreement with Al Tasnim to bid for the Khnaiguiyah Zinc-Copper Exploration License. Alara has a 51% share in this JV.
- The Alara/Al Tasnim Consortium is on the final bidders' list for the Khnaiguiyah Zinc-Copper Project license tender conducted by the Saudi Arabian Ministry of Energy and Mineral Resources.
- Alara continued to work towards delivery of license renewals and license applications for its other Omani projects over the quarter.

Alara Resources Limited (ASX: AUQ) ("**Alara**" or "**the Company**"), a base and precious metals explorer and developer with projects in Oman, is pleased to provide its Quarterly Activities Report for the quarter ended 30 June 2022 (Q4 FY22) along with the following financial and operational update.

Al Wash-hi-Majaza Copper-Gold JV Project developments

Further excellent progress was made in development phase of Al Wash-hi-Majaza Copper-Gold Joint Venture (JV) Project (Project) despite some logistical challenges presenting, with:

- Plant site civil works on track and bulk earth work nearing completion.
- Primary power sub-station and powerline contractor completing mobilisation; excavation for the capacitor bank foundation completed.
- Plant equipment procurement and delivery programme progressed.
- Omani Government exempted the Project from customs duty on imported equipment and components, reducing capital costs and saving time.
- Additional resourcing measures implemented to support Project schedule.

CONTACT DETAILS

Suite 1.02, 110 Erindale

Road, Balcatta WA

6021, Australia

PO Box 963

Balcatta WA 6914

Telephone +61 8 9240

4211

Facsimile +968 2449

2491

www.alararesources.co

m ABN: 27 122 892 719



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Licensing requirements for other Oman-based projects progressed

Alara continued to work towards delivery of license applications and renewals for its other Oman-based projects in the reporting period:

- **Daris Copper-Gold Project (Oman):** The Omani Ministry of Energy and Minerals continued to review the application for the Daris East mining license.
- **Awtad Copper-Gold Project (Oman):** An application to renew the exploration license remained under consideration by the Ministry of Energy and Minerals.

Alara/Al Tasnim JV a final stage bidder for Saudi exploration license

- After the end of the June 2022 quarter, Alara announced that it entered into a JV Agreement with Al Tasnim to bid for the Khnaiguiyah Zinc-Copper Exploration License. The Company holds a 51% stake in this JV.
- The 353 km² license area for this Saudi project includes Alara's former Khnaiguiyah zinc-copper project.
- The Alara/Al Tasnim consortium is well-positioned to enter the auction stage. It is well funded, technically supported and holds a wealth of project knowledge and experience in the Saudi mining industry.
- The award of the License is expected to be announced by the end of August 2022.

Alara Resources Managing Director Atmavireshwar Sthapak said: "We have continued to advance the construction phase of the Al Wash-hi-Majaza JV Copper-Gold Project in the June 2022 quarter. Plant site civil works remained on track and bulk earth works approached completion. Excavation for the capacitor bank foundation was wrapped up and further boxes were ticked in our plant equipment procurement and delivery programme. We were thrilled by the Omani Government decision to waive customs duty on imported equipment and components of the concentrator plant arriving at Omani ports. It is a clear boost to the Project from both a financial and time perspective.

Our progress developing Al Wash-hi-Majaza was especially pleasing in the context of a number of logistical roadblocks presenting that have slightly delayed the completion date of the Project. We are confident that remedial actions undertaken to meet these challenges will help support the Project's revised schedule.



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CHIEF FINANCIAL OFFICER

Dinesh Aggarwal

Just after the end of the June quarter, we announced an exciting development in our bid for the now enlarged Khnaiguiyah Zinc-Copper Exploration License in Saudi Arabia. A JV formed between ourselves and Al Tashim, in which we have a 51% stake, is one of the eight shortlisted parties bidding for the license.

Looking to the September quarter, the winning bid for the Saudi-based Khnaiguiyah Exploration License is set to be announced at the end of August 2022. In the meantime, we will continue to work towards the completion of the Al Wash-hi-Majaza JV Copper-Gold Project and look forward to updating the market on progress here over coming months."

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person

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Omani Activity

Project Developments

The Wash-hi-Majaza Copper-Gold Project consists of one Mining Licence (Al Wash-hi-Majaza) and three Exploration Licenses (Al Wash-hi-Majaza, Mullaq and Al Ajal).

