

30 January 2025

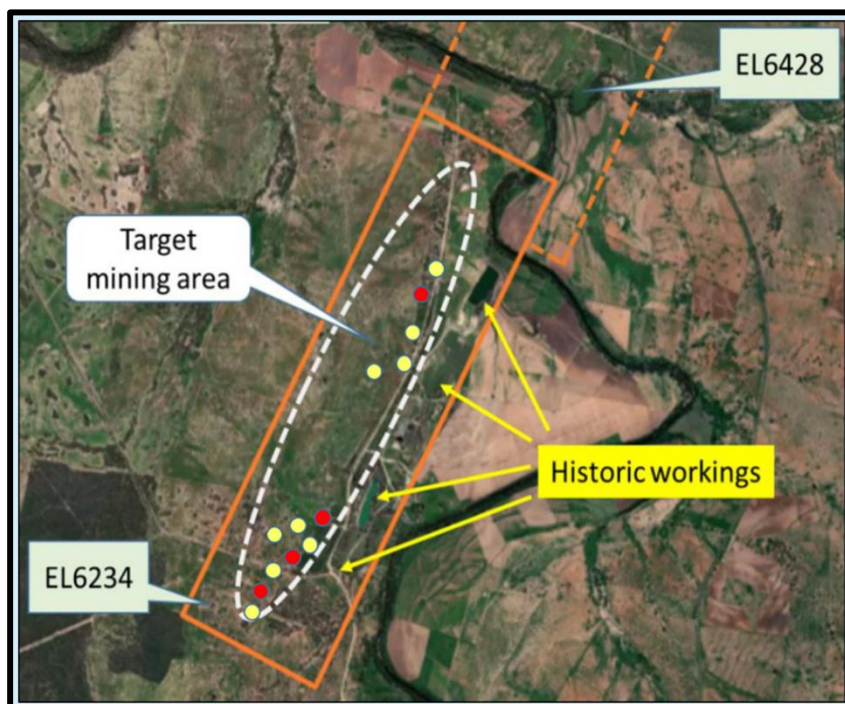
ASX ANNOUNCEMENT
QUARTERLY ACTIVITIES REPORT
Period ending 31 December 2024

Clara Resources Limited (ASX: C7A) (“Clara”, “the Company”, “C7A”) presents its Activities Report for the quarter ending 31 December 2024.

Ashford Coking Coal Project – Clara 100%

The Company continues preparations for the planned Resource and Quality Drilling Program on EL6234, including:

- Ecological assessments and cultural heritage sweeps
- Government permits
- Preparing work scopes, technical specifications, and drilling contract documentation



The program comprises 4 x cored holes and 9 x chip holes and is anticipated to provide sufficient information to:

- Upgrade the JORC resource to Measured & Indicated
- Verify depth, thickness & structure of coal seams

- Improve coal quality data, including coking properties and washability

This information will be used as inputs for the pre-feasibility study and specifically refinement of the mining plan and sequence, enhancement of the coal preparation study and process design options, and improving accuracy of costing models. It is anticipated the field work will commence in Q2-2025.

Capital Management

\$0.01 Rights Issue

On 20/9/24 Clara announced a non-renounceable rights issue to eligible shareholders, 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\$1.66M. Proceeds were to repay the outstanding bridging loan, advance development at the Ashford Coking Coal project, and for general Working Capital.

The Company received valid applications for 19.8m new shares, raising \$198k from Eligible Shareholders, leaving a \$1.47m shortfall. Cerberus Advisory (lead manager) agreed to partially underwrite acceptances for the shortfall up to approximately 28.5m shares (\$285,000 at the price of the Rights Issue). As part of this underwriting agreement, Cerberus entered into sub-underwriting agreements in respect of the shortfall with Alex Fitzgerald (up to \$175k) and Peter Westerhuis (up to \$110k). A further \$76,514 was raised.

ANREO and Placement

On 17/12/24 the Company announced an accelerated non-renounceable pro-rata entitlement offer (ANREO) to raise up to approximately \$1.7 million. In conjunction with the Entitlement Offer, Clara also announced a placement to new and existing institutional investors to raise approximately \$0.42 million.

