Clara Resources Australia Ltd

(Formerly known as Aus Tin Mining Limited)

ABN 84 122 957 322

Annual Report - 30 June 2023

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Corporate directory
30 June 2023

Directors	Brian Moller - Non-executive Chairman Nicholas Mather - Non-executive Director Richard Willson - Non-executive Director Brad Gordon - Non-executive Director
Chief Executive Officer	Peter Westerhuis
Company secretary	John Haley
Registered office and principal place of business	Level 27 111 Eagle Street Brisbane QLD 4000 Phone: (07) 3303 0611
Share register	Link Market Services Limited 10 Eagle Street Brisbane QLD 4000 Phone: 1300 554 474
Auditor	BDO Audit Pty Ltd Level 10 12 Creek Street Brisbane QLD 4000
Solicitors	HopgoodGanim Lawyers Level 8, Waterfront Place 1 Eagle Street Brisbane QLD 4000
Stock exchange listing	Clara Resources Australia Ltd shares are listed on the Australian Securities Exchange (ASX code: C7A)
Website	www.clararesources.com.au
Corporate Governance Statement	www.clararesources.com.au/corporate-governance

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Directors' report
30 June 2023

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or the 'Group') consisting of Clara Resources Australia Ltd (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2023.

Following approval by shareholders, the Company changed its name from Aus Tin Mining Limited to Clara Resources Australia Ltd on 29 September 2022.

Directors
The following persons were directors of Clara Resources Australia Ltd during the whole of the financial year and up to the date of this report, unless otherwise stated:

Brian Moller - Non-executive Chairman
Nicholas Mather - Non-executive Director
Richard Willson - Non-executive Director
Brad Gordon - Non-executive Director

Principal activities
During the year the principal activities of the Group involved exploration for coal, nickel and other commodities. There were no significant changes in the principal activities of the Group.

Competent Persons Statement
The information in this report that relates to Exploration Results is based on information compiled by Mr Nicholas Mather B.Sc (Hons) Geol., who is a Member of The Australian Institute of Mining and Metallurgy. Mr Mather is employed by Samuel Capital Pty Ltd, which provides certain consultancy services including the provision of Mr Mather as a Director of Clara Resources Australia Pty Ltd. Mr Mather has more than five years' experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity, which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the Group after providing for income tax amounted to $10,120,804 (30 June 2022: profit of $4,197,856).

The loss for the year ended 30 June 2023 includes an impairment of the investment in the associate of $6,949,319. Included in the profit for the year ended 30 June 2022 was the gain on the disposal of the subsidiary, Taronga Mines Pty Ltd to First Tin plc, of $17,153,323. If this gain were to be excluded, the consolidated entity would have incurred a loss of $12,955,467 in the year ended 30 June 2022, of which $14,519,821 relates to the impairment of the investment in the associate.

Safety / Environment / Community
During the reporting period the Company reported no safety or environmental incidents, or community complaints at any of its sites.

Summary
During the year Clara Resources Australia Ltd ("Clara") progressed a $3,500,000 capital raise by way of a 2-tranche equity placement to institutional, sophisticated and professional investors. Tranche 1 raised $700,000 (before costs). The Company announced the completion of the 2nd Tranche, raising $2,012,250 before costs. This amount represents all parties who entered into placement commitments with Clara with the sole exception of Savannah Goldfields Ltd ("Savannah") ($687,500 committed). Savannah entered into a binding arrangement on 22nd June 2023 to extend the due date of their Tranche 2 payment to 3rd July 2023 but settlement did not occur and the shareholder approval for their subscription expired on 6 July 2023. Clara has given notice of a breach to Savannah and reserved its rights. Foster Stockbroking acted as Lead Manager and Adelaide Equity Partners acted as Corporate Advisor to Clara in respect of the Placement.

Funds raised will be put toward continuation of the Ashford and Kildanga development work programs.

In conjunction with the capital raise, the Company also consolidated the issued capital of the Company through the conversion of every hundred (100) existing shares into one (1) share. These measures are intended to enhance the liquidity of the Company's shares and enable the Company to accelerate commercialisation of the Ashford Coking Coal Project and development of the Kildanga Nickel and Cobalt prospect.

The Company signed a binding term sheet and Share Sale Agreement for the sale of the company's wholly owned subsidiary, Ten Star Mining Pty. Ltd ("Ten Star") to Perth-based Reforme Group. Ten Star holds the tenements and other assets, including a rehabilitation bond, relating to the Granville Tin project in Tasmania. Since 30 June 2023, the potential buyer of Ten Star (Reforme Group Pty Ltd) has advised that some of the sale conditions were not met and the sale has failed to complete. The Company has reserved its rights.

The Ashford Coking Coal Project is the immediate priority of the Company. Work is directed towards advancing the project to development. Current priority is completion of a range of work to enable compilation of the Scoping Study.

The reconciliation and geological review of historical data for the Kildanga project is progressing. The review will identify a further exploration target and inform additional work programs. The objective is a regional assessment of the prospect with a view to the identification of a mineralised resource of sufficient size from which a conceptual economic mine plan can be developed.

The Option Agreement enabling Clara to potentially acquire the MacKenzie Coal Project in central Queensland expired in July 2022. The current owner of the project is under Administration and Clara remains in discussion with the appointed Receiver about potentially acquiring the asset.

Ashford Coking Coal Project

Clara owns 40% of the Project with an option to acquire the remaining 60%, this described in an agreement made with Laneway Resources Ltd (now Savannah Goldfields Ltd) in 2021.

The Project is located within exploration licence tenements EL6234 and EL6428 in the Northern Tablelands of NSW, approximately 10km north of the Ashford township and 65km north of Inverell, a large regional centre.

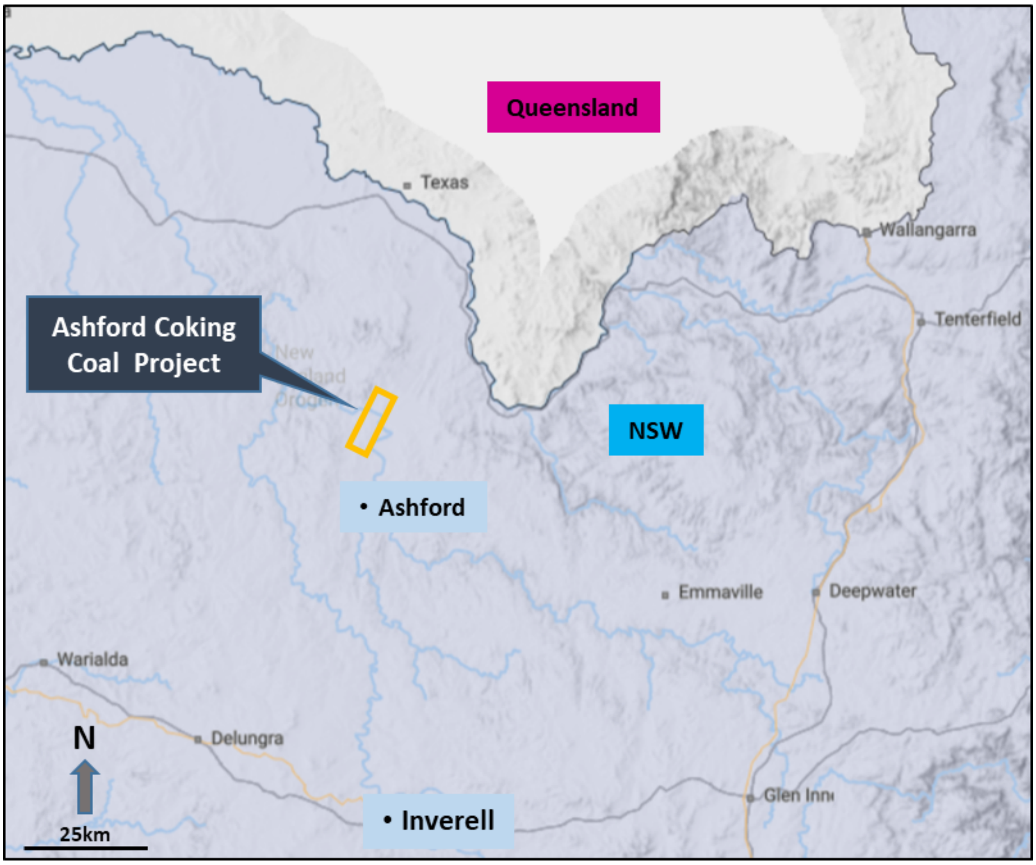

Figure 1 - Project location

The Ashford Deposit was mined by opencut methods between 1958 and 1985, providing raw coal to the adjacent Ashford Power Station. Mining ceased in the period coinciding with the permanent closure of the power station. Whilst Ashford run-of-mine raw coal was supplied to the power station its characteristics are those of coking coal. Distance from export facilities and lack of transport infrastructure limited development of the deposit for the export market.

The exploration license tenement areas cover approximately 8 square kilometres of the Ashford Coal Measures.

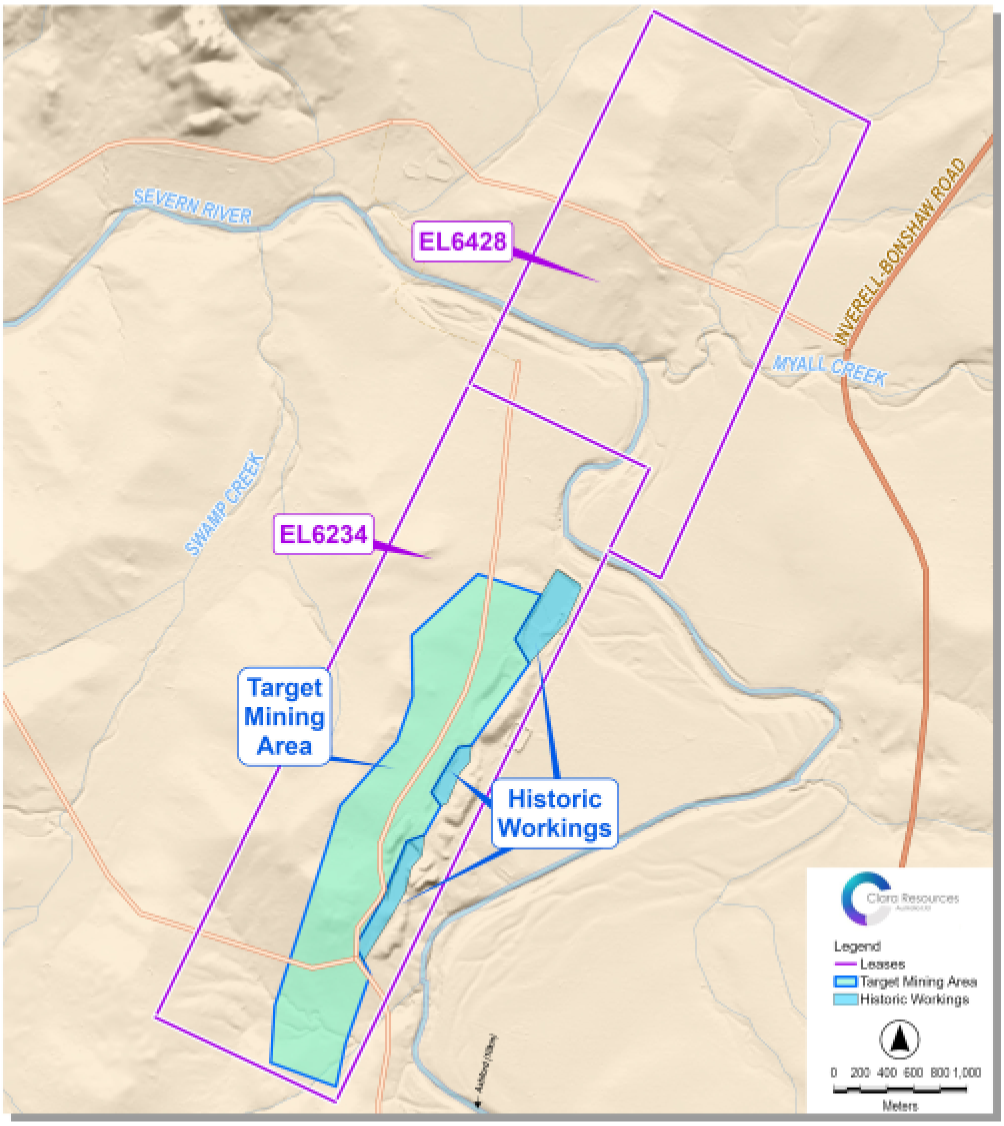

Figure 2 - Regional Tenement Location Plan

The company considers that two (2) external and significant developments give confidence to progress further studies into the economic viability of the Project:

- The Australian Rail Track Corporation (ARTC) proceeding with the *Inland Rail Project* connecting Brisbane and Melbourne, providing an efficient rail connection north to the Brisbane Port and south to the Newcastle Port via the Hunter Valley Coal Rail System. The upgraded rail line will be within 120km of the Ashford Project, a potentially viable trucking distance.

- Sustained uplift in the global traded coking coal price. Independent forecasts consistently predict increased global demand for steel, with implications for the coking coal price range that could make the sale of coking coal from Ashford economically viable.

The Ashford Project comprises two (2) exploration tenements, EL6234 and EL6428. Both areas comprise geological features that provide potential opportunities for relatively shallow open cut coal mining.

The majority of historical exploration has occurred on EL6234. It contains all the JORC inferred & indicated resource. All high level geological and mine conceptual work has to date been confined to this area indicating the existence of an potentially economically recoverable and marketable resource. EL6234 is therefore the Project target area, and the central point of the scoping study. EL6234 will also define any future mining lease application.