Oman Project Construction Update

Al Hadeetha Copper-Gold Project

Oman

(Alara – 51%; Al Hadeetha Investments LLC – 30%; Al Tasnim Infrastructure Services LLC 19% (AHRL))

Project completion schedule reviewed and revised

In early June, Alara informed investors of the outcomes of a project schedule review of the Al Hadeetha Copper-Gold Project by the AHRL Project Management Consultant (see ASX Announcement, dated 6 June 2022). The review was undertaken in the face of logistical challenges associated with the Ukraine war, constrained shipping availability and delayed project engineering.

The review determined that the existing target project completion date of November 2022 was no longer achievable. The revised completion date determined by the Schedule Review is now 25 April 2023, with the mechanical completion of plant to occur by 25 February 2023.

Key factors impacting the previously reported project timeline were:

- Delayed arrival of 19 equipment packages, with these now due between September and December 2022.
- Construction contractor pushing back the start date for concrete works for grinding and classification area from 30 May to 30 June 2022.
- Heightened schedule risk, as the now altered construction activity sequence containing overlapping activities between various disciplines and contractors increases the chance of potential clashes and safety issues in coordinating changeovers.
- A recent, further, deterioration in the shipping market, due to a new Covid lockdown in China and the Ukraine war, causing low availability of containers and sea transport from all world ports.
- Reduced availability of and higher prices for key project components caused by the Ukraine war, which have prolonged order placement negotiations.

The revised critical path of Project completion is shown in the figure below.

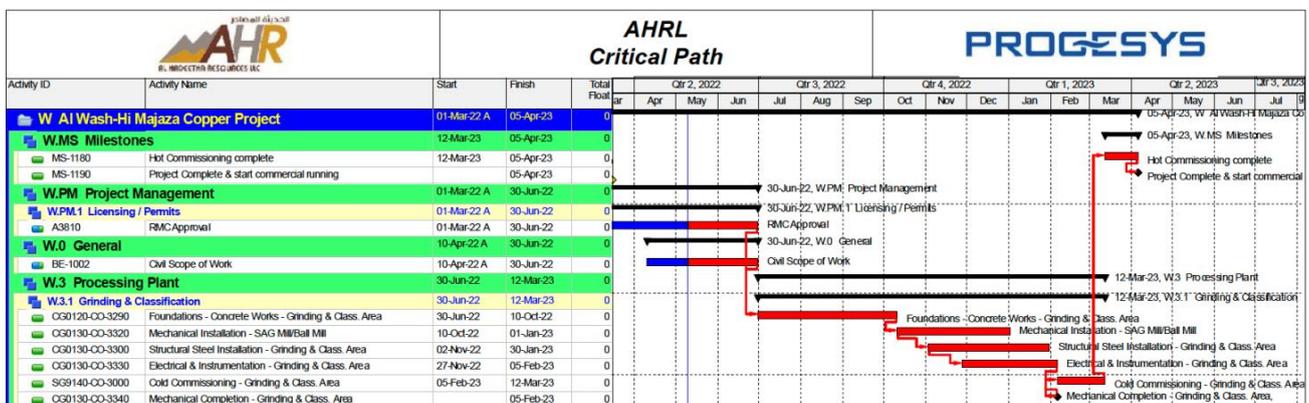


Figure 1: Revised Project Completion Scenario

Several remedial measures are being actioned to bring the Project schedule back toward the previously forecast completion date, including:

- Increased resources being provided to the Project engineering and procurement departments.
- Improved project management responsibility. with increased personnel assigned to site supervision and coordination.
- More regular item-wise tracking of procurement items.

Despite the abovementioned logistical challenges, AHRL made good progress on Project development phase on multiple fronts over the June 2022 quarter.

Plant site civil works on track

Civil works progressed according to schedule. By the end of Alara's Q4 FY22, major cut and fill works were near complete at the primary crusher house, belt conveyor area and crushed ore stockpile area, opening the way for the start of civil works at the front end of the plant, as per the Project plan.

Plain concrete pouring was completed for the crushed ore stockpile and belt conveyors BC – 02 & 03. Reinforcement work is now underway at both these areas and reinforced concrete pouring will commence from the end of the month.

