

ASX / MEDIA RELEASE

10 June 2025

Alara enters Subscription Agreements for A\$3.4m Private Placement

Perth, Australia: Alara Resources Limited (ASX: AUQ) (**Alara** or the **Company**), a base and precious metals producer and explorer with projects in Oman, is pleased to announce it has entered into subscription agreements (**Subscription Agreements**) for a private placement of an aggregate of up to 85,000,000 fully paid ordinary shares at an issue price of A\$0.04 per share (**Placement Shares**), to substantial shareholder Al Tasnim Infrastructure LLC (**ATI**) and Director Mr Vikas Jain (or their nominees), to raise up to a total of A\$3.4 million (before costs) (**Placement**). The Placement is subject to shareholder approval and is not underwritten.

ATI is a substantial shareholder of the Company, with a voting power of 13.88%. ATI (or its nominee) will subscribe for 60,000,000 Placement Shares with a subscription price of A\$2.4 million, subject to shareholder approval.

Mr Vikas Jain is a Director of the Company and has a voting power of 5.25%. Mr Vikas Jain (or his nominee(s)) will subscribe for 25,000,000 Placement Shares with a subscription price of A\$1 million, subject to shareholder approval.

The Placement Shares are to be issued at an issue price of A\$0.04, being a 60% premium to the 30-day VWAP of the Company's shares of A\$0.25 immediately prior to ATI, Mr Vikas Jain and the Company entering into the Subscription Agreements. The premium reflects ATI and Mr Vikas Jain's strong support for the Company to date and their commitment to the Company and its prospects going forward.

Proceeds from the Placement are intended to be used towards repayment of a portion of the Company's debt currently owing under its US\$3.45 million (A\$5.31 million¹) finance facility with Trafigura Pte Ltd (as announced to the ASX on 26 July 2023) (**Trafigura Loan**). As at the date of this announcement, the full amount of the Trafigura Loan has been drawn down and is owing. Under the terms of the Trafigura Loan, as amended², the Company must repay US\$1,591,735 (approximately A\$2.45 million), consisting of a principal and interest repayment, by 15 July 2025 and requires immediate funds to meet this repayment deadline.

The money raised by the Placement also includes A\$856,618 (US\$556,463) to cover interest payments due up until 30 June 2026 and withholding tax (**WHT**) payable by Alara in respect of interest payments under the Trafigura Loan and bank fees for remittances and currency conversion. The total amount

1 Based on an A\$/US\$ exchange rate of 1.5394 A\$ per US\$ on 5 June 2025. All A\$ equivalents of US\$ amounts in this announcement have been converted at that exchange rate.

2 See page 2 under the heading "Trafigura Loan Amendment".

which will be due by Alara to Trafigura between 15 July 2025 and 26 July 2026 (both inclusive) plus WHT and bank fees is a total of US\$2,148,198 (A\$3,306,935).

The issue of the Placement Shares to each of ATI and Mr Vikas Jain (or their nominees) under the Placement is subject to shareholder approval at a general meeting of the Company's shareholders, scheduled to be held on 8 July 2025 (**Meeting**). If shareholder approval is not obtained at the Meeting, the Placement will not proceed.

If shareholders approve the issue of Placement Shares to ATI and Mr Vikas Jain (or their nominees) at the Meeting (and no additional securities are issued by the Company in the interim), it is expected that ATI and Mr Vikas Jain's (and their Associates) voting power in the Company will increase to up to 19.88% and 7.81% respectively as a result of the Placement.

The Placement Shares to be issued under the Placement will rank equally with the Company's existing fully paid ordinary shares on issue.

Commenting on the Placement, Alara's Chairman, Mr. Stephen Gethin, said:

"The Placement will allow Alara to meet repayments owing under the Trafigura Loan due until June 2026 and focus on finalising a new rights issue to fund expenses associated with its Al Wash-hi Majaza Copper-Gold Project, other ventures in Oman. We are thankful for the confidence of ATI and Mr Vikas Jain, and the continued support of all our shareholders as we continue to meet our financial commitments."

Indicative Placement Timetable

Event	Date
Announcement of Placement	Tuesday, 10 June 2025
General Meeting to approve the issue of the Placement Shares	Tuesday, 8 July 2025
Settlement of the Placement	Friday, 11 July 2025
Allotment and expected commencement of trading of Placement Shares	Monday, 14 July 2025

The above timetable is indicative only and remains subject to change at Alara's discretion, subject to compliance with the ASX Listing Rules, the *Corporations Act 2001* (Cth) and other applicable laws. Alara reserves the right to change the timetable at any time before the Placement Shares are issued, subject to regulatory requirements. The commencement of quotation of the Placement Shares is subject to confirmation from ASX.

Trafigura Loan Amendment

Alara and Trafigura entered into an agreement to amend the terms of the Trafigura Loan. The key commercial terms of the amendment were:

- Deferral of interest payments totalling approximately US\$729,235 (A\$1,122,584) previously due on 31 December 2024, 31 March and 30 June 2025 until 15 July 2025.
- Bringing forward principal payments previously due between 30 September 2025 and 30 June 2026 (both inclusive) totalling US\$862,500 (A\$1,327,732) to 15 July 2025.
- Varying the interest rate from daily compounded SOFR plus a 5.15% per annum margin to 3-month CME term SOFR plus a 5.15% margin. (In the Company's assessment this will not have a material effect on the amount of interest payable. The change was made for the increased

convenience of the interest rate for an interest period being ascertainable in advance of that period under the new rate formulation).

ENDS

This announcement is authorised by:

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based precious and base metals producer and explorer.

Alara is currently focused on operating the Al Wash-hi Majaza Copper-Gold mine and concentrate production facility in Oman. The Company is also continuing exploration activities at its other Omani projects, including the Block 7 exploration licence under the Daris JV, the Mullaq and Al Ajal exploration licences under the Al Hadeetha JV, the Block 8 exploration license under the Awtad Copper-Power Metal JV and the recently awarded Block 22B exploration licence under the Al Hadeetha Mining LLC JV.

Alara's mission is to become a mid-tier minerals producer which will deliver maximum shareholder value through profitable growth driven by low-cost, sustainable operations.

To learn more, please visit: www.alararesources.com.