Under the ANREO, eligible shareholders were entitled to subscribe for 1 New Share for every 1 fully paid, ordinary share they hold in the Company, at a price of \$0.006 per share.

On 19/12/24 the Company announced the Placement raised approximately \$0.42 million. Under the Institutional Component of the Placement and ANREO, Clara agreed to issue approximately 150 million New Shares to raise approximately \$0.9 million on the 30 December 2024. This included existing and new shareholders subscribing for shares that eligible institutional shareholders did not take up through an institutional shortfall bookbuild. Subsequent to the end of the quarter, the Company placed a further \$0.2million to institutional investors on 20 January 2025.

The retail component of the entitlement offer, to raise an additional \$0.8m, commenced on 27/12/24 and remains on foot at the time of writing. Clara is seeking binding commitments to place all of the retail shortfall.

Bridging Loan

On 30th May 2024 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.

Using proceeds from the capital raises (see above), by the end of the quarter all principal and capitalised interest amounts were repaid in cash or equity conversion, noting loan variation agreements are being finalised with Directors Willson, Fitzgerald and Westerhuis to extend the term of their loans, with terms more favourable to the Company.

Notices of Meeting

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.

These resolutions were not approved at the AGM on 8/11/24.

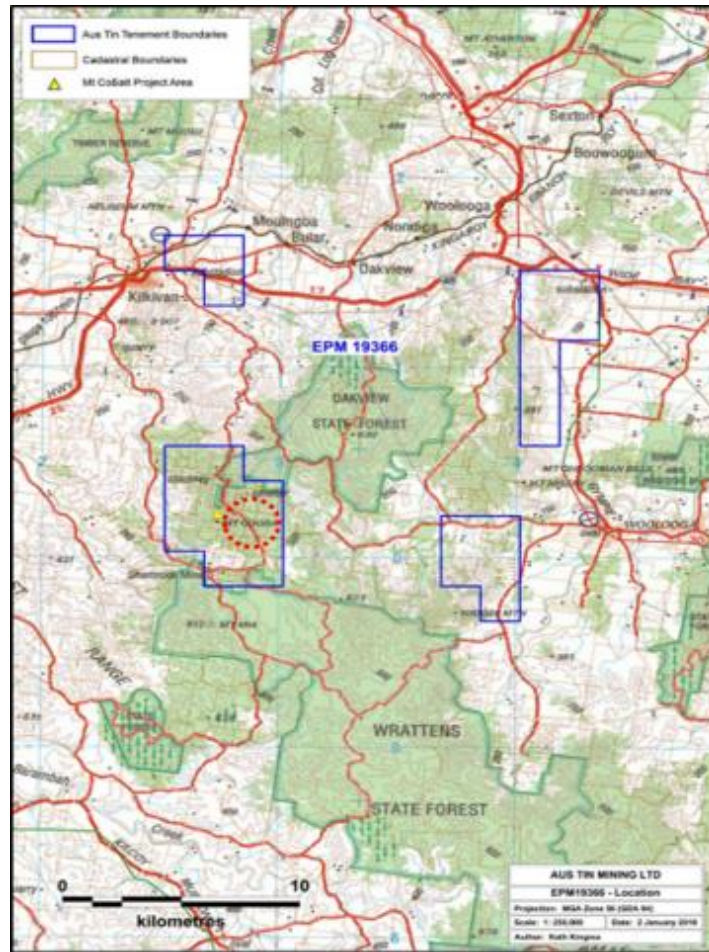
Board Changes

On 11/10/24 the Company announced a number of board changes:

1. The appointment of Non-Executive Director Mr Richard Willson as Independent, Non-Executive Chairman of the Board
2. Mr Brian Moller stepping down as Chairman, remaining as Non-Executive Director
3. The appointment of CEO Peter Westerhuis to the board as Managing Director
4. The appointment of Mr Alexander Fitzgerald as Non-Executive Director, which was confirmed on 19/12/24 when Mr Fitzgerald's completed all the requisite Australian public company Director' registrations.

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. The Company is considering all options with respect to Kildanga, including potential divestment.



