


**ABN 84 122 957 322**

# Annual Report - 30 June 2025

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**Clara Resources Australia Ltd**
**Corporate directory**
**30 June 2025**

| | |
|---|---|
| Directors | Richard Willson - Non-executive Chairman<br>Alex Fitzgerald - Non-executive Director<br>Peter Westerhuis – Managing Director |
| Company secretary | Peter Harding-Smith |
| Registered office and principal place of business | Level 12<br>10 Market Street<br>Brisbane<br>QLD 4000<br>Phone: 0451 976 285 |
| Share register | MUFG<br>10 Eagle Street<br>Brisbane<br>QLD 4000<br>Phone: 1300 554 474 |
| Auditor | BDO Audit Pty Ltd<br>Level 10<br>12 Creek Street<br>Brisbane<br>QLD 4000 |
| Solicitors | HWLE Lawyers<br>Level 19, 490 Queen Street<br>Brisbane<br>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 |

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**Clara Resources Australia Ltd**
**Directors' report**
**30 June 2025**

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 2025.

**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:

*Current*:
Richard Willson – Non-executive Chairman (11 October 2024), Non-executive Director (18 January 2013)
Alex Fitzgerald - Non-executive Director (Appointed 19 December 2024)
Peter Westerhuis – Managing Director (Appointed 11 October 2024)
Nicholas Mather - Non-executive Director (Resigned 11/03/2025)
Brian Moller - Non-executive Chairman (Resigned 8/03/2025)

**Principal activities**
During the year the principal activities of the Group involved exploration for coal, nickel and other commodities.

**Competent Persons Statement**
The information in this report that relates to Exploration Results is based on information compiled by Mr Rick Walker, who is a Member of the Australasian Institute of Mining and Metallurgy (# 112568). Mr Walker is Exploration Manager at Clara. He has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity he is undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Walker has 20 years' experience in exploration and mining. This public report is issued with the prior written consent of Mr Walker as to the form and context in which it appears. Apart from his employment Mr Walker does not have any other direct or indirect financial interest in, or in association with Clara, the properties and tenements reviewed in this statement.

**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 $3,400,742 (30 June 2024: $5,302,036).

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

Ashford Coking Coal Project
On 16 July 2024 the Company announced completion of the acquisition of Renison Coal Pty Ltd. The Company now owns 100% of Renison Coal Pty Ltd and is the sole owner of the Ashford Coking Coal Project.

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.

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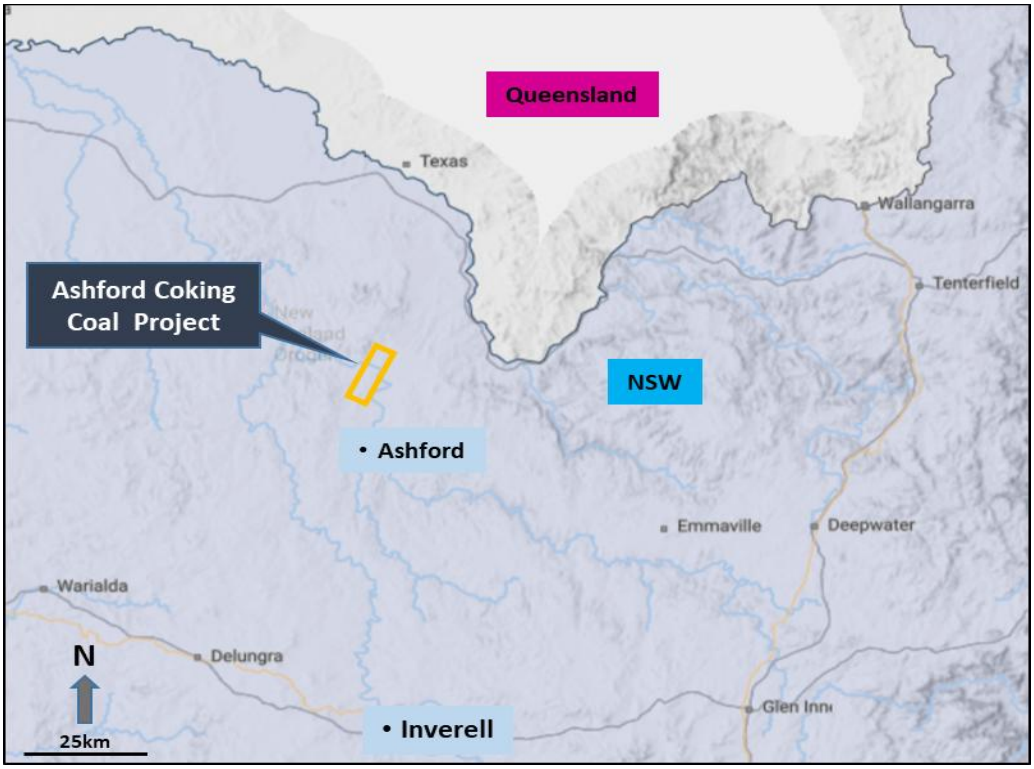



Figure 1 - Project location

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. The rail line is built and operational to North Star, just south of the Queensland border, providing an efficient rail connection 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. A suitable train loading site has been identified near North Star.