Bulk earth work nearing completion

The bulk earth works (BEW) central to the Project's initial plant are nearing completion. The remaining focus of BEW at the project, namely the crusher building and retaining wall site development and excavation works, are now well advanced. After quarter's end, Alara informed the market that excavations would soon reach the foundation level and plain cement concrete pouring was set to commence imminently (see ASX Announcement, dated 11 July 2022). The completion of this BEW will enable commencement of other critical civil and concrete works at the site. The ROM pad, where ore is dumped to feed the plant, and accessway are complete.

Primary Electrical Sub-Station Excavation and Power Line Construction

The primary power sub-station and powerline contractor completed mobilisation in Q4 FY22, and had commenced foundation ground marking and completed excavation for the capacitor bank foundation after securing all the required licenses and permits from the concerned departments. The power contractor has also commenced feeder pole pit excavation, dressing and erection, in addition to soil investigation for tower location.

AI Wash-hi pit pre-stripping progress

Development of the Wash-hi–Majaza pit has been significantly advanced, with further removal of overburden and oxide ore and bench development work undertaken. The total excavated volume at the end of the reporting period is 633,000m³.

Plant equipment procurement and delivery programme progressed

In mid-June 2022, Alara announced that floatation cells from Innovator Poland have arrived at port in Oman and were awaiting Customs' clearance (see ASX Announcement, dated 20 June 2022). The following progress to delivery of key mine-site equipment was also provided in the latter announcement:

- Mining workshop material from Kirby UAE (delivered)
- Regrinding Mill Liner Arrangement from Metso (delivered)
- Magnetic separator from Electrozaod, India (delivered)
- ABB Electrical packages, first lot of 10 containers (delivered)
- Flotation cells from Innovator, Poland (delivered)
- Filters from Matec (on vessel).

In addition, a vessel carrying the crusher from CITIC China is now expected to reach Oman in mid-July 2022.

Customs' duty waiver delivers capital cost saving to AI Wash-hi Project

After quarter's end, Alara announced that the Government of Oman had exempted Alara JV vehicle Al Hadeetha Resources' AI Wash-hi–Majazza copper Project (**Project**) from customs duty

on imported equipment and components of the concentrator plant arriving at Omani ports (see ASX Announcement, dated 11 July 2022).

This duty exemption was another example of the ongoing support which the Project is receiving from all Government authorities and agencies in the Sultanate. The waiver will benefit the project as a capital cost saving and reduce time associated with the port customs clearance process.

Daris Copper-Gold Project

Oman

(Alara – 50% with option to increase to 70%: Al Tamman Trading Establishment LLC – 50% of Daris Resources LLC (DRL))

The Daris project comprises two high-grade copper deposits within the 587km² exploration licence, which includes two mining licence applications covering 4.5km². This project fits well with Alara's preferred "hub and spoke" model, which provides for processing of Daris ore at the Wash-hi-Majaza copper concentration plant under construction.

The Daris East Mining Licence application, which covers an area that includes measured, indicated and inferred JORC copper resources¹, was opposed by the Ministry of Housing due to its proximity to recently allotted land. Review of a petition supporting the application lodged by Daris is now underway at the Ministry of Energy and Minerals and survey work has been proposed to resolve the objection from the Ministry.

The Daris 3A5 Mining Licence application is progressing with the Government.

Awtad Copper-Gold Project

Oman

(Alara initially has a right to subscribe for 10% of this project, with a subsequent earn in up to 70%+, with existing local shareholders holding the balance of Awtad Copper LLC)

The Awtad Project comprises an area of approximately 497 km² (Block 8) and is located immediately adjacent to the Block 7 (Daris Copper-Gold Project). Alara has a right to an initial 10% interest (potentially increasing up to 70%+) in the concession owner, Awtad Copper LLC.

Exploration previously undertaken at this project includes:

- 86-line kilometres of airborne VTEM, 14-line kilometres of ground IP, 169-line kilometres of ground magnetics and 202-line kilometres of high-resolution ground magnetics.
- 76 RAB drill holes totalling 1,747m and 11 core drill holes totalling 299m.
- Drilling results (including some undertaken across the Al Mansur Prospect) were low grade in general and inconclusive.

Previous exploration identified anomalies worthy of further exploration. The fact that prospective geological formations within the licence area are under cover of alluvial and aeolian deposits enhances the chances of further copper mineralisation.

Detailed work plans have been submitted to the Ministry of Energy and Minerals for renewal of the exploration licence, which currently remain pending.

