

14 June 2023

Logistics Study supports efficient road haulage at Ashford Coking Coal Project

Highlights

- Specialist Transportation Consultants undertook study to truck coking coal product from proposed Ashford mine to suitable rail loading location.
- Several potentially viable road-based transport connections identified between Ashford mine and a rail head located on the Boonal-Moree segment of the Inland Rail Project.
- A number of possible truck configurations also identified for assessment to contribute to best project economics.
- Final selected road transport solution will determine location of the rail head train loading facility.
- Will create efficient pathway to move Ashford coking coal from mine to port for export sale to customers.

Clara Resources Australia Limited (ASX: C7A, "Clara" or "the Company") is pleased to advise that specialist Transport Consultants, Smith Global Pty Ltd, have delivered encouraging findings from the Options Study commissioned by Clara for road transportation of coking coal between the proposed Ashford mine and the soon-to-be completed Inland Rail Project ("IRP") line.

Smith Global Pty Ltd (SG) is a leading global expert and consultant specializing in mine haulage, transport productivity and heavy vehicle engineering who have been servicing customers in over 20 countries for more than 120 years.

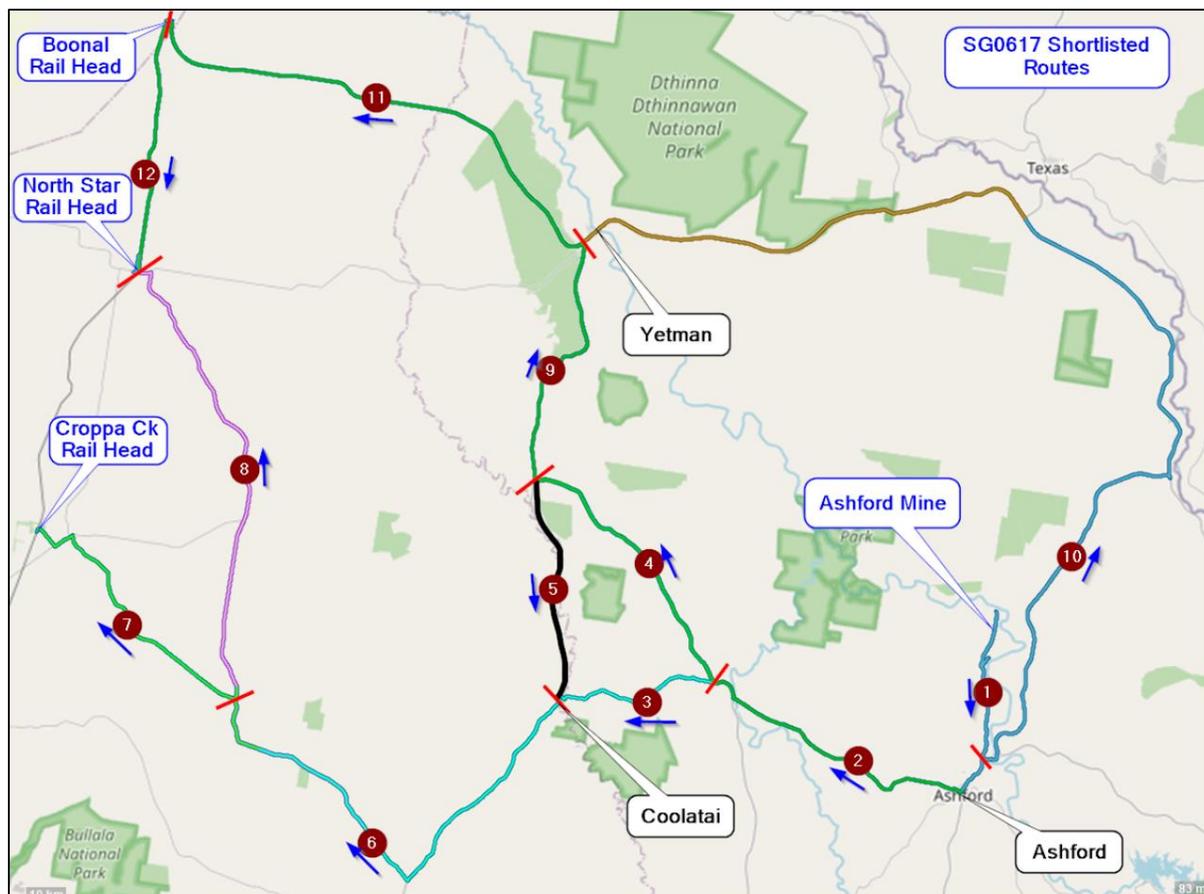
With the Australian Rail Track Corporation proceeding with the **Inland Rail Project ("IRP")**, this represents an efficient rail connection to Newcastle Port via the Hunter Valley Coal Rail System. Of particular relevance to Clara is that a segment of the IRP within 100km of the Ashford Project will be completed during 2023 representing a potentially viable trucking distance for coking coal. Preliminary engineering for a train-loading facility on the new rail line is underway, expected to be located between Moree and Boonal.