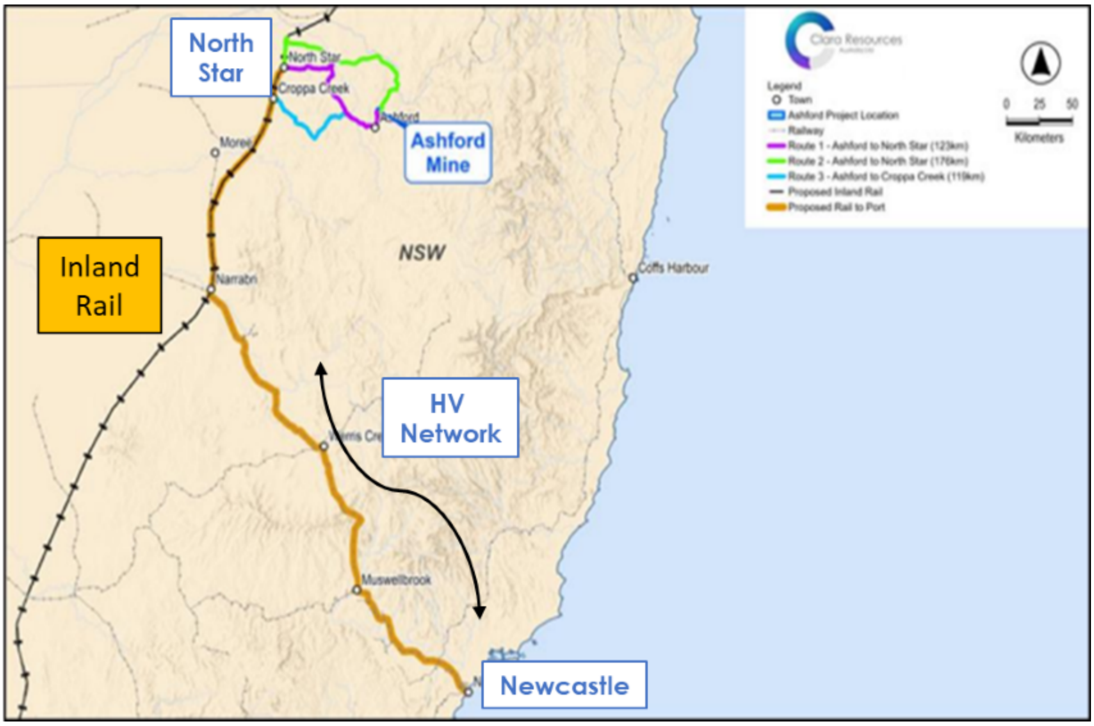

Figure 3 - Inland Rail Project

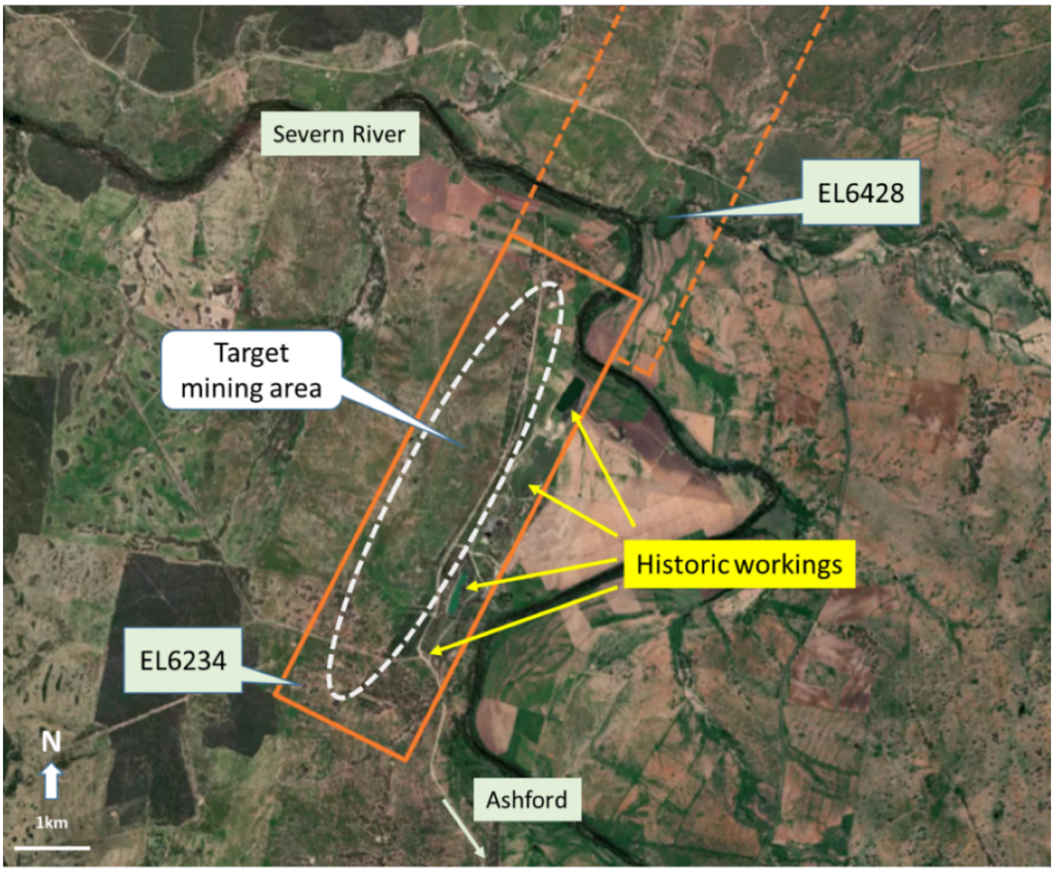

Figure 4 - Target Mining Area on EL6234

EL6428, to the north, will be retained as an exploration tenement. Subject to the results of future exploration programs and the usual project approval processes, this area could in future be developed as an Ashford expansion or continuation Project.

Ashford Scoping Study

The current priority is completion of a scoping study to examine the viability of developing the Project as a mine to produce coking coal products for export. The study will identify an economic development pathway for the Project, based on the data currently available, coal pricing forecasts and defined mining, processing and transportation assumptions.

The study will also include:

- A qualified financial analysis and project metrics. The intended accuracy of financial modelling used in scoping studies is typically +/- 35 to 40%.

- A summary of major project risks and opportunities.

Clara has engaged independent experts to conduct the concept level technical and commercial work in the specific segments. These principal work streams have commenced. These specialists will also provide advice and recommendations about the scopes for further feasibility studies.

During the year, priority was placed on the capital raise, meaning most of the technical and permitting studies were temporarily suspended. Following completion of the placement all work programs recommenced.

Some work areas are more complex than others so these will determine the critical path of the Scoping Study. The intent is to complete the Scoping Study before the end of 2023.

Ashford Access Agreements

In conjunction with the scoping study, the Company is progressing work for preparation of the Environmental Impact Study ('EIS'). A critical piece of the EIS is to undertake a range of non-invasive baseline environmental studies and doing these things requires access to the lease areas. Access requires negotiating individual agreements with affected stakeholders, including pastoralists and representatives of the Gomeroi indigenous group.

The access agreements will also enable the Company to undertake an additional drilling program at Ashford. This drilling program will have several objectives:

- Calculation of a JORC Measured Resource on EL6234.

- Provide information to sharpen the specification range of the Ashford coal seam coking coal properties.

- Provide additional information to support coal washability assumptions.

- Provide geo-chemical and ground water data for the EIS process.

- Determination of a JORC inferred and indicated resource on EL6428

The Company has commenced the consultative process, meeting with all stakeholders individually including with representatives of the Gomeroi indigenous group.

Kildanga Project

- Consists of 4 distinct areas; the SW section has been targeted in multiple exploration programs, creating an extensive database.

- Numerous market updates on exploration programs were released over 2018 & 2019. These showed some encouraging, close to surface intersections of Ni & Co.

- The ore is considered suitable for crushing, milling and flotation to produce concentrate.

- The Company continues to compile and review all historical geological data, this review extending to all exploration permit areas to create a regional reconciliation. This will be used to determine the work needed, including additional exploration, to identify a mineralised resource of sufficient size from which a conceptual economic mine plan can be developed.

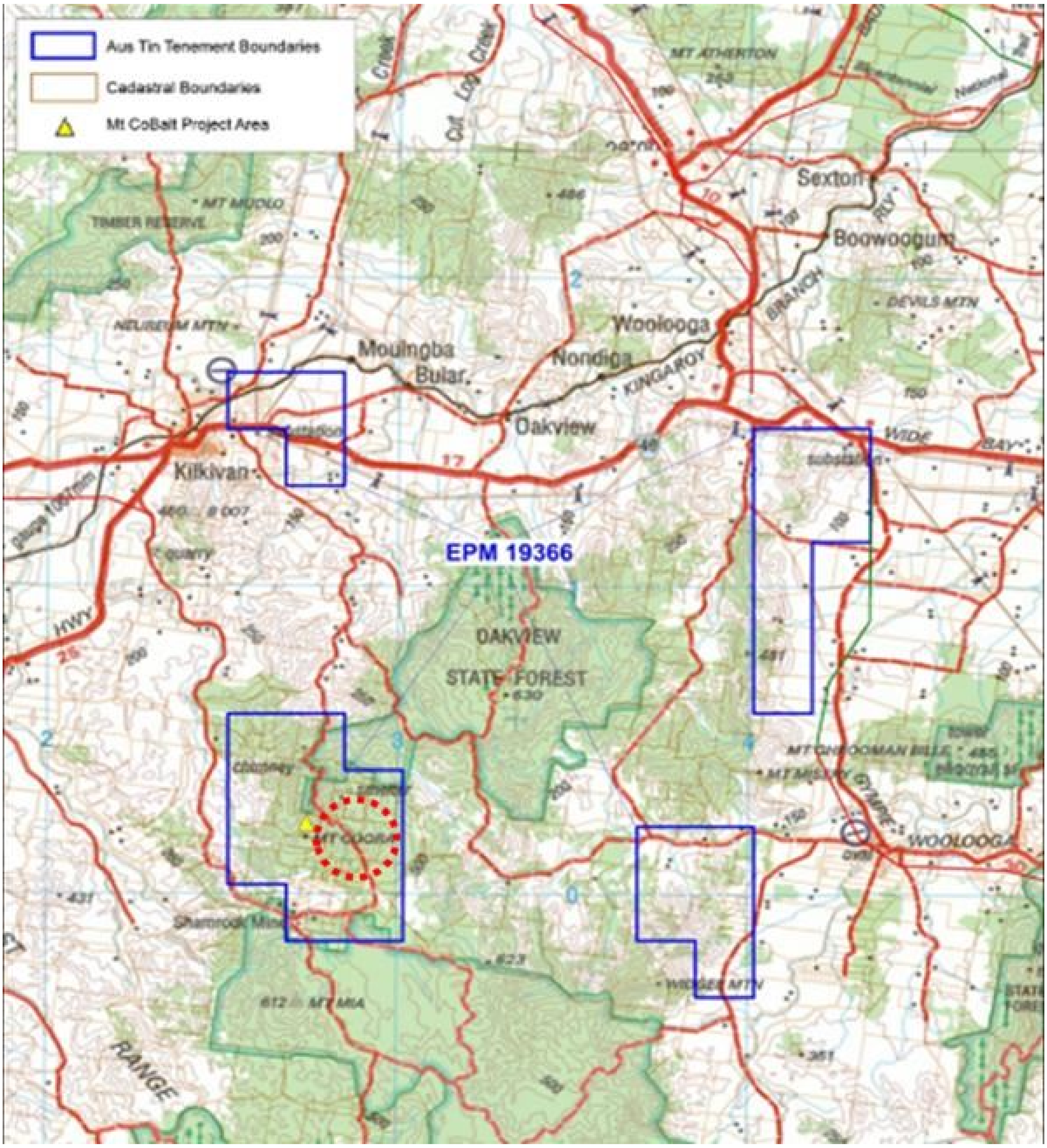

Figure 5 - Kildanga EPM1366

Significant changes in the state of affairs

On 11 October 2022, 200,000,000 ordinary shares were issued to DGR Global Limited and 50,000,000 to Savannah Goldfields Ltd (Savannah) (formerly Laneway Resources Ltd) to raise working capital at $0.001 per share (refer note 19).

On 11 October 2022, 200,000,000 ordinary shares were issued to Savannah Goldfields Ltd (Savannah) (formerly Laneway Resources Ltd) for nil consideration in line with a share top-up clause in the agreement with Laneway to acquire 100% of the Ashford Coking Coal Project (refer note 19).

On 19 September 2022, Clara Resources Australia Ltd announced the execution of a binding term sheet for the sale of the Company's wholly owned subsidiary, Ten Star Mining Pty Ltd (Ten Star / Granville) to Spero Mining Pty Ltd (Spero). On 28 November 2022, the term sheet was amended to extend the date for settlement, and to allow the Company to seek alternative buyers providing 5 business days notice is given to Spero to allow it to complete the sale. In March 2023, Spero subsequently waived their pre-emptive right to acquire Ten Star and the term sheet was terminated as an alternative buyer was found.

On 29 March 2023, the Company announced a new binding term sheet for the sale of Ten Star to an alternative buyer: Reforme Group Pty Ltd (Reforme) for total consideration of $650,001. The Share Sale Agreement was executed on 19 May 2023.

On 14 April 2023, the first tranche of a $3.5 million capital raising, 1,166,666,667 ordinary shares were issued to institutional, sophisticated and professional investors. 1 free share option was granted for every 2 shares issued in this placement, totalling 583,333,334 share options. The share options are exercisable at $0.0012 (before the consolidation of shares noted below) within 3 years of the date of issue.

A further 200,000,000 share options were granted as consideration to the broker of the above placement. The share options are exercisable at $0.0012 (before the consolidation of shares noted below) within 3 years of the date of issue.

On 29 June 2023, as part of the second tranche of the capital raising, 33,537,500 ordinary shares (post-share consolidation) were issued to institutional, sophisticated and professional investors.

On 8 June 2023, the securities of the Company were consolidated on a 100:1 basis. Every 100 securities were consolidated to 1 share. Prior to the consolidation there were 15,383,453,534 ordinary shares on issue, after the consolidation there are 153,834,535 ordinary shares on issue. Prior to the consolidation there were 823,333,334 unquoted share options, after the consolidation there are 8,233,333 unquoted share options.

The share consolidation was approved by shareholders at the Extraordinary General Meeting held on 6 June 2023.

There were no other significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year
During the year ended 30 June 2023, Savannah Goldfields Ltd had committed to subscribe for up to 11,462,500 ordinary shares in the Company's $3,500,000 capital raising for $687,500. On 6 July 2023, the shareholder approval for their subscription expired and no funds had been received from Savannah Goldfields Pty Ltd. The total funds received from the capital raising was therefore $2,812,500.

On 11 July 2023, as the final part of the second tranche of the capital raising, 1,666,667 ordinary shares (post-share consolidation) were issued to institutional, sophisticated and professional investors, and 833,334 share options were also issued on a 1:2 basis.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations
The Group is completing a scoping study of the Ashford Coking Coal Project to examine the viability of developing the Project as a mine to produce coking coal products for export. The study will identify an economic development pathway for the project, based on the data currently available, coal pricing forecasts and defined mining, processing and transportation assumptions.

Not all information on likely developments in the operations of the Group and the expected results of operations has been included in this report because the directors believe it may result in unreasonable prejudice to the Group.