Mineral Tenements

The current status of all mineral tenements and applications for the Daris and Awtad Projects are presented in the table below.

Status of mineral tenements and applications for the Daris and Awtad Projects

Block Name	Licence Owner	Alara JV Interest	Area	Exploration Licence			Mining Licences within EL		
				Date of Grant	Date of Expiry	Status	Area	Date of Application	Status
Block 7	Al Tamman Trading and Est. LLC	50% (earn in to 70%)	587km ²	Nov 2009	Feb 2016	Active* ²	Daris 3A5 & East	Resubmitted 2018	Pending
Block 8	Awtad Resources LLC	10% (earn in to 70%)	597km ²	Nov 2009	Oct 2013	Renewal pending	NA	NA	NA

1 The Company has disclosed full details of these resources to investors on various occasions in a form which complies with the 2012 edition of the JORC Code. See, for example, the Company's 2019 Annual Report to shareholders, pp 14-45 and 72-73.

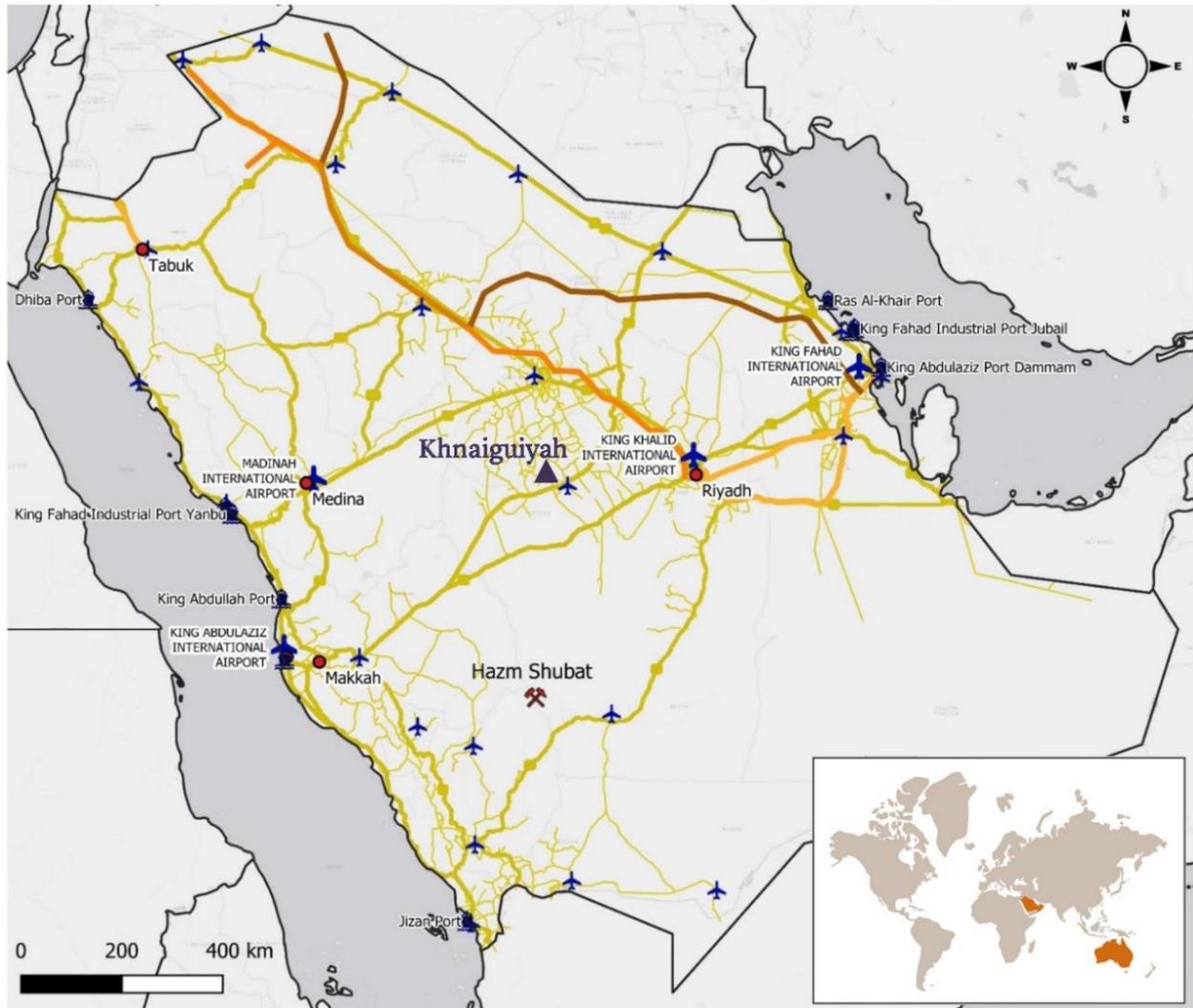
2 Pursuant to Ministerial Decree 38/2013 which provides that an exploration licence ends when its term ends unless the licensee applies for a