Clara engaged SG to examine viable road-based transportation solutions to move coking coal from the Ashford mine to a rail head located on the Boonal to Moree Line segment of the IRP.

The work by SG included:

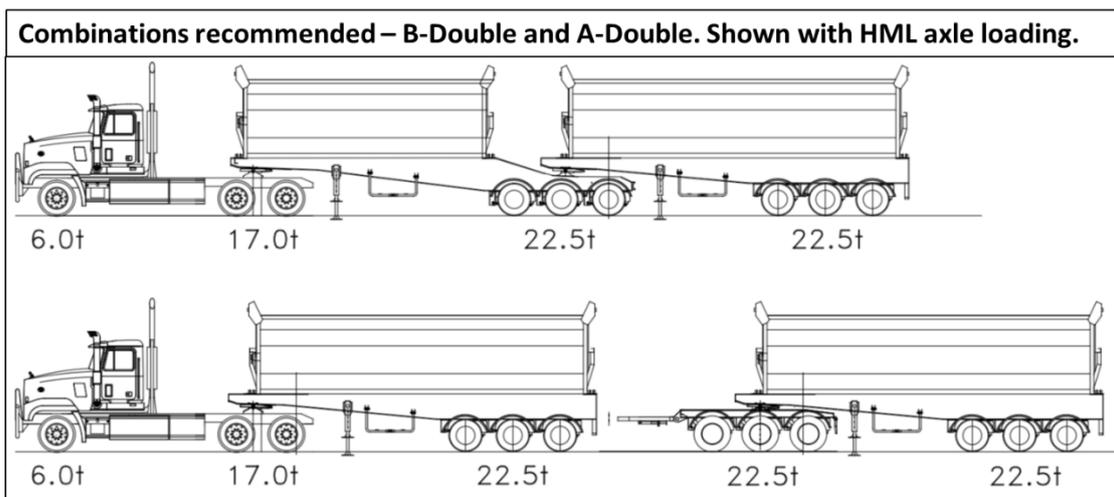
- Developing a shortlist of potential heavy-vehicle access routes via a desktop evaluation of the identified transport corridor.
- In-person road network review, by driving and assessing potential routes.
- Engaging with local regulatory stakeholders.
- Obtaining GPS terrain data.
- Making route video recordings.
- Assessing points of interest and route characteristics for all travelled routes.

Considering factors such as unsealed sections, narrow 1-lane roads and sections with poor visibility, SG were able to identify a short-list of routes which variously could service possible rail head locations between Boonal and Croppa Creek. The short-listed routes range from 100km to 150 km (one-way).



SG further recommended suitable concept level vehicle combinations:

1. Higher Mass Limit (HML) B-Double Road Train (68t GCM, nominal. 40t Payload)
2. HML A-Double Road Train (90.5t GCM, nominal. 60t Payload)



The Estimated Cycle Time is estimated at 4.0 hrs, made up of Laden Trip time (1.9 hrs), Unladen Trip time (1.6 hrs), 15 min Loading and 15min Unloading. This would neatly create 2 truck-cycles per shift with the balance remaining for servicing and driver breaks.

The final selected truck combination will be subject to contractor equipment availability, route access approvals and possible road maintenance contribution requirements.

Clara will work with SG, and ARTC, to identify and finalise the destination hub in the rail segment spanning Boonal, North Star and Croppa Creek by considering land access requirements, residential impacts and estimated construction costs, including any required services.

The selected rail head location will enable completion of preliminary costings including for truck configurations and will be included in the Ashford Coking Coal Project Scoping Study, particularly the economic modelling.

Clara Resources CEO, Peter Westerhuis, said:

“Establishing an safe and efficient route to market is a significant step forward in the development of the Ashford Coking Coal project. This is another critical factor in demonstrating what we believe can be some very attractive project fundamentals. We are excited to continue moving to completing the Scoping Study processes while we are also working hard on the ground planning for drill campaigns aimed at extending the scale of our overall resource”

This announcement has been authorised for release by the Board of Clara Resources Limited.

For further information, please contact:

<p>Peter Westerhuis Chief Executive Officer Clara Resources Ltd T: +61 7 3303 0681 E: info@clararesources.com.au</p>	<p>Duncan Gordon Investor Relations T: +61 404 006 444</p>
---	---