Environmental regulation
Other than as part of the standard conditions attaching to its Mining Leases and Exploration Permits, the Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Material business risks

Ongoing funding requirements	The Company's ability to raise further funding to meet both its operating and capital expenditure requirements depend upon a number of different factors. It is unlikely that the Company will be able to obtain debt financing. Were it able to secure such debt financing, the Company would likely be required to accept restrictions on its operating activities. The Company's operations are unlikely to generate any or sufficient cash flow to meet the Company's operating and capital expenditure needs in the near or medium terms. Meanwhile the Company's ability to raise further equity financing is very sensitive to negative market sentiment, and the recent global economic outlook may make it challenging for the Company to raise new equity capital in the near future (particularly in light of the disruption to international trade and travel, and likely global economic contraction as a result of government and private sector reactions to the Russia/Ukraine conflict). Accordingly, there is no guarantee that the Company will be able to secure additional funding on terms favourable to the Company. Further the Company notes that to the extent that the Company can raise further additional equity, that financing will dilute existing Shareholders. If the Company is unable to obtain additional financing as required, it may not have sufficient working capital to be able to meet its financial commitments as and when they arise, and will be unable to further progress its exploration programs. The Company monitors its funding requirements with monthly updated budgets and discussion. The Company attempts to maintain sufficient funds by raising further funds in advance of requirements, and is able to reduce is expenditure if such funding is not available.
Operational risks	Prosperity for the Company and its subsidiaries will depend largely upon an efficient and successful implementation of all the aspects of exploration, developments, business activities and management of commercial factors. The operations of the Company and its subsidiaries may be disrupted by a variety of risks and hazards which are beyond the control of the Company. Exploration has been and will continue to be hampered on occasions by accidents, unforeseen cost changes, environmental considerations, unforeseen weather events, and other natural events. If necessary, exploration programs are delayed in order to avoid or minimise this risk.
Government policy and taxation	Changes in relevant taxation, interest rates, other legal, legislative and administrative regimes, and Government policies in Australia (at Federal and State level), may have an adverse effect on the assets, operations and ultimately the financial performance of the Company. The Company notes recent announcements by the Queensland State Government to significantly increase state coal royalties. The New South Wales State Government recently announced more modest royalty increases, which do not affect the viability of the Company's Ashford project (given current coking coal prices). The Company is a member of the Association of Mining and Exploration Companies (AMEC) and monitors possible policy changes through AMEC and the media, and supports AMEC lobbying on relevant issues.
Commodity prices	The Company's prospects and perceived value will be influenced from time to time by the prevailing short-term prices of the commodities targeted in exploration programs of the Company and its subsidiaries. Commodity prices fluctuate and are affected by factors including supply and demand for mineral products, hedge activities associated with commodity markets, the costs of production and general global economic and financial market conditions. These factors may cause volatility which in turn, may affect the Company's ability to finance its future exploration and/or bring the Company's projects to market. As noted elsewhere above, the events relating to the Russia/Ukraine war have had an impact on global demand for the Company's target commodities. It is difficult if not impossible to accurately predict the direction of those markets in the short or medium terms. The Company will consider longer term contracts and/or hedging to reduce these risks.

Tenement risks	All exploration permits in which Company has an interest (directly or indirectly) will require compliance with certain levels of expenditure and renewal from time to time. If for any reason expenditure requirements are not met or a licence or permit is not renewed, then Company may suffer damage and as a result may be denied the opportunity to develop certain mineral resources. The Company and its tenement consultants monitor reporting requirements and fees to ensure reports are lodged and fees paid as required.
Land access risks	Land access is critical for exploration and evaluation to succeed. Access to land for exploration purposes can be affected by factors such as land ownership and Native title claims. The company meets and communicates regularly with land owners and Native Title groups.
Environmental risks	The various tenements which the Company has interests in (whether directly or indirectly) are subject to laws and regulations regarding environmental matters, which mean there are potential liability risks. The Company and its tenement consultants monitor environmental laws and regulations, and reporting requirements.
Exploration and production	Tenements in which the Company or its Related Bodies Corporate has an interest are at various stages of exploration. There can be no assurance that exploration of the project areas will result in the discovery of an economic reserve. The Company plans and resources its exploration programs, including the use of consultants, to maximise as far as possible, the likelihood of successful exploration.
Contractual risk	The Company's ability to efficiently conduct its operations in a number of respects depends upon a third-party product and service providers and contracts have, in some circumstances, been entered into by the Company and its subsidiaries in this regard. Any default under such contracts by a third party may adversely affect the Company. The company attempts to only engage with reputable contractors who have the resources to meet their commitments.

Climate change risks and opportunities
The consolidated entity does not consider that it currently has a material exposure to the risks associated with Climate Change. Accordingly, the consolidated entity does not consider it necessary to reflect any impact associated with Climate Change risks (eg. impairments, provisions) in its financial statements for the year ended 30 June 2023. The consolidated entity considers the following matters to be relevant to this conclusion:

(i) the consolidated entity's activities are predominantly focused on the discovery and definition phase of natural resource projects. The consolidated entity is not yet in a mine planning, development, construction or operational phase. Accordingly, having a predominantly greenfields exploration focus means that the consolidated entity currently has no significant man-made infrastructure that would be subject to the potential physical risks associated with Climate Change. Furthermore, the consolidated entity has a minimal carbon footprint and negligible emissions;
(ii) the consolidated entity is not currently aware of any pending or proposed Climate Change related regulatory or legislative changes that would materially impact it, or its assets, at this time;
(iii) the consolidated entity's exploration interests are predominantly focused on minerals and metals that are not expected to be significantly impacted by the various categories of risk associated with Climate Change. These minerals and metals include coking coal and nickel;
(iv) the consolidated entity's tenements are in southern Queensland and northern New South Wales. It is considered that bushfires, flooding, and extreme temperatures events are unlikely to cause anything more than temporary delays in exploration work.
(v) other than as outlined above, the consolidated entity considers that it currently has limited exposure to the technological market and reputational risks associated with Climate Change.

Information on directors

Name:	**Brian Moller** (appointed 1 December 2006)
Title:	Non-Executive Chairman
Qualifications:	LLB (Hons)
Experience and expertise:	Brian Moller is a corporate partner in the Brisbane based law firm HopgoodGanim Lawyers. He was admitted as a solicitor in 1981 and has been a partner since 1983. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions. Brian holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association. Brian acts for many public listed resource and industrial companies and brings a wealth of experience and expertise to the board particularly in the corporate regulatory and governance areas.
Other current directorships:	DGR Global Limited (since 2 October 2002) Platina Resources Limited (since 30 January 2007) NewPeak Metals Limited (formerly Dark Horse Resources Limited) (since 22 January 2003) Tempest Minerals Limited (formerly Lithium Consolidated Mineral Exploration Limited) (since 13 October 2016) Lole Mining Limited (since February 2022) Mineral Commodities Ltd (since 28 December 2022)
Former directorships (last 3 years):	SolGold plc, which is dual-listed on the London Stock Exchange and the Toronto Stock Exchange (from 11 May 2005 to 15 December 2021)
Special responsibilities:	Chairman of the Board and Member of the Audit and Risk Management Committee
Interests in shares:	1,044,505
Interests in options:	750,000

Name:	**Nicholas Mather** (appointed 22 December 2006)
Title:	Non-Executive Director
Qualifications:	BSc (Hons,Geol), MAusIMM
Experience and expertise:	Nick Mather’s special area of experience and expertise is the generation of and entry into undervalued or unrecognised resource exploration opportunities. Nick has been involved in the junior resource sector at all levels for more than 25 years. In that time he has been instrumental in the delivery of major resource projects that have delivered significant gains to shareholders. As an investor, securing projects and financiers, leading exploration campaigns and managing emerging resource companies Nick brings a wealth of valuable experience.
Other current directorships:	DGR Global Limited (since 26 October 2001) NewPeak Metals Limited (formerly Dark Horse Resources Limited) (since 22 January 2003) Armour Energy Limited (since 18 December 2009) Lakes Blue Energy NL (formerly Lakes Oil NL) (since 7 February 2012) SolGold plc, which is dual-listed on the London Stock Exchange and the Toronto Stock Exchange (since 11 May 2005) First Tin Plc (since 3 October 2022)
Former directorships (last 3 years):	Atlantic Lithium Limited (formerly IronRidge Resources Limited), which is listed on the London Stock Exchange (AIM) (from 5 September 2007 to 28 June 2021)
Special responsibilities:	None
Interests in shares:	2,121,789
Interests in options:	750,000

Name: **Richard Willson** (appointed 18 January 2013)
Title: Non-Executive Director
Qualifications: BAc, FCPA, FAICD
Experience and expertise: Richard Willson is an experienced, Non-Executive Director, Company Secretary and CFO with more than 20 years' experience predominantly within the mining, technology and agricultural sectors for both publicly listed and private companies. Richard has a Bachelor of Accounting from the University of South Australia, is a Fellow of CPA Australia, and a Fellow of the Australian Institute of Company Directors.
Other current directorships: Titomic Limited (since 17 May 2017)
Thomson Resources Limited (since 31 July 2019)
Former directorships (last 3 years): 8IP Emerging Companies Limited (from 1 April 2021 to 11 May 2022)
PNX Metals Limited (from 18 June 2021 to 11 April 2023)
Special responsibilities: Chairman of the Audit and Risk Management Committee
Interests in shares: 536,883
Interests in options: 750,000

Name: **Brad Gordon** (appointed 17 May 2021)
Title: Non-Executive Director
Qualifications: B.Eng (Mining), MBA
Experience and expertise: Brad Gordon is a seasoned mining executive with over 30 years of experience in the gold mining industry, during which time he has successfully led and grown the value of large mining operations around the world.

From 2013 until December 2017, Brad acted as the CEO of Acacia Mining Plc, a London Stock Exchange listed gold mining company with mines and exploration projects across Africa.

Brad was previously also the CEO of Intrepid Mines from 2008 to 2013, a TSX and ASX listed precious metals exploration and development company with its primary operations in Indonesia. Prior to his time at Intrepid, Brad was the CEO of Emperor Mines, with gold mines in Fiji and Papua New Guinea and at the time was the third largest gold producer listed on the ASX. Before that, he held a series of progressively senior positions with Placer Dome including as Managing Director of their Papua New Guinea operations with responsibility for the Porgera and Misima gold mines.
Other current directorships: Savannah Goldfields Ltd (Savannah) (formerly Laneway Resources Ltd) (since 11 December 2020)
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: Nil
Interests in options: 750,000

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
John Haley is the Company Secretary. John is a Chartered Accountant and has 40 years of extensive Board, company secretarial and corporate finance experience, predominantly within the mining and resources industry. John also acts as the Company Secretary for ASX-listed NewPeak Metals Limited and Polymetals Resources Limited.

Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board		Audit and Risk Management Committee	
	Attended	Held	Attended	Held
Brian Moller	8	9	2	2
Nicholas Mather	7	9	-	-
Richard Willson	8	9	2	2
Brad Gordon	8	9	-	-

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives.

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and the Executive team. The Board assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive team. Such officers are given the opportunity to receive their base remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payments chosen will be optimal for the recipient without creating undue cost for the Group. Further details on the remuneration of Directors and Executives are set out in this Remuneration Report.

The Group aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group. The Board's policy is to align Director and Executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives.

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive remuneration is separate and distinct.

Non-executive directors remuneration
The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders. The Company's specific policy for determining the nature and amount of remuneration of Board members of the Company is as follows.

The Constitution of the Company provides that the Non-executive Directors are entitled to remuneration as determined by the Company in general meeting to be apportioned among them in such manner as the Directors agree and, in default of agreement, equally. The aggregate remuneration currently determined by the Company is $350,000 per annum. Additionally, Non-executive Directors are entitled to be reimbursed for properly incurred expenses.

If a Non-executive Director performs extra services, which in the opinion of the Directors are outside the scope of the ordinary duties of the Director, the Company may remunerate that Director by payment of a fixed sum determined by the Directors in addition to or instead of the remuneration referred to above. However, no payment can be made if the effect would be to exceed the maximum aggregate amount payable to Non-executive Directors. A Non-executive Director is entitled to be paid travelling and other expenses properly incurred by them in attending Director's or general meetings of the Company or otherwise in connection with the business of the Company.

Directors may have the opportunity to qualify for participation in the Company's option plan, subject to corporate governance considerations and the approval of shareholders.

The remuneration of Non-Executive Directors for the year ended 30 June 2023 is detailed in this Remuneration Report.

Executive remuneration
The Company aims to reward the Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:
- align the interests of Executives with those of shareholders;
- link reward with the strategic goals and performance of the Company; and
- ensure total remuneration is competitive by market standards.

The remuneration of the Executives may from time to time be fixed by the Board. The remuneration will comprise a fixed remuneration component and also may include offering specific short and long-term incentives, in the form of:

- performance based salary increases and/or bonuses; and/or
- the issue of options.

The remuneration of the Executives employed by the Company for the year ended 30 June 2023 is detailed in this Remuneration Report.

Consolidated entity performance and link to remuneration
During the financial year, the Company generated a loss. The Company's principal activity is mineral and metals exploration.

At 30 June 2023, the market price of the Company's ordinary shares was $0.042 per share after the 100:1 share consolidation that took place on 8 June 2023 (30 June 2022: $0.10 per share after the effects of the share consolidation). No dividends were paid during the year ended 30 June 2023.

As the Company is still in the exploration and development stage, the link between remuneration, Company performance and shareholder wealth is tenuous. Share prices are subject to the influence of mineral and metals prices and market sentiment toward the sector, and as such increases or decreases may occur quite independent of Executive performance or remuneration.

Use of remuneration consultants
The Company did not engage remuneration consultants to prepare a formal remuneration report during the financial year ended 30 June 2023.