Khnaiguiyah Zinc-Copper Project

Saudi Arabia

Alara’s initial Khnaiguiyah Project included the proposed development and operation of an open-cut zinc-copper mine and associated infrastructure over an approximate 13-year mine life. Alara invested over USD 30m to produce a definitive feasibility study into a proposed mining project at a mining licence at Khnaiguiyah then held by Alara’s former JV partner in that project. Due to an impasse between project participants, the mining license was cancelled in 2015.

In early calendar 2022, the Kingdom of Saudi Arabia (KSA) Ministry of Industry and Mineral Resources (MIMR) announced an auction process for a new exploration license, which included the former Khnaiguiyah zinc-copper mining license referred to above, together with a large additional area. The proposed new exploration license covers over 353 km² of ground (Khnaiguiyah EL or EL). Figure 2 below shows the location of the License Area, to the west of the Saudi capital Riyadh.



Legend

Logistics	Road Network	Rail Network	International Borders
● Major Cities	■ Major Roads	— SAR Common Section	□ International Borders
✈ International Airports	— Minor Roads	— SAR General Freight/Passenger	Locality
✈ Domestic Airports		— SAR Mineral Line	⚡ Hazm Shubat
⚓ Sea Ports		— Dammam Riyadh Railway	Basemap ESRI Gray (light)

Adjusted map from MIMR announced Khnaiguiyah project brochure

Figure 2: Khnaiguiyah proposed exploration licence location

Alara informed investors of its intention to participate in this process (see ASX Announcement, dated 17 January 2022).

mining licence. In that case, the period for the exploration licence is extended until the date that a decision is made on the mining licence.

In early April 2022, Alara announced that it had been selected by the MIMR to participate in the final round of a process to award an exploration license, being the Bidding and Grant Stage (see ASX Announcement, dated 4 April 2022). In March 2022, Alara Saudi Ventures Pty. Ltd, a wholly owned Alara subsidiary, qualified along with seven other companies out of 24 applicants to participate in the final round of an auction process for the Licence award.

After the end of the June 2022 quarter, Alara announced that it had entered a JV Agreement with Al Tasnim to bid for the Khnaiguiyah EL (see ASX Announcement, dated 4 July 2022). The Company holds a 51% stake in this JV.

The final bid for the Project involves submitting a program for development of mining and processing infrastructure at the previously explored Khnaiguiyah zinc-copper deposit, and a proposal for the efficient exploration and development of the remainder of the EL area.

The Alara/Al Tasnim JV is well-funded, technically proficient and holds a wealth of project knowledge and experience in the Saudi mining industry. It is thus well-positioned in the final round of the bidding stage.

The award of the Khnaiguiyah EL is expected to be announced in mid-August 2022.

Alara Resources LLC (ARL)

Alara Resources LLC (**ARL**) has two drill rigs and associated accessories and regularly tenders for mineral drilling contracts to other resource companies in Oman.

ARL has recently completed phase 1 contract drilling at a limestone license in Oman and is set to commence the next phase during the current reporting period.

Mineral exploration activities in Oman were negatively affected by the Covid pandemic. As the country emerges from the worst effects of the virus, activity in the resources sector is increasing. ARL is focused on winning several potential drilling contracts over the coming months.

The Company is successfully registered as an approved services provider to Minerals Development of Oman Company (**MDO**) the Omani Government's exploration and mining company. AHR has begun receiving tenders for exploration drilling for base metals and industrial minerals projects.

Expenditure Summaries

Mining production and development

During the quarter, the consolidated entity incurred expenditure of \$8,993,000 on mining production and development activities.

Mining exploration

During the quarter, the consolidated entity incurred expenditure of \$NIL on mining exploration activities.