- 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.

Ashford Scoping Study

In 2024 the Company released the Ashford Scoping Study, identifying an economic development pathway for open-pit mining of the Ashford resource, potentially delivering a technically robust, economic operation providing coking coal into seaborne markets. The Company engaged independent specialists to conduct the concept level technical and commercial work for the specific project segments.

The mine is projected to have a life of 12 years, averaging 1Mtpa ROM for processing into a strongly saleable product for supply into Asian coal markets.

Ashford Access Agreements

The Company is progressing preparation of the Environmental Impact Study (EIS). A critical piece of the EIS is to undertake the 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. These agreements are all in place.

The Company is also preparing to undertake an additional drilling program at Ashford, the results of which will allow the Company to progress the Project to pre-feasibility stage (PFS). The drilling program results will expand on important technical details:

- Calculation of an increased 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.

- Refinement of mine sequencing and plans.

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- Enhancement of cost assumptions and financial models.

Progression of the EIS and PFS are priority matters; the speed at which these can be undertaken dependent on funding.

Kildanga Project

Clara is 100% owner of the KIldanga Ni & Co Project, the tenement consisting of 4 distinct areas in the Kilkivan (Qld) area. The SW section has been targeted in multiple exploration programs, creating an extensive database. Exploration programs undertaken over 2018 & 2019 showed some encouraging, close to surface intersections of Ni & Co. The ore is considered suitable for crushing, milling and flotation to produce concentrate.

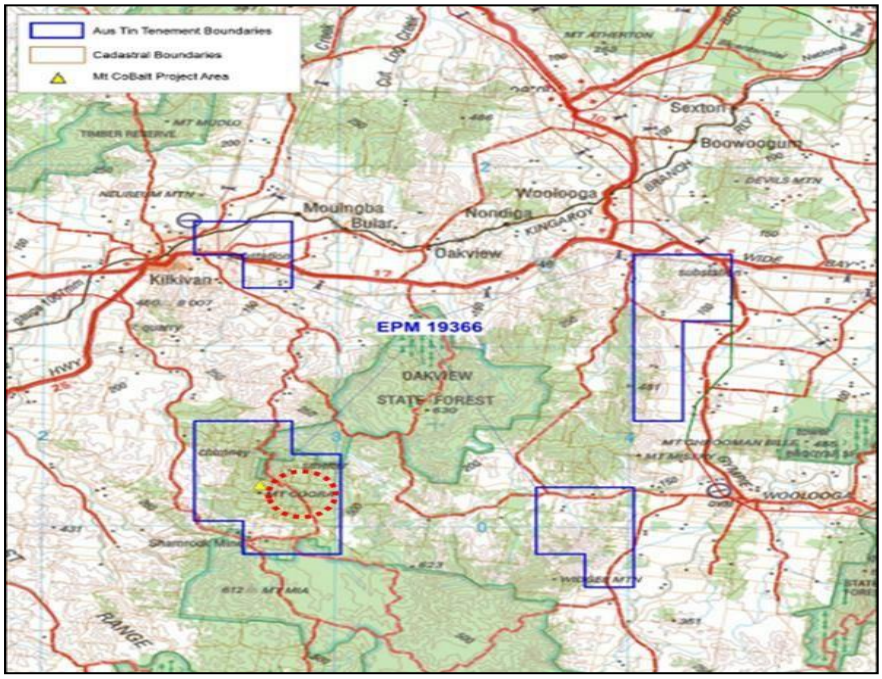



Figure 2 - Kildanga EPM1366

During the year the Company received some unsolicited interest concerning the Kildanga Project. In response the Board commenced a strategic review of the project, aimed at maximising shareholder value in moving forward with its Ashford Coking Coal project. The strategic review will consider various potential outcomes, including divestment, joint ventures, or other partnership opportunities. This review will not affect Clara's ongoing operational activities or exploration programs outside the Kildanga Project, which will continue as planned.

Kildanga Project Highlights

- Strategically Located: Approximately 50 km west of Gympie in mining-friendly southeast Queensland, with excellent access via the Wide Bay Highway and proximity to Brisbane and Bundaberg export ports.
- Polymetallic Potential: Multi-commodity project (Ni-Co-Cu-Au) within the historically significant North D'Aguilar Belt, known for high-grade mineral occurrences.
- Historic and Recent Exploration Success: Includes significant historic workings, such as the Mt Clara prospect (7.3% Cu, 1,450 g/t Ag) and Mt Cobalt (surface grades up to 1.93% Co). Modern exploration has confirmed near-surface mineralisation and indicators of a deeper, extensive magmatic system.
- Near-Term Potential: The Mt Cobalt prospect features high-grade cobalt and nickel intercepts, including drill intersections of 7 m @ 0.84% Co and 0.83% Ni, highlighting near-term economic potential.
- Secure Tenure and Robust Infrastructure: Tenement (EPM 19366) covering ~76 km²; supported by established infrastructure, skilled workforce availability, and a Native Title agreement with the Kabi Kabi First Nation group in place.
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The Company advises that no definitive decisions have been made regarding any potential transactions, and shareholders should note there is no guarantee a transaction will eventuate.