Voting and comments made at the Company's 28 November 2022 Annual General Meeting ('AGM')
At the 28 November 2022 AGM, 98.64% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2022. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
Amounts of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following directors of Clara Resources Australia Ltd:

- Brian Moller
- Nicholas Mather
- Richard Willson
- Brad Gordon

And the following persons:

- Peter Westerhuis – Chief Executive Officer
- John Haley – Chief Financial Officer and Company Secretary

	Short-term benefits		Post-employment benefits	Share-based payments	
2023	Cash salary and fees $	Cash bonus $	Super-annuation $	Equity-settled $	Total $
Non-Executive Directors:					
Brian Moller	50,000	-	-	15,547	65,547
Nicholas Mather	100,000	-	-	15,547	115,547
Richard Willson	37,934	-	3,983	15,547	57,464
Brad Gordon	37,934	-	3,983	15,547	57,464
Other Key Management Personnel:					
Peter Westerhuis	361,454	-	25,296	69,034	455,784
John Haley	34,500	-	-	15,547	50,047
	621,822	-	33,262	146,769	801,853

	Short-term benefits		Post-employment benefits	Share-based payments	
2022	Cash salary and fees $	Cash bonus $	Super-annuation $	Equity-settled $	Total $
Non-Executive Directors:					
Brian Moller	50,000	-	-	-	50,000
Nicholas Mather	100,000	-	-	-	100,000
Richard Willson	36,529	-	3,653	-	40,182
Brad Gordon	36,529	-	3,653	-	40,182
Other Key Management Personnel:					
	-	-	-	-	-
Peter Westerhuis[(a)]	29,975	-	2,108	819	32,902
John Haley[(c)]	13,400	-	-	-	13,400
Robert Kidd[(b)]	203,528	-	20,352	-	223,880
Karl Schlobohm[(c)]	30,510	-	-	-	30,510
	500,471	-	29,766	819	531,056

(a) Peter Westerhuis was appointed on 17 May 2022.
(b) Robert Kidd resigned on 9 April 2022.
(c) Karl Schlobohm resigned on 31 January 2022 and John Haley was appointed from this date.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2023	2022	2023	2022	2023	2022
Non-Executive Directors:						
Brian Moller	76%	100%	-	-	24%	-
Nicholas Mather	87%	100%	-	-	13%	-
Richard Willson	73%	100%	-	-	27%	-
Brad Gordon	73%	100%	-	-	27%	-
Other Key Management Personnel:						
Peter Westerhuis	85%	98%	-	-	15%	2%
John Haley	69%	100%	-	-	31%	-
Robert Kidd	-	100%	-	-	-	-
Karl Schlobohm[(a)]	-	100%	-	-	-	-

(a) Karl Schlobohm (former Company Secretary) was appointed as the Company's Interim CFO on 10 November 2020 and was remunerated by DGR Global Ltd for that role.

Service agreements
It is the Board's policy that employment agreements are entered into with all Executives and employees. The current executive services agreement with the CEO has a notice period of three (3) months. All other employment agreements have one month (or less) notice periods.

The terms of appointment for Non-Executive Directors are set out in letters of appointment.

Salaried Executives are entitled to their statutory entitlements of accrued annual leave and long service leave together with any superannuation on termination. No other termination payments are payable.

Chief Executive Officer
Peter Westerhuis is the Chief Executive Officer.

The key terms of the service agreement with Peter Westerhuis are as follows:

Fixed remuneration	$361,454 per annum exclusive of superannuation
Term	2 years unless terminated earlier by either party with three (3) months notice. Notice may be given or paid out on termination.
Short and long term incentives	(a) 400,000 options (40,000,000 options prior to the share consolidation on 8 June 2023) to acquire shares in Clara Resources Australia Ltd at an exercise price of $0.2 per share ($0.002 prior to the share consolidation on 8 June 2023) (adjusted in the event of a further share consolidation or share split) exercisable on or before 30 June 2025. 50% of these options will only vest if the Clara Resources Australia Ltd 10 day VWAP (adjusted in the event of a further share consolidation or share split) is equal to or greater than $0.2 per share ($0.002 prior to the share consolidation on 8 June 2023) and 50% of these options will only vest if the Clara Resources Australia Ltd 10 day VWAP (adjusted in the event of a further share consolidation or share split) is equal to or greater than $0.3 per share ($0.003 prior to the share consolidation on 8 June 2023). (b) 3,000,000 options to acquire shares in Clara Resources Australia Ltd at an exercise price of $0.12. The options vested on the grant date and expire on 29 June 2026. (c) 200,000 performance rights (20,000,000 prior to the share consolidation on 8 June 2023) to acquire shares in Clara Resources Australia Ltd (at nil consideration) which shall vest upon granting of a Mining Lease for the Company's Ashford Coal Project within 3 years. (d) Such other Board-approved performance related incentives based on KPI's as agreed between Clara Resources Australia Ltd and the CEO from time to time.
Commencement date	17 May 2022

Chief Financial Officer
On 31 January 2022, John Haley was appointed as Company Secretary and Chief Financial Officer. John is paid through a contract for services which commenced on 26 November 2021, with no fixed term duration, at a rate of $100 per hour. The termination notice period is 2 months.

Share-based compensation
Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2023.

Options
30 June 2023
On 29 June 2023, the Company granted 6,750,000 options with an exercise price of $0.12 to key management personnel, and are exercisable on or before 29 June 2026. The options have been granted as an incentive to drive leadership and the overall direction of the Company and vested immediately on the grant date.

30 June 2022
The Company granted 40,000,000 options to Peter Westerhuis (CEO) on 17 May 2022 under the Employee Share Option Plan. These options had an exercise price of $0.002 per share and are exercisable on or before 30 June 2025. Prior to the share consolidation on 8 June 2023, 50% of these options would only vest if the ANW 10-day VWAP (adjusted in the event of a share consolidation or share split) was equal to or greater than $0.002 per share and 50% of these options would only vest if the ANW 10 Day VWAP (adjusted in the event of a share consolidation or share split) was equal to or greater than $0.003 per share. At grant date, the total combined fair value of these options was $nil.

On 8 June 2023, a 100:1 share consolidation took place. Therefore, the 40,000,000 options were consolidated to 400,000 options. The exercise price after the share consolidation is $0.2 per share. 50% of these options will only vest if the ANW 10-day VWAP is equal to or greater than $0.2 per share and 50% of these options would only vest if the ANW 10 Day VWAP is equal to or greater than $0.3 per share.

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Peter Westerhuis	400,000	17/05/2022	27/05/2022	30/06/2025	$0.2000	$0.000
Brian Moller	750,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021
Nicholas Mather	750,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021
Richard Willson	750,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021
Brad Gordon	750,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021
Peter Westerhuis	3,000,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021
John Haley	750,000	29/06/2023	29/06/2023	29/06/2026	$0.1200	$0.021

Options granted carry no dividend or voting rights.

Performance rights

There were no performance rights over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2023.

30 June 2022
The Company granted 20,000,000 performance rights to Peter Westerhuis (CEO) on 17 May 2022. The performance rights shall vest upon the granting of a Mining Lease for the Company's Ashford Coal Project within 3 years. The CEO must continue to be employed in order to exercise the performance rights. The performance rights have an expiry date of 17 May 2025 and the fair value of each performance right at grant date was $0.001.

On 8 June 2023, a 100:1 share consolidation took place. Therefore, the 20,000,000 performance rights were consolidated to 200,000 performance rights.

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date (after accounting for share consolidation)
Peter Westerhuis	200,000	17/05/2022	Upon granting of a Mining Lease for the Ashford Coal Project within 3 years	17/05/2025	$0.100

The performance rights carry none of the rights of ordinary shares and, in particular, no right to vote, receive dividends or participate in bonus or rights issues. No Directors of the Company participated in the grant of performance rights.

Additional information
The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2023	2022	2021	2020	2019
Share price at financial year end (cents)	4.0	10.0	10.0	10.0	9.0
Basic earnings per share (cents per share)	(7.1)	3.2	(2.1)	(8.8)	(24.5)

* The Company consolidated its issued capital on an 100 to 1 basis on 8 June 2023 and consequently has adjusted the 2022, 2021, 2020 and 2019 basic earnings per share and share price for the effect of the share consolidation.

Additional disclosures relating to key management personnel
Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Ordinary shares	Balance at the start of the year	Received as part of remuneration	Received on exercise of options	Net change other*	Balance at the end of the year
Directors					
Brian Moller	104,450,474	-	-	(103,405,969)	1,044,505
Nicholas Mather	212,178,914	-	-	(210,057,125)	2,121,789
Richard Willson	53,688,340	-	-	(53,151,457)	536,883
Brad Gordon	-	-	-	-	-
Other Key Management Personnel					
Peter Westerhuis	-	-	-	1,000,000	1,000,000
John Haley	-	-	-	100,000	100,000
	370,317,728	-	-	(365,514,551)	4,803,177

* Includes the impact of the 100:1 share consolidation that took place on 8 June 2023, and shares purchased during a share placement.

Option holding
The number of options over ordinary shares in the Company (including those issued pursuant to capital raisings) held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Options over ordinary shares	Balance at the start of the year	Granted as remuneration	Options exercised	Net change other*	Balance at the end of the year
Directors					
Brian Moller	-	750,000	-	-	750,000
Nicholas Mather	-	750,000	-	-	750,000
Richard Willson	-	750,000	-	-	750,000
Brad Gordon	-	750,000	-	-	750,000
Other Key Management Personnel					
Peter Westerhuis	40,000,000	3,000,000	-	(39,100,000)	3,900,000
John Haley	-	750,000	-	50,000	800,000
	40,000,000	6,750,000	-	(39,050,000)	7,700,000

* Includes the impact of the 100:1 share consolidation that took place on 8 June 2023, and options attached to a share issue on a 1:2 basis.

Of the 7,700,000 options over ordinary shares held by key management personnel at 30 June 2023, 7,150,000 were granted as share-based compensation and the remaining 550,000 were granted as options attaching to shares purchased.

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Performance rights over ordinary shares	Balance at the start of the year	Granted as remuneration	Vested	Net change other*	Balance at the end of the year
Directors					
Brian Moller	-	-	-	-	-
Nicholas Mather	-	-	-	-	-
Richard Willson	-	-	-	-	-
Brad Gordon	-	-	-	-	-
	-	-	-	-	-
Other Key Management Personnel					
Peter Westerhuis	20,000,000	-	-	(19,800,000)	200,000
John Haley	-	-	-	-	-
	20,000,000	-	-	(19,800,000)	200,000

* Represents the impact of the 100:1 share consolidation that took place on 8 June 2023.

Other transactions with key management personnel and their related parties
Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim Lawyers. For the year ended 30 June 2023, $91,385 (2022: $44,704) was paid or payable to HopgoodGanim Lawyers for the provision of legal services to the Group. The services were based on normal commercial terms and conditions. The total current amount payable at year end was $37,305 (2022: $1,760).

The Company had a commercial arrangement with DGR Global Limited (common Directors include Nicholas Mather and Brian Moller), which ceased in January 2022, for the provision of various services, whereby DGR Global provided resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (Services). In consideration for the provision of the Services, the Company paid DGR Global a monthly administration fee. Additionally, DGR Global Limited has an in-house lawyer who has provided services to Clara Resources Australia Ltd and a total of $15,728 was charged as share issue costs during the year ended 30 June 2023 (2022: $28,916 legal expenses). From 17 May 2022, Clara Resources Australia Ltd rented office space from DGR Global Limited for use by the CEO, Peter Westerhuis. The monthly rental charge payable is $2,000 and the total expense in the year ended 30 June 2023 was $24,000 (2022: $3,096).

At 30 June 2023 there is $27,500 (2022: $13,750) payable to Brian Moller (Director) and $1,480 (2022: $nil) payable to Richard Wilson (Director) relating to their remuneration for the year ended 30 June 2023.

Aggregate amounts of each of the above types of other transactions with key management personnel and their related entities are included in the financial statements as follows:

Statement of profit or loss and other comprehensive income:

Amounts recognised as expenses
Legal expenses: $91,385 (2022: $73,620)
Management fees: $nil (2022: $112,000)
Rent expenses: $24,000 (2022: $3,096)
Share-based payments expenses: $146,769 (2022: $819)

Statement of financial position:

Amounts recognised as trade and other payables
Trade payables: $70,685 (2022: $18,916)

Amounts recognised as share issue costs
Issued capital: $15,728 (2022: $nil)

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of Clara Resources Australia Ltd under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
17/05/2022	30/06/2025	$0.2000	400,000
14/04/2023	14/04/2026	$0.1200	7,833,333
29/06/2023	29/06/2026	$0.1200	23,518,750
11/07/2023	11/07/2026	$0.1200	833,334
			32,585,417

On 8 June 2023, every 100 options were consolidated to 1 option.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares under performance rights
Unissued ordinary shares of Clara Resources Australia Pty Ltd under performance rights at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under rights
17/05/2022	17/05/2025	$0.0000	200,000

On 8 June 2023, every 100 performance rights were consolidated to 1 performance right.

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of Clara Resources Australia Ltd issued on the exercise of options during the year ended 30 June 2023 and up to the date of this report.

Shares issued on the exercise of performance rights
There were no ordinary shares of Clara Resources Australia Pty Ltd issued on the exercise of performance rights during the year ended 30 June 2023 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the Company who are former partners of BDO Audit Pty Limited
There are no officers of the Company who are former partners of BDO Audit Pty Limited.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor
BDO Audit Pty Limited continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Brian Moller
Non-executive Director

21 September 2023

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY T J KENDALL TO THE DIRECTORS OF CLARA RESOURCES AUSTRALIA LTD

As lead auditor of Clara Resources Australia Ltd for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Clara Resources Australia Ltd and the entities it controlled during the year.

Tim Kendall

T J Kendall
Director

BDO Audit Pty Ltd

Brisbane, 21 September 2023

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General information

The financial statements cover Clara Resources Australia Ltd as a Group consisting of Clara Resources Australia Ltd and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Clara Resources Australia Ltd's functional and presentation currency.

Following approval by shareholders, the Company changed its name from Aus Tin Mining Limited to Clara Resources Australia Ltd on 29 September 2022.

Clara Resources Australia Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 27
111 Eagle Street
Brisbane
QLD 4000

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 21 September 2023. The directors have the power to amend and reissue the financial statements.