Related-Party Payments

Director's remuneration

During the quarter, the consolidated entity made payments totalling \$124,000 to related parties, as disclosed in item 6.1 in the Company's Appendix 5B. These payments were for Directors' remuneration. No other payment was made to any related party or the associate of a related party.

Expected Developments in September 2022 Quarter

Expected developments in the current quarter include:

- Continued progress in the construction of Wash-hi-Majaza project engineering assets.
- Further efforts to gain the Mining Licence over Daris Resources LLC exploration licence and mineralisation within Block 7.

- The announcement of the winning bid for the exploration license covering over 353 km² of ground in Saudi Arabia, which includes Alara's previous Khnaiguiyah Project area. This announcement is expected to be released in end-August 2022, with a JV comprising Alara and Al Tasnim one of the final bidders.

Tenement Status

Oman Copper-Gold Projects

Alara has joint venture interests in five copper-gold deposits located within five Exploration Licences in Oman extending over 1,200km².

The Al Wash-hi–Majaza/Mullaq³ prospects are located approximately 160km south-southwest of Muscat (the capital of Oman) and the Al Ajal Prospect is located about 65km southwest of the capital. The Daris Copper-Gold Project⁴ is located approximately 150km west of Muscat. Both projects are located close to high-quality bitumen roads.

Wash-hi–Majaza Copper-Gold Project

The current status of all licenses/applications for this project is presented in the table below:

Licence Name	Licence Owner	Alara JV Interest	Area	Date of Grant	Status	Mining Area	Date Applied	Status
Wash-hi–Majaza ML 10003075.	Al Hadeetha Resources LLC	51%	39km ²	Jan 2008	Active	3km ²	2013	Active
Mullaq	Al Hadeetha Resources LLC	51%	41km ²	Oct 2009	Active ³	1km ²	Jan 2013	Pending
Al Ajal	Al Hadeetha Resources LLC	51%	25km ²	Jan 2008	Active	1.5km ²	Jan 2013	Pending

Daris and Awtad Copper-Gold Projects

The current status of all licenses/applications for this project is presented in the table below:

Licence Name	Licence Owner	Alara JV Interest	Area	Date of Grant	Status	Mining Area	Date Applied	Status
Block 7	Al Tamman Trading and Est. LLC	50% (earn up to 70%)	587km ²	Nov 2009	Active*	Daris 3A5 & East	Resubmitted 2018	Pending
Block 8	Awtad Resources LLC	10% (earn up to 70%)	597km ²	Nov 2009	Renewal pending	NA	NA	NA

*Pursuant to Ministerial decree (38/2013) which declares that the exploration licence ends when its duration ends, unless the licensee has submitted an application for a mining licence, in which case the duration for the exploration licence extends until the date that a determination is made on the mining application.

Additional Tenement Information

Mining tenement disposals and acquisitions

The consolidated entity did not acquire or dispose of any interest in any mineral tenement during the quarter.

Farm-in and farm-out agreements

The consolidated entity did not enter or terminate any farm-in or farm-out agreement during the quarter. The consolidated entity holds its percentage interests in the mineral tenements disclosed under the heading *Daris and Awtad Copper-Gold Projects* under farm-in agreements with the respective Licence Owners disclosed there.

³ Pursuant to Ministerial Decree 38/2013 which provides that an exploration licence ends when its term ends unless the licensee applies for a mining licence. In that case, the period for the exploration licence is extended until the date that a decision is made on the mining licence.

Securities Information

As at 26 July 2022

Issued Securities

	Fully paid shares quoted on ASX	Listed options	Unlisted options	Total
	709,429,239	-	-	
Total	709,429,239	-	-	709,429,239

Distribution of Fully Paid Shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	855	279,416	0.039%
1,001 - 5,000	247	571,004	0.080%
5,001 - 10,000	160	1,328,518	0.187%
10,001 - 100,000	436	17,253,815	2.432%
100,001 - and over	267	689,996,486	97.261%
Total	1,998	709,429,239	100%

Disclaimer

This report contains 'forward-looking statements' and 'forward-looking information', including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral resources, and studies. Often, but not always, forward-looking information can be identified by the use of words such as 'plans', 'expects', 'is expected', 'is expecting', 'budget', 'scheduled', 'estimates', 'forecasts', 'intends', 'anticipates', 'believes' or variations (including negative variations) of such words and phrases, or state that certain actions, events or results 'may', 'could', 'would', 'might', or 'will' be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results.