Post-Quarterly Disclosure

On 17/1/25 and 22/1/25 respectively the Company received notices pursuant to Section 203D and Section 249D of the Corporations Act, signed by Mr Peter Fitzgerald, Ms Helen Fitzgerald and Mr Albert Alloo as trustees for Tawny Tussock Trust, collectively holding more than 5% of the Company. The notices declared the member’s intention to request a general meeting and to put forward resolutions to remove Mr Brian Moller and Mr Nicholas Mather as Directors. Tawny Tussock Trust is a related party of Mr Alex Fitzgerald, a Non-Executive Director of Clara.

At the time of writing the Company was preparing a Notice of Meeting for the conduct of the requested meeting.

Corporate

1. ASX Listing Rule 5.3.5: Payment to related parties of the Company and their associates during the quarter was Nil.

2. ASX Listing Rule 5.3.1:

Exploration and Evaluation Expenditure during the Quarter was \$36,000, which related to land holder engagement and cultural clearances.

3. ASX Listing Rule 5.3.2:

The Company confirms that there was no mine production and development activities for the Quarter.

4. ASX Listing Rule 5.3.3

In accordance with Listing Rule 5.3.3, Clara provides the following Information concerning its exploration licences:

Exploration Licences held at 31 December 2024	Location	% Interest	Grant Date	Expiry Date
EPM 19366	QLD (Kilkivan)	100%	08.07.22	09.08.25
EL 6234	NSW (Ashford)	100%	19.04.04	19.04.26
EL 6428	NSW (Ashford)	100%	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.

Peter Westerhuis
MD & CEO
Clara Resources Aust Limited
07 3303 0192

Duncan Gordon (Investor Relations)
Executive Director
Cerberus Advisory
+ 61 404 006 444

Principal ASX Announcements during the December 2024 Quarter

11/10/24	Board of Director changes
11/10/24	Supplementary Prospectus
11/10/24	Initial Director's interest notice – P. Westerhuis
15/10/24	Rights Issue update
15/10/24	Update – proposed issue of securities
25/10/24	Underwriting agreements
29/10/24	Quarterly reports
30/10/24	Results of entitlement offer
8/11/24	AGM presentation and results of meeting
29/11/24	Company Secretary appointment
16/12/24	Application for quotation of securities
17/12/24	Director appointment
17/12/24	Placement and Entitlement offer
17/12/24	Investor presentation
18/12/24	Proposed issue of securities
19/12/24	Cleansing notice
20/12/24	Initial Directors interest notice – associates of A. Fitzgerald
27/12/24	Despatch of notices and booklet for retail investors
30/12/24	Application for quotation of securities
30/12/24	Becoming a substantial holder – associates of A. Fitzgerald

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Appendix 5B

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

Name of entity

Clara Resources Australia Limited

ABN

84 122 957 322

Quarter ended ("current quarter")

December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(36)	
(b) development		
(c) production		
(d) staff costs	(48)	(138)
(e) administration and corporate costs	(138)	(519)
1.3 Dividends received (see note 3)		
1.4 Interest received		
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	(186)	(657)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment	-	(33)
(d) exploration & evaluation	(36)	(185)
(e) investments	-	(3,448)
(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 (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments	-	4,294
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	(36)	628
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	877	1,227
3.2	Proceeds from issue of convertible debt securities	(100)	(100)
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		
3.6	Repayment of borrowings	(400)	(638)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)	(96)	(169)
3.10	Net cash from / (used in) financing activities	281	320
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	241	9
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(186)	(657)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(36)	628
4.4	Net cash from / (used in) financing activities (item 3.10 above)	281	320

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 (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	300	300

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	300	241
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	300	241

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	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	
<i>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.</i>		

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

7. Financing facilities <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>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	417	417
7.2 Credit standby arrangements		
7.3 Other (please specify)		
7.4 Total financing facilities	417	417
7.5 Unused financing facilities available at quarter end		-
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.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(186)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(36)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(222)
8.4 Cash and cash equivalents at quarter end (item 4.6)	300
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	300
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.4
<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>	
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: Yes, the Company is has an ANREO underway and expects to raise further funds.	
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: The Company launched a placement and ANREO in December 2024 to raise \$2.1m, which the Company expects to receive all of these funds.	

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

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: Yes, refer 8.8.2

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:30 January 2025.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

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.

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