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	Consolidated 2023 $	Consolidated 2022 $
Other income			
Share of losses of associate accounted for using the equity method	13	(1,360,368)	(686,198)
Other income	4	28,000	5,000
Interest revenue		2,608	536
Convertible note fair value movement		-	146,821
Expenses			
Administration and consulting expense		(767,147)	(614,808)
Employee benefits expense		(951,010)	(349,278)
Depreciation and amortisation expense	14	(19,860)	(44,124)
Impairment of exploration costs		-	(5,815,934)
Loss on disposal of assets		(1,004)	-
Exploration costs written off	15	(53,594)	(5,595)
Legal expenses		(99,276)	(76,671)
Management fees		(317)	(112,000)
Other Granville operating costs		(77,968)	(90,848)
Impairment - investment in associate	13	(6,594,440)	(14,519,821)
Other expenses		(160,343)	(174,541)
Finance costs	5	(6,020)	(2,267)
Total expenses		(8,730,979)	(21,805,887)
Loss before income tax (expense)/benefit from continuing operations		(10,060,739)	(22,339,728)
Income tax (expense)/benefit	6	(60,065)	9,433,962
Loss after income tax (expense)/benefit from continuing operations		(10,120,804)	(12,905,766)
Profit after income tax expense from discontinued operations	7	-	17,103,622
Profit/(loss) after income tax (expense)/benefit for the year attributable to the owners of Clara Resources Australia Ltd		(10,120,804)	4,197,856
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Clara Resources Australia Ltd		(10,120,804)	4,197,856
Total comprehensive income for the year is attributable to:			
Continuing operations		(10,120,804)	(12,905,766)
Discontinued operations		-	17,103,622
		(10,120,804)	4,197,856

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2023

	Note	2023 Cents	2022 Cents
Earnings per share for loss from continuing operations attributable to the owners of Clara Resources Australia Ltd			
Basic earnings per share	32	(7.1)	(10.0)
Diluted earnings per share	32	(7.1)	(10.0)
Earnings per share for profit from discontinued operations attributable to the owners of Clara Resources Australia Ltd			
Basic earnings per share	32	-	13.2
Diluted earnings per share	32	-	13.2
Earnings per share for profit/(loss) attributable to the owners of Clara Resources Australia Ltd			
Basic earnings per share	32	(7.1)	3.2
Diluted earnings per share	32	(7.1)	3.2

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Statement of financial position
As at 30 June 2023

	Note	Consolidated 2023 $	2022 $
Assets			
Current assets			
Cash and cash equivalents	9	1,815,943	674,697
Trade and other receivables	10	159,327	49,752
		1,975,270	724,449
Assets of disposal groups classified as held for sale	8	734,037	-
Total current assets		2,709,307	724,449
Non-current assets			
Investments accounted for using the equity method	13	10,979,787	18,934,595
Property, plant and equipment	14	96,049	258,047
Other assets	12	92,697	735,697
Total non-current assets		11,168,533	19,928,339
Total assets		13,877,840	20,652,788
Liabilities			
Current liabilities			
Trade and other payables	16	598,961	176,161
Lease liabilities	17	-	11,174
		598,961	187,335
Liabilities directly associated with assets classified as held for sale	8	633,362	-
Total current liabilities		1,232,323	187,335
Non-current liabilities			
Lease liabilities	17	-	41,904
Provisions	18	-	628,335
Total non-current liabilities		-	670,239
Total liabilities		1,232,323	857,574
Net assets		12,645,517	19,795,214
Equity			
Issued capital	19	37,090,290	34,268,194
Reserves		1,857,012	1,708,001
Accumulated losses		(26,301,785)	(16,180,981)
Total equity		12,645,517	19,795,214

The above statement of financial position should be read in conjunction with the accompanying notes

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Statement of changes in equity
For the year ended 30 June 2023

Consolidated	Issued capital $	Share based payment reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2021	33,281,494	1,707,182	(20,378,837)	14,609,839
Profit after income tax benefit for the year	-	-	4,197,856	4,197,856
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	4,197,856	4,197,856
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 19)	986,700	-	-	986,700
Share-based payments (note 33)	-	819	-	819
Balance at 30 June 2022	34,268,194	1,708,001	(16,180,981)	19,795,214

Consolidated	Issued capital $	Share based payment reserve $	Accumulated losses $	Total equity $
Balance at 1 July 2022	34,268,194	1,708,001	(16,180,981)	19,795,214
Loss after income tax expense for the year	-	-	(10,120,804)	(10,120,804)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(10,120,804)	(10,120,804)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 19)	2,822,096	-	-	2,822,096
Share-based payments (note 33)	-	149,011	-	149,011
Balance at 30 June 2023	37,090,290	1,857,012	(26,301,785)	12,645,517

The above statement of changes in equity should be read in conjunction with the accompanying notes

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Statement of cash flows
For the year ended 30 June 2023

	Note	Consolidated 2023 $	Consolidated 2022 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(1,594,454)	(1,568,829)
Interest received		5,101	536
Other income		28,000	5,000
Interest and other finance costs paid		(6,020)	(2,267)
Net cash used in operating activities	31	(1,567,373)	(1,565,560)
Cash flows from investing activities			
Payments for property, plant and equipment	14	-	(1,594,478)
Payments for exploration and evaluation assets	15	(53,594)	(177,176)
Payments for security deposits		-	(16,265)
Proceeds from disposal of investments	7	-	1,349,822
Proceeds from disposal of property, plant and equipment		50,000	-
Net cash used in investing activities		(3,594)	(438,097)
Cash flows from financing activities			
Proceeds from issue of shares	19	2,962,250	1,050,000
Proceeds from borrowings		50,506	1,553,107
Repayment of leases	31	(48,570)	(12,375)
Share issue transaction costs	19	(200,219)	(63,300)
Repayment of borrowings		(50,506)	(1,598,107)
Net cash from financing activities		2,713,461	929,325
Net increase/(decrease) in cash and cash equivalents		1,142,494	(1,074,332)
Cash and cash equivalents at the beginning of the financial year		674,697	1,749,029
Cash and cash equivalents at the end of the financial year	9	1,817,191	674,697

For cash flows of discontinued operations, refer note 7.

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out either in the respective notes or below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these standards and interpretations did not have any impact on the financial position and performance of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern
For the year ended 30 June 2023, the consolidated entity recorded a loss of $10,120,804 after income tax (2022: profit after income tax of $4,197,856) and net cash outflows from operating activities of $1,567,373 (2022: $1,565,560). At 30 June 2023, the consolidated entity had net current assets of $1,476,984 (2022: $537,114). The loss for the year ended 30 June 2023 includes an impairment of the investment in the associate of $6,949,319 (refer note 13). The profit for the year ended 30 June 2022 is a result of the sale of the subsidiary, Taronga Mines Pty Ltd, resulting in a gain of $17,153,323. If this gain were to be excluded, the consolidated entity would have incurred a loss of $12,955,467, of which $14,519,821 related to the impairment of the investment in the associate (refer note 13).

The ability of the consolidated entity to continue as a going concern is principally dependent upon raising additional capital or securing other forms of financing, as and when necessary to meet the levels of expenditure required for the consolidated entity to continue to progress the mineral properties in which it has an interest and to meet the consolidated entity's working capital requirements.

These conditions give rise to a material uncertainty, which may cast significant doubt over the consolidated entity's ability to continue as a going concern.

The Directors have concluded that the going concern basis of preparation of the financial statements is appropriate and any uncertainty regarding going concern is mitigated by the following:
- As at 30 June 2023, the consolidated entity had cash and cash equivalents of $1,815,943, which is sufficient to meet the ongoing corporate costs and expected project commitments for at least a six (6) month period.
- Proven ability of the consolidated entity to raise the necessary funding or settle debts via the issuance of shares, as evidenced by the raising of $2,962,250 in cash (before share issue transaction costs) from shares during the year ended 30 June 2023.
- Clara's 60,000,000 shareholding in First Tin Plc was released from escrow on 8 April 2023. The closing share price of First Tin Plc on 30 June 2023 was 7.25p, valuing Clara's shares at $8,285,714.

Based on the above, the Directors are of the opinion that at the date of signing of the financial report there are reasonable and supportable grounds to believe that the consolidated entity will be able to meet its liabilities from its assets in the ordinary course of business, for a period of not less than 12 months from the date of this financial report and has accordingly prepared the financial report on a going concern basis.

Should the consolidated entity be unable to continue as a going concern, it may be required to realise its assets and liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amount and classification of liabilities that might be required should the consolidated entity not be able to continue as a going concern.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for the revaluation of selected financial liabilities measured at fair value.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Note 1. Significant accounting policies (continued)

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 28.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Clara Resources Australia Ltd ('Company' or 'parent entity') as at 30 June 2023 and the results of all subsidiaries for the year then ended. Clara Resources Australia Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity' or the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Revenue recognition
Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue and other income
Other revenue is recognised when it is received or when the right to receive payment is established.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Non-current assets or disposal groups classified as held for sale
Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

Note 1. Significant accounting policies (continued)

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Associates
Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Joint arrangements
Under AASB 11 *Joint Arrangements* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has investments in joint ventures.

Joint ventures
Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated statement of financial position.

Equity method
Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Impairment of non-financial assets
Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Note 1. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2023. The Group does not expect that there will be a material impact of these new or amended Accounting Standards and Interpretations.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Key judgements – share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of the assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Key judgements – exploration & evaluation assets
The Group performs regular reviews on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. These reviews are based on detailed surveys and analysis of drilling results performed to reporting date.

The Directors have assessed that for the exploration and evaluation assets recognised at 30 June 2023, the facts and circumstances do not suggest that the carrying amount of an asset may exceed its recoverable amount. In considering this the Directors have had regard to the facts and circumstances that indicate a need for impairment as noted in Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*.

Key estimates – impairment of investment in associates
The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Where applicable, value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates. Refer to note 13 for details of estimates related to the impairment of the investment accounted for using the equity method.

Note 3. Operating segments

Identification of reportable operating segments
The Group has identified its operating segments based on the internal reports that are reviewed and used by the parent entity's Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The consolidated entity is managed primarily on a geographic basis that is the location of the respective areas of interest (tenements) in Australia. Operating segments are determined on the basis of financial information reported to the Board which is at the consolidated entity level.

The Group does not have any products/services it derives revenue from.

Management currently identifies the Group as having only one operating segment, being exploration for coal, nickel and other commodities in Australia. All significant operating decisions are based upon analysis of the Group as one segment. The financial results from the segment are equivalent to the financial statements of the Group as a whole.

Note 4. Other income

	Consolidated	
	2023	**2022**
	$	**$**
Other income	28,000	5,000

Other income for the year ended 30 June 2023 represents the non-refundable deposits paid to Clara Resources Australia Ltd by the former potential buyer of Ten Star Mining Pty Ltd. The potential sale was ultimately terminated with this buyer therefore the deposit was recognised as income.

Note 5. Expenses

	Consolidated	
	2023	2022
	$	$
Loss before income tax from continuing operations includes the following specific expenses:		
Finance costs		
Interest and finance charges paid/payable on borrowings	3,093	1,633
Interest and finance charges paid/payable on lease liabilities	2,089	634
Interest charges paid/payable on BAS	838	-
Finance costs expensed	6,020	2,267
Superannuation expense		
Defined contribution superannuation expense	63,771	26,912
Share-based payments expense		
Share-based payments expense	149,011	819

Note 6. Income tax

	Consolidated	
	2023	2022
	$	$
Income tax expense		
Income tax expense is attributable to:		
Loss from continuing operations	60,065	(9,433,962)
Profit from discontinued operations	-	9,433,962
Aggregate income tax expense	60,065	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax (expense)/benefit from continuing operations	(10,060,739)	(22,339,728)
Profit before income tax expense from discontinued operations	-	26,537,584
	(10,060,739)	4,197,856
Tax at the statutory tax rate of 30%	(3,018,222)	1,259,357
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Other	-	3,386
	(3,018,222)	1,262,743
Derecognition of tax losses	3,035,760	(3,278,495)
Impact of change in tax rate	-	1,977,729
Tax adjustments in respect of disposal of Taronga Mines Pty Ltd	-	50,961
Prior year over/(under)	-	(12,938)
Permanent differences	42,527	-
Income tax expense	60,065	-

Note 6. Income tax (continued)

	Opening balance $	Net charged to income $	Net charged to equity $	Closing balance $
30 June 2023				
Recognised deferred tax assets				
Unused tax losses	4,684,301	(2,393,868)	-	2,290,433
Deductable temporary differences	123,545	(14,624)	-	108,921
Capital raising costs in equity	65,041	(38,746)	60,065	86,360
Lease liabilities	15,923	(15,923)	-	-
	4,888,810	(2,463,161)	60,065	2,485,714
Recognised deferred tax liabilities				
Leased assets	(16,653)	16,653	-	-
Financial assets at fair value through profit and loss	(4,872,157)	2,386,443	-	(2,485,714)
	(4,888,810)	2,403,096	-	(2,485,714)
Net deferred tax recognised	-	(60,065)	60,065	-

Deferred tax

	Opening balance $	Net charged to income $	Net charged to equity $	Closing balance $
30 June 2022				
Recognised deferred tax assets				
Unused tax losses	2,623,935	2,060,366	-	4,684,301
Deductable temporary differences	90,352	33,193	-	123,545
Capital raising costs in equity	81,766	(16,725)	-	65,041
Convertible note	186,705	(186,705)	-	-
Lease liabilities	16,363	(440)	-	15,923
	2,999,121	1,889,689	-	4,888,810
Recognised deferred tax liabilities				
Exploration and evaluation assets	(2,982,238)	2,982,238	-	-
Leased assets	(16,883)	230	-	(16,653)
Financial assets at fair value through profit and loss	-	(4,872,157)	-	(4,872,157)
	(2,999,121)	(1,889,689)	-	(4,888,810)
Net deferred tax recognised	-	-	-	-

The following is the potential benefit of the unrecognised deferred tax assets:

	Consolidated 2023 $	 2022 $
Unrecognised tax losses	24,067,552	15,298,912
Unrecognised capital losses	122,249	122,249
CGT assets	16,157	16,157
	24,205,958	15,437,318
Potential tax benefit @ 30%	7,261,787	3,859,329

Accounting policy for income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Note 6. Income tax (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Clara Resources Australia Ltd and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. Clara Resources Australia Ltd is responsible for recognising the current tax assets and liabilities and deferred tax assets attributable to tax losses for the tax consolidation group. The tax consolidated group have entered a tax funding agreement whereby each company in the tax consolidation group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidation group.

Note 7. Discontinued operations

Description
On 8 November 2021, the Company announced the sale of Taronga Mines Pty Ltd (the Taronga Tin Project) to First Tin Plc for total expected consideration of $35.31 million. The transaction was subject to a number of conditions precedent, including First Tin Plc listing on the London Stock Exchange. First Tin Plc listed on the London Stock Exchange on 8 April 2022, which is the date that the Sale and Purchase Agreement completed.