The purpose of forward-looking information is to provide readers with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Alara and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of gold and copper, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Alara believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Alara does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian minerals exploration company with a portfolio of projects in the Middle East. Alara has completed Bankable Feasibility Studies for the Al Hadeetha Copper Project in Oman and the Khnaiguiyah Zinc-Copper Project in Saudi Arabia and an Advanced Scoping Study

on the Daris Copper-Gold Project in Oman. In June 2018, Al Hadeetha Resources became the first international joint venture company to be awarded a copper mining licence in the Sultanate of Oman. The Company is now establishing itself a mine developer and producer of base and precious metals. For more information, please visit: www.alararesources.com.

This announcement is authorised by:

Atmavireshwar Sthapak **T** | +968 2449 1162
Managing Director **E** | avsthapak@alararesources.com

Dinesh Aggarwal **T** | +61 8 9240 4211
Company Secretary **E** | cosec@alararesources.com

Media enquiries

Julia Maguire **T** | +61 2 8999 3699
The Capital Network **E** | julia@thecapitalnetwork.com.au

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ALARA RESOURCES LIMITED

ABN

27 122 892 719

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	(8,993)	(17,454)
(c) production	-	-
(d) staff costs	(187)	(722)
(e) administration and corporate costs	(394)	(1,107)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(9,574)	(19,282)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(38)	(65)
(d) exploration & evaluation	-	-
(e) investments	(2)	(2)
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments		
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	(52)	(52)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(92)	(119)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings	9,302	17,359
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	9,302	17,359

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,569	4,242
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,574)	(19,282)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(92)	(119)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	9,302	17,359

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	245	250
4.6	Cash and cash equivalents at end of period	2,450	2,450

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,449	2,566
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Petty Cash)	1	3
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,450	2,569

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	124
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

1) The amount in 6.1 is comprised of Directors' salaries, fees and entitlements of A\$124,294

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities– Al Hadeetha Investments LLC	2,902	759
Loan facilities – Sohar International Bank	71,377	17,359
7.2 Credit standby arrangements		-
7.3 Other (please specify)		-
7.4 Total financing facilities	74,279	18,118
7.5 Unused financing facilities available at quarter end		56,161
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>7.1. Pursuant to the Shareholders' Agreement with Al Hadeetha Investments LLC (AHI), Al Hadeetha Resources LLC (AHR) (a controlled entity of Alara Resources Limited) executed a Loan Agreement of up to USD 2 million with AHI on 16 April 2017. As at 30th June 2022, the loan balance was OMR 195,003 (A\$732,568). Under the Loan Agreement, interest accrues at a rate of LIBOR plus 2%. The loan is repayable (alongside the loan of OMR 5,186,154 (A\$19,482,856) from Alara Resources Limited and its controlled entities, which has been eliminated on consolidation of these financial statements) from profits of AHR prior to any dividends being issued to the shareholders of AHR, or in the event that AHI ceases to be a shareholder of AHR. AHI and/or Alara Resources Limited may elect to convert all or part of the loan into equity in AHR.</p> <p>7.2. The Company's 51% owned joint-venture vehicle Al Hadeetha Resources LLC (AHRL) has accepted an offer from Sohar International Bank for finance of OMR 19 million (AUD 71.38 million). The profit rate for the Sohar Loan is 6.5% per annum for amounts drawn in OMR and 5.15% per annum for amounts drawn in USD, variable. The Sohar Loan has a term of 9 years and 9 months, including a moratorium period of 2 years and 9 months in which only Interest payable is applicable and the same has been paid on monthly basis.</p> <p>This loan is secured by a legal mortgage over AHR's assets including processing plant, land and buildings.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(9,574)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(9,574)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,450
8.5 Unused finance facilities available at quarter end (item 7.5)	56,161
8.6 Total available funding (item 8.4 + item 8.5)	58,611
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	6.12
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Not applicable

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

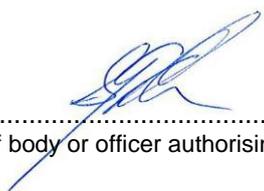
Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29th July 2022

Authorised by: 
(Name of body or officer authorising release – see note 4) Stephen Gethin, Chairman

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.