Under the terms of the Sale and Purchase Agreement (SPA):

- Clara received 60 million shares in First Tin Plc (First Tin). Clara has been provided with an anti-dilution mechanism whereby its share consideration will increase in the event the issue price was lowered below 30 pence so its equity percentage shareholding was maintained.
- The shares which Clara was granted in First Tin was subject to a maximum escrow period of 12 months. Under the SPA, the escrow period for some of the shares may be reduced if there is a change in control of First Tin or upon listing the First Tin shares trade at prices substantially in excess of the anticipated issue price during the escrow period.
- In addition to share consideration in First Tin, Clara received cash of A$1.35 million.
- Clara has been granted one Board seat in First Tin provided its shares in First Tin continue to represent more than 10% of the total shares in First Tin. Clara exercised its right to appoint a Director to the Board of First Tin in the year ended 30 June 2023. Nicholas Mather was appointed on 3 October 2022 as a Director of First Tin.

Consideration for the sale of the Taronga Tin Project:

- 60 million First Tin shares at an issue price of 30p = £18 million which translated to $31.5 million at the completion date.
- Cash of $1.35 million.

Note 7. Discontinued operations (continued)

Carrying amounts of assets and liabilities disposed

	Consolidated	
	2023 $	2022 $
Cash and cash equivalents	-	178
Trade and other receivables	-	7,040
Property, plant and equipment	-	1,684,176
Exploration and evaluation	-	5,950,097
Other non-current assets	-	72,765
Total assets	-	7,714,256
Borrowings	-	1,505,000
Total liabilities	-	1,505,000
Net assets	-	6,209,256

Details of the disposal

	Consolidated	
	2023 $	2022 $
Total sale consideration	-	32,796,541
Carrying amount of net assets disposed	-	(6,209,256)
Gain on disposal before income tax	-	26,587,285
Income tax expense	-	(9,433,962)
Gain on disposal after income tax	-	17,153,323

The above *gain on disposal* and c*arrying amounts of assets and liabilities disposed* for 2022 represents the disposal of Taronga Mines Pty Ltd.

Financial performance information

The following table represents the results of the discontinued operations.

Note 7. Discontinued operations (continued)

	Consolidated 2023 $	Consolidated 2022 $
Administration and consulting expense	-	(27,483)
Exploration costs written off	-	(2,000)
Depreciation and amortisation expense	-	(13,632)
Legal expenses	-	(1,892)
Other expenses	-	(214)
Other Granville operating costs	-	(4,480)
Total expenses	-	(49,701)
Loss before income tax expense	-	(49,701)
Income tax expense	-	-
Loss after income tax expense	-	(49,701)
Gain on disposal before income tax	-	26,587,285
Income tax expense	-	(9,433,962)
Gain on disposal after income tax expense	-	17,153,323
Profit after income tax expense from discontinued operations	-	17,103,622

Cash flow information

	Consolidated 2023 $	Consolidated 2022 $
Net cash from operating activities	-	152,059
Net cash from investing activities	-	1,193,770
Net cash from financing activities	-	-
Net increase in cash and cash equivalents from discontinued operations	-	1,345,829

The net cash from investing activities for the year ended 30 June 2022 includes an inflow of $1,349,822 from the sale of Taronga Mines Pty Ltd.

Accounting policy for discontinued operations
A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Note 8. Assets and liabilities of disposal groups classified as held for sale

On 19 September 2022 Clara announced the execution of a binding term sheet for the sale of the Company's wholly-owned subsidiary, Ten Star Mining Pty Ltd (Ten Star / Granville) to Spero Mining Pty Ltd. On 28 November 2022, the term sheet was amended to extend the date for settlement, and to allow the Company to seek alternative buyers providing 5 business days' notice is given to Spero to allow it to complete the sale. In March 2023, Spero subsequently waived their pre-emptive right to acquire Ten Star and the term sheet was terminated as an alternative buyer was found.

On 19 May 2023 Clara announced the execution of a Share Sale Agreement for the sale of Ten Star to Reforme Group Pty Ltd. At the end of the year ended 30 June 2023, the parties were working to satisfy the conditions precedent in the sale agreement and the sale was not yet completed. Since 30 June 2023 the sale has failed to complete as the buyer has advised some of the sale conditions were not met. The Company has reserved its rights.

Ten Star has been classified and accounted for at 30 June 2023 as a disposal group held for sale.

Note 8. Assets and liabilities of disposal groups classified as held for sale (continued)

The fair value less costs to sell of the business will be higher than the aggregate carrying amount of the related assets and liabilities. Therefore, no impairment loss was recognised on reclassification of the assets and liabilities as held for sale and as at 30 June 2023. The major classes of assets and liabilities of Ten Star at the end of the reporting period are as follows:

	Consolidated	
	2023	**2022**
	$	**$**
Current assets		
Cash and cash equivalents	1,248	-
GST receivable	3,163	-
Property, plant and equipment	86,626	-
Security deposits	643,000	-
	734,037	-

	Consolidated	
	2023	**2022**
	$	**$**
Current liabilities		
Trade payables	5,027	-
Provision for rehabilitation	628,335	-
	633,362	-

Note 9. Cash and cash equivalents

	Consolidated	
	2023	**2022**
	$	**$**
Current assets		
Cash at bank	1,815,943	674,697

Reconciliation to cash and cash equivalents at the end of the financial year
The above figures are reconciled to cash and cash equivalents at the end of the financial year as shown in the statement of cash flows as follows:

Balances as above	1,815,943	674,697
Cash and cash equivalents - classified as held for sale (note 8)	1,248	-
Balance as per statement of cash flows	1,817,191	674,697

Accounting policy for cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 10. Trade and other receivables

	Consolidated	
	2023 $	2022 $
Current assets		
GST receivable	159,327	49,752

Accounting policy for trade and other receivables
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Note 11. Inventories

	Consolidated	
	2023 $	2022 $
Current assets		
Ore stockpiles	-	243,987
Tin in tailings	-	1,063,146
Provision for impairment	-	(1,307,133)
	-	-

The Group undertook a strategic review of Granville in September 2019 in order to determine the most economically efficient means of extracting value from the project. Post the strategic review, it was decided to place Granville on care and maintenance until a suitable mine fleet is available and additional equipment is installed at the plant. At 30 June 2022, the Group assessed and considered it prudent to maintain the provision for impairment against the Ore stockpiles and Tin in tailings recognised in the prior periods. During the year ended 30 June 2023 the Company executed a Share Sale Agreement to sell Ten Star Mining Pty Ltd (the Granville project) to Reforme Group Pty Ltd (refer note 7) and as a result the Group assessed that there was no longer any intention to restart the exploration of Granville and all inventories have been written off.

Accounting policy for inventories
Inventories are measured at the lower of cost and net realisable value. The cost of mining stocks includes direct materials, direct labour, transportation costs and variable and fixed overhead costs relating to mining activities.

Note 12. Other assets

	Consolidated	
	2023 $	2022 $
Non-current assets		
Security deposits	92,697	735,697

During the year ended 30 June 2023, a binding term sheet was entered into for the sale of the owner of the Granville Mine site (refer note 7) and therefore security deposits of $643,000 have been reclassified as held for sale at 30 June 2023 (refer note 8).

Note 13. Investments accounted for using the equity method

	Consolidated	
	2023	**2022**
	$	**$**
Non-current assets		
Investment in First Tin Plc	8,285,714	16,240,522
Investment in Renison Coal Pty Ltd	2,694,073	2,694,073
	10,979,787	18,934,595

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

Opening carrying amount	18,934,595	2,694,073
Additions - sale and purchase agreement to acquire interest in First Tin Plc	-	31,446,541
Loss after income tax	(1,360,368)	(686,198)
Impairment of investment in First Tin Plc	(6,594,440)	(14,519,821)
Closing carrying amount	10,979,787	18,934,595

Interests in associates

Interests in associates are accounted for using the equity method of accounting. Information relating to associates that are material to the Group are set out below:

		Ownership interest	
	Principal place of business /	**2023**	**2022**
Name	**Country of incorporation**	**%**	**%**
First Tin Plc	United Kingdom	22.60%	22.60%

During the 30 June 2022 financial year, the Company entered into a Sale and Purchase Agreement ("SPA") to sell Taronga Mines Pty Ltd to First Tin Plc (First Tin). In exchange for Clara's 100% shareholding in Taronga Mines Pty Ltd, Clara received consideration of $1.35 million in cash and 60,000,000 shares in First Tin.

The SPA completed upon the date that First Tin Plc listed on the London Stock Exchange, 8 April 2022. On this date, First Tin's share issue price was 30 pence, valuing the 60 million shares held by Clara at £18 million, which translated to A$31.5 million. At 8 April 2022, Clara held 22.60% of the total shares in issue of First Tin.

An additional term of the SPA was that Clara Resources Australia Ltd would be granted one Board seat, provided its shares in First Tin continued to represent more than 10% of First Tin. Nicholas Mather, a Director of Clara, was appointed as a Director on the Board of First Tin on 16 September 2022.

The shares which Clara was granted in First Tin were released from escrow on 8 April 2023.

At 30 June 2023, management completed an assessment of the fair value of the investment in First Tin. Using the quoted market price on the London Stock Exchange, being 7.25p (2022: 15.35p), as the level 1 fair value hierarchy, management have determined that the fair value of the 60,000,000 shares held by Clara in First Tin at 30 June 2023 is £4,350,000 (2022: £9,210,000) which translates to A$8,285,714 (2022: A$16,240,522). Therefore, a provision for the impairment has been raised totalling $6,594,440 to write down the value of the investment in First Tin by this amount.

First Tin have prepared management accounts for the year ended 30 June 2023 for the purposes of this report.

Note 13. Investments accounted for using the equity method (continued)

Interests in Joint Ventures
Interests in joint ventures are accounted for using the equity method of accounting. Information relating to joint ventures that are material to the Group are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2023 %	Ownership interest 2022 %
Renison Coal Pty Ltd	Australia	40%	40%

In 2021, the Company signed legal agreements with Savannah Goldfields Ltd (Savannah) (formerly Laneway Resources Ltd) to acquire 100 percent of the Ashford Coking Coal Project (the Project) in two stages. On 19 April 2021 the Company acquired a 40% shareholding in Renison Coal Pty Ltd (the owner of the Ashford Project) (Renison) from Savannah.

On completion of Stage 1, the Company was entitled to appoint two of the five Directors of the Renison Board. For every additional 20% of Renison that it holds, the Company is entitled to appoint a further Director.

From the completion of Stage 1, Laneway has been entitled to appoint two Directors to the Company Board. For every additional 20% of the Company that it holds after that, Savannah is entitled to appoint a further Director.

The Company has an option to purchase the remaining 60% interest in Renison within three years for $7 million payable as $2 million in cash and $5 million in shares or cash at the election of the Company, plus an ongoing royalty payable to Savannah of $0.50 per tonne of coal sold from the Ashford Project. The option must be exercised before 19 April 2024. The option is subject to a number of conditions including the granting of any shareholder or third-party approval required, and the expiry, discharge or termination of the Lind Facility. Where these conditions have not been satisfied by 19 April 2024, then Savannah may require the Company to sell the Stage 1 interest back to Savannah.

On 11 October 2022, 200,000,000 ordinary shares were issued to Savannah (note 19) for nil consideration in line with a share top-up clause in the above agreement with Savannah to acquire Renison Coal Pty Ltd (the owner of the Ashford Project) from Savannah. The top-up clause indicated that the Company would issue further shares at a nil consideration to Savannah if the Company issued further shares after the date of the agreement in order for Savannah to maintain their shareholding in the Company. It has been agreed with Savannah that there is no further entitlement to top-up shares or any other issue of securities in connection with the agreement. The issue was approved by shareholders at an Extraordinary General Meeting held on 29 September 2022.

Summarised financial information for associates and joint ventures
The tables below provide summarised financial information for the Group's associates and joint ventures. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and joint ventures and not the Group's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

Note 13. Investments accounted for using the equity method (continued)

Summarised financial information

	First Tin		Renison	
	2023	**2022**	**2023**	**2022**
	$	**$**	**$**	**$**
Summarised statement of financial position				
Current assets	16,055,695	33,897,696	10	10
Non-current assets	61,813,143	42,345,652	960,143	960,143
Total assets	77,868,838	76,243,348	960,153	960,153
Current liabilities	2,615,528	683,263	-	-
Total liabilities	2,615,528	683,263	-	-
Net assets	75,253,310	75,560,085	960,153	960,153
Summarised statement of profit or loss and other comprehensive income				
Revenue	-	-	-	-
Expenses	(3,995,687)	(3,185,595)	-	-
Loss before income tax	(3,995,687)	(3,185,595)	-	-
Other comprehensive income	(2,024,735)	148,769	-	-
Total comprehensive income	(6,020,422)	(3,036,826)	-	-
Reconciliation of the Group's carrying amount				
Opening carrying amount	16,240,522	-	2,694,073	2,694,073
Share of net assets at the date of acquisition	-	5,674,255	-	-
Share of loss after income tax	(1,360,368)	(686,198)	-	-
Amount paid in excess of the net assets to acquire associate / joint venture attributed to exploration assets	-	25,772,286	-	-
Impairment of investment in associate	(6,594,440)	(14,519,821)	-	-
Closing carrying amount	8,285,714	16,240,522	2,694,073	2,694,073

The above results of First Tin for 2022 represent the period of 8 April 2022 to 30 June 2022, being the period that First Tin was an associate of Clara Resources Australia Ltd in the year ended 30 June 2022. The results of First Tin for 2023 represent the full 12 months ended 30 June 2023.

Commitments
The associate has certain obligations to expend minimum amounts on exploration in tenement areas over the term of the respective tenements. The total commitment at 30 June 2023 was $nil (2022: $260,000).

The joint venture has certain obligations to expend minimum amounts on exploration in tenement areas over the term of the respective tenements. The total commitment at 30 June 2023 was $1,178,750 (2022: $2,450,000).

Contingent liabilities
The associate had no contingent liabilities as at 30 June 2023 and 30 June 2022.

The joint venture had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Note 14. Property, plant and equipment

	Consolidated	
	2023	**2022**
	$	**$**
Non-current assets		
Freehold land and buildings - at cost	50,000	50,000
Plant and equipment - at cost	102,796	1,072,725
Less: Accumulated depreciation	(60,660)	(924,103)
	42,136	148,622
Motor vehicles - at cost	4,400	4,400
Less: Accumulated depreciation	(487)	(487)
	3,913	3,913
Right-of-use motor vehicles	-	69,032
Less: Accumulated depreciation	-	(13,520)
	-	55,512
Office equipment - at cost	2,646	2,646
Less: Accumulated depreciation	(2,646)	(2,646)
	-	-
	96,049	258,047

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Freehold land and buildings $	Plant and equipment $	Motor vehicles $	Right-of-use motor vehicles $	Total $
Balance at 1 July 2021	183,030	154,941	-	67,530	405,501
Additions	1,502,449	87,729	4,300	-	1,594,478
Disposal of Taronga Mines Pty Ltd (note 7)	(1,624,462)	(59,714)	-	-	(1,684,176)
Depreciation expense	(11,017)	(34,334)	(387)	(12,018)	(57,756)
Balance at 30 June 2022	50,000	148,622	3,913	55,512	258,047
Classified as held for sale (note 8)	-	(86,626)	-	-	(86,626)
Disposals	-	-	-	(55,512)	(55,512)
Depreciation expense	-	(19,860)	-	-	(19,860)
Balance at 30 June 2023	50,000	42,136	3,913	-	96,049

Accounting policy for property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	2.5%
Plant and equipment	20% - 30%
Motor vehicles	20%

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Note 14. Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Accounting policy for right-of-use assets
Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets arising from a lease are initially measured on a present value basis.

Note 15. Exploration and evaluation

	Consolidated	
	2023	**2022**
	$	**$**
Non-current assets		
Exploration and evaluation - at cost	5,815,934	5,821,529
Less: Impairment	(5,815,934)	(5,821,529)
	-	-

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	$
Balance at 1 July 2021	11,596,450
Expenditure during the year	177,176
Disposals - Taronga Mines Pty Ltd (note 7)	(5,950,097)
Impairment of assets*	(5,815,934)
Write off of assets	(7,595)
Balance at 30 June 2022	-
Expenditure during the year	53,594
Write off of assets	(53,594)
Balance at 30 June 2023	-

* This represents a full impairment of the carrying value of the Company's Kildanga tenements. Subject to the project review and funding, the Company may recommence exploration activities on the Kildanga project in the near future.

Accounting policy for exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

A regular review has been undertaken on each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Note 16. Trade and other payables

	Consolidated	
	2023	**2022**
	$	**$**
Current liabilities		
Trade payables	248,482	53,093
Accrued expenses	90,271	78,871
Employee entitlements	260,208	44,197
	598,961	176,161

Refer to note 21 for further information on financial instruments.

Accounting policy for trade and other payables
These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 - 60 days of recognition.

Note 17. Lease liabilities

	Consolidated	
	2023	**2022**
	$	**$**
Current liabilities		
Lease liability	-	11,174
Non-current liabilities		
Lease liability	-	41,904
	-	53,078

Refer to note 21 for further information on financial instruments.

The consolidated entity leased motor vehicles under finance leases. The leases were secured over the individual motor vehicles that the leases related to.

Accounting policy for lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 18. Provisions

	Consolidated	
	2023	2022
	$	$
Non-current liabilities		
Provision for rehabilitation	-	628,335

The Group had previously conducted an extensive review of the environmental status of the Mining Leases associated with the Granville Mine site with a view to making an assessment of the appropriate provision it should make for liabilities in respect of rehabilitation and restoration. In the course of this exercise, a detailed assessment was conducted on potential costs for future rehabilitation. Given that the Granville project was put under care and maintenance there was no change to the rehabilitation liability in 2022. During the year ended 30 June 2023, a binding term sheet was entered into for the sale of the owner of the Granville Mine site (refer note 7) and therefore the provision for the rehabilitation and restoration of the sites has been reclassified as held for sale at 30 June 2023.

Movements in provisions
Movements in the rehabilitation provision during the current financial year is set out below:

Consolidated - 2023	$
Carrying amount at the start of the year	628,335
Amounts recognised as held for sale (note 7)	(628,335)
Carrying amount at the end of the year	-

Accounting policy for provisions
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Accounting policy for employee benefits

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Note 19. Issued capital

	Consolidated			
	2023 Shares	2022 Shares	2023 $	2022 $
Ordinary shares - fully paid	187,372,035	13,766,786,867	37,090,290	34,268,194

Note 19. Issued capital (continued)

Movements in ordinary share capital

Details	**Date**	**Shares**	**Issue price**	**$**
Balance	1 July 2021	12,716,786,867		33,281,494
Placement (a)	8 April 2022	1,050,000,000	$0.0010	1,050,000
Transaction costs arising on share issues, net of tax				(63,300)
Balance	30 June 2022	13,766,786,867		34,268,194
Placement (a)	11 October 2022	250,000,000	$0.0010	250,000
Shares issued to the vendor of Renison Coal Pty Ltd (b)	11 October 2022	200,000,000	$0.0000	-
Placement (a)	14 April 2023	1,166,666,667	$0.0006	700,000
Share consolidation (c)	8 June 2023	(15,229,618,999)		-
Placement (a)	29 June 2023	33,537,500	$0.0600	2,012,250
Transaction costs arising on share issues, net of tax				(140,154)
Balance	30 June 2023	187,372,035		37,090,290

Summary of cash and non-cash movements in issued capital
Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(a) Placement
30 June 2022
On 8 April 2022, 1,050,000,000 $0.001 ordinary shares were issued pursuant to a private placement, net of share issue costs of $63,300.

30 June 2023
On 11 October 2022, 200,000,000 ordinary shares were issued to DGR Global Limited and 50,000,000 to Savannah to raise working capital at $0.001 per share. The issue was approved by shareholders at an Extraordinary General Meeting held on 29 September 2022.

On 14 April 2023, as the first tranche of a $3.5 million capital raising, 1,166,666,667 ordinary shares (pre-share consolidation) were issued to institutional, sophisticated and professional investors.

On 29 June 2023, as part of the second tranche of the capital raising, 33,537,500 ordinary shares (post-share consolidation) were issued to institutional, sophisticated and professional investors. For details of subsequent changes to the second tranche of the capital raising, refer to note 30.

(b) Shares issued to the vendor of Renison Coal Pty Ltd
On 11 October 2022, 200,000,000 ordinary shares were issued to Savannah Goldfields Ltd (Savannah) (formerly Laneway Resources Ltd) for nil consideration in line with a share top-up clause in an agreement with Savannah to acquire Renison Coal Pty Ltd (the owner of the Ashford Project) from Savannah (refer note 13). The top-up clause indicated that the Company would issue further shares at a nil consideration to Savannah if the Company issued further shares after the date of the agreement in order for Savannah to maintain their shareholding in the Company. It has been agreed with Savannah that there is no further entitlement to top-up shares or any other issue of securities in connection with the agreement. The issue was approved by shareholders at an Extraordinary General Meeting held on 29 September 2022.

(c) Share consolidation
On 8 June 2023, the securities of the Company were consolidated on a 100:1 basis. Every 100 securities were consolidated to 1 share. Prior to the consolidation there were 15,383,453,534 ordinary shares on issue, after the consolidation there are 153,834,535 ordinary shares on issue.

The share consolidation was approved by shareholders at the Extraordinary General Meeting held on 6 June 2023.

Options
As at 30 June 2023, there were 31,752,083 unissued ordinary shares of Clara under option, held as follows:

Note 19. Issued capital (continued)

Options on issue in Clara Resources Australia Ltd	Number	Exercise price	Expiry
Unquoted options	400,000	$0.20	30/06/2025
Unquoted options	7,833,333	$0.12	14/04/2026
Unquoted options	23,518,750	$0.12	29/06/2026
	31,752,083		

Share buy-back
There is no current on-market share buy-back.

Capital risk management
When managing capital, management's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure to ensure the lowest costs of capital available to the Group.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

The Group is not exposed to externally imposed capital requirements.

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The capital risk management policy remains unchanged from the 2022 Annual Report.

Accounting policy for issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Note 20. Dividends and franking credits

There were no dividends paid, recommended or declared during the current or previous financial year. There are no franking credits available to shareholders of the Company (2022: none).

Note 21. Financial instruments

Financial risk management objectives
In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note.

The Group's financial instruments consist mainly of deposits with banks, receivables, security deposits, convertible notes and payables.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set polices that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below.

Note 21. Financial instruments (continued)

Market risk

Foreign currency risk
The Group is not exposed to any significant foreign currency risk.

Price risk
The Group is not exposed to any significant price risk.

It should be noted that the investment in the associate is not included in the above analysis as it is outside the scope of Accounting Standard AASB 9 *Financial Instruments*, as it is accounted for in accordance with Accounting Standard AASB 128 *Investments in Associates and Joint Ventures*.

Interest rate risk
Interest rate risk arises principally from cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposures within acceptable parameters while optimising the return. The Group does not have any significant exposure to interest rate risk.

Credit risk
Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Group incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Group. The Group's objective is to minimise the risk of loss from credit risk exposure.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at reporting date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk is reviewed regularly by the Board. It arises from exposure to receivables as well as through deposits with financial institutions.

The Group does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Group and at reporting date.

The Group's cash at bank is wholly held with Macquarie Bank Limited and Westpac Banking Corporation.

Liquidity risk
Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet financial obligations as they fall due. The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meets its liabilities when they fall due, under both normal and stressed conditions.

Liquidity risk is reviewed regularly by the Board.

The Group manages liquidity risk by monitoring forecast cash flows and liquidity ratios such as working capital. The Group did not have any financing facilities available at the reporting date.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2023	6 months or less $	Between 6 and 12 months $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	598,961	-	-	-	598,961
Total non-derivatives	598,961	-	-	-	598,961

Note 21. Financial instruments (continued)

Consolidated - 2022	6 months or less $	Between 6 and 12 months $	Between 1 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives					
Non-interest bearing					
Trade and other payables	176,161	-	-	-	176,161
Interest-bearing					
Lease liability	5,587	5,587	41,904	-	53,078
Total non-derivatives	181,748	5,587	41,904	-	229,239

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 22. Fair value measurement

There were no assets or liabilities measured or disclosed at fair value using a three level hierarchy at 30 June 2023 and 30 June 2022. The convertible notes that were held at 30 June 2019 which were measured at fair value using level 3 inputs (unobservable inputs) were repaid in full in the year ended 30 June 2022.

Valuation techniques for fair value measurements categorised within level 2 and level 3
The fair value of the convertible notes were determined using option pricing models, which use various inputs including current market and contractual prices for underlying instruments, time to expiry, yield curves and volatility of underlying instruments.

Level 3 convertible notes
Movements in level 3 convertible notes during the current and previous financial year are set out below:

Consolidated	Convertible notes $
Balance at 1 July 2021	1,696,821
Fair value adjustment through profit or loss	(146,821)
Repayments during the period (via cash)	(1,550,000)
Balance at 30 June 2022	-
Balance at 30 June 2023	-
Total gains for the previous year included in profit or loss that relate to level 3 assets held at the end of the previous year	146,821

Accounting policy for fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Note 22. Fair value measurement (continued)

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 23. Key management personnel disclosures

Compensation
The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2023	**2022**
	$	**$**
Short-term employee benefits	621,822	500,471
Post-employment benefits	33,262	29,766
Share-based payments	146,769	819
	801,853	531,056

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by BDO Audit Pty Limited, the auditor of the Company:

	Consolidated	
	2023	**2022**
	$	**$**
Audit services - BDO Audit Pty Limited		
Audit and review of the financial statements	96,750	79,600

Note 25. Contingent assets and liabilities

Contingent assets
There are no contingent assets at 30 June 2023 and 30 June 2022.

Contingent liabilities
There are no contingent liabilities at 30 June 2023 and 30 June 2022.

Note 26. Commitments

	Consolidated	
	2023	**2022**
	$	**$**
Future Exploration Commitments		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	476,000	37,200
One to five years	339,000	148,800
	815,000	186,000

Note 26. Commitments (continued)

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These obligations may be varied from time to time and are expected to be fulfilled in the normal course of operations of the Group.

To keep tenements in good standing, work programs should meet certain minimum expenditure requirements. If the minimum expenditure requirements are not met, the Group has the option to negotiate new terms or relinquish the tenements. The Group also has the ability to meet expenditure requirements by joint venture or farm-in agreements.

For the minimum spend commitments relating to Renison Coal Pty Ltd and First Tin Plc, refer to note 13.

Note 27. Related party transactions

Parent entity
Clara Resources Australia Ltd is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Joint ventures and associates
Interests in joint ventures and associates are set out in note 13.

Key management personnel
Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated	
	2023	**2022**
	$	**$**
Payment for goods and services:		
Payments for services - DGR Global Ltd (a)	17,257	140,916
Payment for services - HopgoodGanim Lawyers (b)	91,385	44,704
Payment for rent - DGR Global Ltd (a)	24,000	3,096
Other transactions:		
Share-based payment transactions (note 33)	146,769	819

(a) The Company had a commercial arrangement with DGR Global Limited (common Directors include Nicholas Mather and Brian Moller), which ceased in January 2022, for the provision of various services, whereby DGR Global provided resources and services including the provision of its administration staff, its premises (for the purposes of conducting the Company's business operations), use of existing office furniture, equipment and stationery, together with general telephone, IT infrastructure, reception and other office facilities (Services). In consideration for the provision of the Services, the Company paid DGR Global a monthly administration fee. Additionally, DGR Global Limited has an in-house lawyer who has provided services to Clara Resources Australia Ltd and a total of $15,728 was charged as share issue costs during the year ended 30 June 2023 (2022: $28,916 legal expenses). From 17 May 2022, Clara Resources Australia Ltd rented office space from DGR Global Limited for use by the CEO, Peter Westerhuis. The monthly rental charge payable is $2,000 and the total expense in the year ended 30 June 2023 was $24,000 (2022: $3,096).

(b) Mr Brian Moller (a Director), is a partner in the Australian firm HopgoodGanim Lawyers. HopgoodGanim Lawyers provides legal services to the Group and the fees are based on normal commercial terms and conditions.

Note 27. Related party transactions (continued)

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated	
	2023	**2022**
	$	**$**
Current payables:		
Trade payables to key management personnel	28,980	13,750
Trade payables - DGR Global Ltd	4,400	3,406
Trade payables - HopgoodGanim Lawyers	37,305	1,760

The outstanding balances at each relevant period end are unsecured, interest free and settlement occurs in cash.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2023	**2022**
	$	**$**
Profit/(loss) after income tax	(10,112,698)	7,562,176
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income	(10,112,698)	7,562,176

Note 28. Parent entity information (continued)

Statement of financial position

	Parent 2023 $	Parent 2022 $
Total current assets	1,975,270	719,457
Total non-current assets	11,172,646	19,198,548
Total assets	13,147,916	19,918,005
Total current liabilities	598,961	185,557
Total non-current liabilities	-	41,904
Total liabilities	598,961	227,461
Net assets	12,548,955	19,690,544
Equity		
Issued capital	33,400,011	30,577,914
Share-based payments reserve	3,287,132	3,138,121
Accumulated losses	(24,138,188)	(14,025,491)
Total equity	12,548,955	19,690,544

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2023 and 30 June 2022.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2023 and 30 June 2022.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2023 and 30 June 2022.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1, and within the relevant notes, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures and associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 29. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Principal place of business / Country of incorporation	Ownership interest 2023 %	Ownership interest 2022 %
New England Tin Pty Ltd	Australia	100%	100%
Ten Star Mining Pty Ltd*	Australia	100%	100%

Note 29. Interests in subsidiaries (continued)

Unless otherwise stated, the subsidiaries have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests is equal to the proportion of voting rights held by the Group.

* During the year, the Company executed a Share Sale Agreement to sell Ten Star Mining Pty Ltd to Reforme Group Pty Ltd (refer note 7). The sale was not complete by 30 June 2023.

Note 30. Events after the reporting period

During the year ended 30 June 2023, Savannah Goldfields Ltd had committed to subscribe for up to 11,462,500 ordinary shares in the Company's $3,500,000 capital raising for $687,500. On 6 July 2023, the shareholder approval for their subscription expired and no funds had been received from Savannah Goldfields Pty Ltd. The total funds received from the capital raising was therefore $2,812,500.

On 11 July 2023, as the final part of the second tranche of the capital raising, 1,666,667 ordinary shares (post-share consolidation) were issued to institutional, sophisticated and professional investors, and 833,334 share options were also issued on a 1:2 basis.

Since 30 June 2023, the potential buyer of Ten Star (Reforme Group Pty Ltd) has advised that some of the sale conditions were not met and the sale has failed to complete. The Company has reserved its rights.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Note 31. Cash flow information

Reconciliation of profit/(loss) after income tax to net cash used in operating activities

	Consolidated	
	2023 $	2022 $
Profit/(loss) after income tax (expense)/benefit for the year	(10,120,804)	4,197,856
Adjustments for:		
Depreciation and amortisation	19,860	57,756
Impairment of exploration costs and investment in associate	6,648,034	20,335,755
Share-based payments	149,011	819
Write off of assets	-	7,595
Net loss/(gain) on disposal of non-current assets	1,004	(26,587,285)
Share of loss - associates	1,360,368	686,198
Movement in fair value of convertible notes	-	(146,821)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(109,575)	(33,581)
Decrease in deferred tax assets	60,065	-
Decrease in prepayments	-	453
Increase in other operating assets	(3,163)	-
Increase/(decrease) in trade and other payables	427,827	(84,305)
Net cash used in operating activities	(1,567,373)	(1,565,560)

Non-cash investing and financing activities

	Consolidated	
	2023 $	2022 $
Shares issued under employee share plan	-	20,388

Note 31. Cash flow information (continued)

Changes in liabilities arising from financing activities

Consolidated	Convertible notes $	Lease liabilities $	Other loans (other payables) $	Total $
Balance at 1 July 2021	1,696,821	65,453	287	1,762,561
Net cash from/(used in) financing activities	(1,550,000)	(12,375)	1,505,000	(57,375)
Changes through discontinued operations (note 7)	-	-	(1,505,000)	(1,505,000)
Changes in fair values	(146,821)	-	-	(146,821)
Other changes	-	-	(287)	(287)
Balance at 30 June 2022	-	53,078	-	53,078
Net cash used in financing activities	-	(48,570)	-	(48,570)
Lease written off on sale of asset	-	(4,508)	-	(4,508)
Balance at 30 June 2023	-	-	-	-

Note 32. Earnings per share

	Consolidated 2023 $	Consolidated 2022 $
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Clara Resources Australia Ltd	(10,120,804)	(12,905,766)

	Consolidated 2023 $	Consolidated 2022 $
Earnings per share for profit from discontinued operations		
Profit after income tax attributable to the owners of Clara Resources Australia Ltd	-	17,103,622

	Consolidated 2023 $	Consolidated 2022 $
Earnings per share for profit/(loss)		
Profit/(loss) after income tax attributable to the owners of Clara Resources Australia Ltd	(10,120,804)	4,197,856

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	142,396,282	129,555,540
Adjustments for calculation of diluted earnings per share:		
Performance rights over ordinary shares	-	24,109
Weighted average number of ordinary shares used in calculating diluted earnings per share	142,396,282	129,579,649

Share consolidation and impact on weighted average number of shares
On 8 June 2023, the Company completed a share consolidation at the ratio of 100 fully paid ordinary shares into 1 fully paid ordinary share (refer note 19). The weighted average number of ordinary shares for 30 June 2022 has been adjusted for the effect of the share consolidation, in accordance with AASB 133 *Earnings per share*.

Note 32. Earnings per share (continued)

(a) Basic earnings per share	**2023 Cents**	**2022 Cents**
From continuing operations attributable to the ordinary equity holders of the Company	(7.1)	(10.0)
From discontinued operation	-	13.2
Total basic earnings per share attributable to the ordinary equity holders of the Company	(7.1)	3.2

(b) Diluted earnings per share	**2023 Cents**	**2022 Cents**
From continuing operations attributable to the ordinary equity holders of the Company	(7.1)	(10.0)
From discontinued operation	-	13.2
Total diluted earnings per share attributable to the ordinary equity holders of the Company	(7.1)	3.2

Share options and performance rights are considered to be potential ordinary shares but were anti-dilutive in nature for the 30 June 2023 financial year and were not included in the calculation of diluted earnings per share. These options and performance rights could potentially dilute basic earnings per share in the future.

Accounting policy for earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Clara Resources Australia Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Note 33. Share-based payments

(a) Expense
The total expense arising from share-based payment transactions recognised during the period as part of employee benefits expense was $149,011 (2022: $819).

(b) Share options granted as compensation
Employee share option plan (ESOP)
Share options are granted to employees. The employee share option plan is designed to align participants' interests with those of shareholders by increasing the value of the Company's shares.

When a participant ceases employment after the vesting of their share options, the share options are forfeited after 90 days unless cessation of employment is due to termination for cause, whereupon they are forfeited immediately. The Company prohibits KMP from entering into arrangements to protect the value of unvested ESOP awards.

The contractual life of each option granted is generally three (3) years. There are no cash settlement alternatives.

Each option can be exercised from vesting date to expiry date for one share with the exercise price payable in cash.

The options granted during the 30 June 2022 financial year represented the options granted under the Employee Share Option Plan on 17 May 2022. These options had an exercise price of $0.002 per share (before the share consolidation on 8 June 2023) and are exercisable on or before 30 June 2025. The option holder must continue to be employed in order to exercise the options. 50% of these options will only vest if the Company's 10-day VWAP (adjusted in the event of a share consolidation or share split) is equal to or greater than $0.002 per share (before the share consolidation on 8 June 2023) and 50% of these options will only vest if the Company's 10 Day VWAP (adjusted in the event of a share consolidation or share split) is equal to or greater than $0.003 per share (before the share consolidation on 8 June 2023). At grant date, the total combined fair value of these options was $nil.

Note 33. Share-based payments (continued)

Share option-based compensation
On 14 April 2023, the Company granted 200,000,000 share options to the brokers of the share placement that took place on 14 April 2023 (refer note 19). The options were exercisable at $0.0012 (before the share consolidation noted below) within 3 years of the date of issue. The fair value of the options at grant date was $2,243.

On 8 June 2023, a share consolidation took place, consolidating every 100 options to 1 option.

On 29 June 2023, the Company granted 6,750,000 share options with an exercise price of $0.12 to key management personnel. The share options vest immediately on grant date and are exercisable on or before 29 June 2026. The share options have been granted as an incentive to drive leadership and the overall direction of the Company. The total fair value of the share options at grant date was $139,923.

The following table illustrates the number (no.) and weighted average exercise prices (WAEP) of, and movements in, share-based payment share options granted during the year:

	Number of options 2023	Weighted average exercise price 2023	Number of options 2022	Weighted average exercise price 2022
Outstanding at the beginning of the financial year	40,000,000	$0.0020	33,204,485	$0.0310
Granted	206,750,000	$0.0012	40,000,000	$0.0020
Forfeited	-	$0.0000	-	$0.0000
Exercised	-	$0.0000	-	$0.0000
Expired	-	$0.0000	(33,204,485)	$0.0310
Consolidated every 100 options to 1 option	(237,600,000)		-	
Outstanding at the end of the financial year	9,150,000	$0.1333	40,000,000	$0.0020
Exercisable at the end of the financial year	9,150,000	$0.1333	40,000,000	$0.0020

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	2023 Number	2022 Number
17/05/2022	30/06/2025	400,000	40,000,000
14/04/2023	14/04/2026	2,000,000	-
29/06/2023	29/06/2026	6,750,000	-
		9,150,000	40,000,000

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.9 years (2022: 3 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date*	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
14/04/2023	14/04/2026	$0.0650	$0.1200	84.00%	-	4.11%	$0.011
29/06/2023	29/06/2026	$0.0600	$0.1200	77.38%	-	2.78%	$0.021

* Share price is stated post-share consolidation that took place on 8 June 2023.

Note 33. Share-based payments (continued)

(c) Performance rights
30 June 2022
The Company granted performance rights to nominated employees on 17 May 2022. The performance rights shall vest upon the granting of a Mining Lease for the Company's Ashford Coal Project within 3 years. The CEO must continue to be employed in order to exercise the performance rights. The performance rights have an expiry date of 17 May 2025.

The assessed fair value at grant date of performance rights granted during the year ended 30 June 2022 was $0.001 per performance right.

Set out below are summaries of performance rights granted under the plan:

	Number of performance rights 2023	Weighted average exercise price 2023	Number of performance rights 2022	Weighted average exercise price 2022
Outstanding at the beginning of the financial year	20,000,000	$0.0000	-	$0.0000
Granted	-	$0.0000	20,000,000	$0.0000
Exercised	-	$0.0000	-	$0.0000
Expired	-	$0.0000	-	$0.0000
Consolidated every 100 rights to 1 right*	(19,800,000)		-	
	200,000		20,000,000	

* On 8 June 2023, every 100 performance rights were consolidated to 1 performance right as approved by shareholders at the Extraordinary General Meeting held on 6 June 2023.

Set out below are the performance rights at the end of the financial year:

Grant date	Expiry date	2023 Number	2022 Number
17/05/2022	17/05/2025	200,000	20,000,000

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.88 years (2022:2.88 years).

Accounting policy for share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

Note 33. Share-based payments (continued)

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Clara Resources Australia Ltd
(Formerly known as Aus Tin Mining Limited)
Directors' declaration
30 June 2023

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Brian Moller
Non-executive Director

21 September 2023

Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Clara Resources Australia Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Clara Resources Australia Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Investment in Associate

Key audit matter	How the matter was addressed in our audit
Refer to note 13 of the financial report. The group has a 22.6% interest in First Tin Plc. The carrying amount of the investment in associate is a key audit matter due to: • the significance of the total balance; and • determination of whether impairment exists at 30 June 2023	Our audit procedures included, but were not limited to: • Evaluating management's assessment of whether significant influence existed; • Agreeing the Group's share of associate losses to the audited financial reports of the Associates; • Reviewing management's assessment of the fair value of the investments by reference to quoted share prices in active markets, and that all gain and losses have been treated appropriately; and • Reviewing the adequacy of the disclosures of the investments.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 13 to 19 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Clara Resources Australia Ltd, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Tim Kendall

T J Kendall
Director

Brisbane, 21 September 2023

The shareholder information set out below was applicable as at 21 August 2023.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Unlisted options over ordinary shares		Unlisted performance rights over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total options issued	Number of holders	% of total performance rights issued
1 to 1,000	124	4.14	-	-	-	-
1,001 to 5,000	801	26.74	-	-	-	-
5,001 to 10,000	690	23.03	1	0.02	-	-
10,001 to 100,000	830	27.70	1	0.26	-	-
100,001 and over	551	18.39	29	99.72	1	100.00
	2,996	100.00	31	100.00	1	100.00
Holding less than a marketable parcel	2,301	76.80	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Savannah Goldfields Limited	27,933,574	14.78
DGR Global Limited	23,851,041	12.62
BNP Paribas Nominees Pty Ltd - IB Au Noms Retailclient Drp	15,339,474	8.11
BNP Paribas Noms Pty Limited- DRP	11,036,732	5.84
Mr Anant Shivram Hegde	6,800,000	3.60
Mr Sheng Qi Yu	6,500,000	3.44
HSBC Custody Nominees	3,388,361	1.79
Palm Beach Nominees Pty Ltd	2,500,001	1.32
BNP Paribas Noms (NZ) Ltd	2,500,000	1.32
Mr Stephen Disco Hempton	2,316,667	1.23
A.C.N. 604 719 520 Pty Limited - The Ballotta A/C	2,300,000	1.22
Ms Chunyan Niu	2,073,500	1.10
Ms Philippa Cameron Cummins	2,010,108	1.06
Osiris Capital Investments Pty Ltd	1,999,445	1.06
Mr David Grundmann & Mrs Michelle Grundmann	1,500,000	0.79
Samuel Holdings Pty Ltd - Discretionary A/C	1,346,964	0.71
Superhero Securities Limited - Client A/C	1,321,081	0.70
BAM Opportunities Fund Pty Ltd	1,300,000	0.69
Citicorp Nominees Pty Limited	1,218,069	0.64
Ms Kia Boon Tay	1,169,074	0.62
	118,404,091	62.64

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	32,585,417	31
Performance rights over ordinary shares issued	200,000	1

The following entities hold 20% or more of unquoted equity securities:

Name	Class	Number held
Peter Westerhuis	Performance rights expiring 17 May 2025	200,000

Substantial holders
Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
Savannah Goldfields Limited	27,933,574	14.78
DGR Global Limited	23,851,041	12.62
BNP Paribas Nominees Pty Ltd - IB Au Noms Retailclient Drp	15,339,474	8.11
BNP Paribas Nominees Pty Ltd - DRP	11,036,732	5.84

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Tenements
As at the date of this report, the Company has an interest in the following tenements.

Tenement	*Holder*	*% Interest*	*Expiry date*	*Term*
EPM 19366 - Kildanga	Clara Resources Australia Ltd	100	09/08/2025	3 years
EL 6234	Clara Resources Australia Ltd	40	19/04/2026	8 years
EL 6428	Clara Resources Australia Ltd	40	07/06/2025	3 years
2M/2018	Ten Star Mining Pty Ltd	100	05/03/2027	5 years
32M/1988	Ten Star Mining Pty Ltd	100	01/11/2024	6 years
EL - E9/2019	Ten Star Mining Pty Ltd	100	11/06/2026	7 years