The Company continues to compile historical geological data extending to all exploration permit areas to create a regional reconciliation. The work includes establishing regional borehole and geochemical databases, completing a geophysical review and creating a new geological model. This will be used to determine the work needed, including costed additional exploration, to identify a mineralized resource of sufficient size from which a conceptual economic mine plan may be developed.

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**Significant changes in the state of affairs**

On 12 July 2024, the Company sold its 60,000,000 shareholding in First Tin for £0.04 per share, raising £2,400,000 (AUD$4,293,033) to fund the Renison acquisition, repayment of debts and general working capital (refer note 11).

On 16 July 2024, the Company completed the purchase of the remaining 60% of the ordinary shares in Renison Coal Pty Ltd. With reference to AASB 3 Business combinations, it has been determined that the acquisition of Renison Coal Pty Ltd is not a business combination and will be accounted for as an asset acquisition. The total consideration of $4,564,664 has been attributed to the 2 exploration licences held by Renison Coal Pty Ltd. Refer note 17 for more details.

On 28 August 2024, the Company issued 50,000,000 ordinary shares for $0.012 per share to raise $600,000. The funds raised were used to repay debts and budgeted expenditure for the Ashford coking coal project (refer to note 16).

On 20 September 2024, the Company announced a rights issue of 2 new shares for every 3 shares held at $0.01 per share, to raise funds to advance the Ashford Coking Coal Project and to repay debts. The rights issue was partially underwritten up to $285,000. The rights issue resulted in a total of 23,707,447 shares issued on 1 November 2024, raising $237,074 (refer note 16).

On 17 December 2024, the Company issued 7,651,400 ordinary shares for $0.010 per share (refer note 16), as a result of the sub underwriting agreement with Peter Westerhuis and Alex Fitzgerald relating to the 20 September 2024 rights issue.

In September 2024, the Company entered an option agreement with the owners of pastoral property Strathnairn. This 147Ha grazing and cropping property is located immediately adjacent to EL6234, the development of the Ashford coking coal Project.

The option agreement is for 5 years and includes a call option which can be exercised by the Company at any time, and a put option which can be exercised by the landowner once the Company has obtained all mining leases, including over Strathnairn, the environmental consent to operate the Ashford mine, and mine construction has commenced.

The agreement requires the Company to pay the landowner an annual option fee of $60,000. The purchase price, should the option be exercised, is $1.4m escalating at 3.5% per annum over the 5-year option period. The Company will commence the process to obtain an ancillary services mining lease over the Strathnairn property.

During the year ended 31 June 2025, the Company announced a share placement and a 1 for 1 pro-rata Accelerated Non-Renounceable Entitlement Offer ("ANREO") of new shares at an offer price of $0.006 per share. The ANREO was conducted through two phases, with the first phase and the share placement resulting in the Company issuing 163,584,738 ordinary shares for $981,508 on 30 December 2024. On the 20 January 2025, the Company issued a further 31,666,668 ordinary shares for $190,000 being delayed share placements. On the 14 February 2025, the Company issued 12,250,346 ordinary shares for $73,502 being the close out of the retail component of the entitlement offer.

On 3 April 2025, after obtaining shareholder approval at a General Meeting on the 11 March 2025, the Company issued 9,201,085 ordinary shares to Peter Westerhuis in lieu of salary and 13,403,555 ordinary shares to the Board under the ANREO shortfall. Both issues were done at $0.006 cents per share.

In June 2025, the Company announced a two tranche placement, raising $600,000. The first tranche settled on 20 June 2025, issuing 76,666,667 ordinary shares and raising $230,000. The second tranche of shares where subject to approval at a General Meeting, which was held on the 5 August 2025. Shareholder approval was obtained and a further 123,333,333 ordinary shares were issued, raising $370,000, refer Note 16

<u>Director Loans</u>

On 30th May 2024 Clara announced the establishment of a short-term A$1.1m Bridging Loan to allow for payment obligations to Savannah Goldfields Ltd pursuant to Clara's purchase of the remaining 60% of the NSW based Ashford Coal Project, a transaction that was completed on 17th July 2024. Using proceeds from the capital raises (see above), all external party principal and capitalised interest amounts were repaid in cash or equity conversion. Loan extension variation agreements were made with Directors Willson, Fitzgerald and Westerhuis, on 1 January 2025 to extend the term of their loans, on the following terms.

| | |
|---|---|
| Loan Amounts | Richard Willson $110,376<br>Alex Fitzgerald $96,901<br>Peter Westerhuis $87,654 |
| Term | 12 months |
| Interest | 12% p/a, paid monthly |

The loans were further varied on 1 July 2025, refer Note 15.

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**

- On 5 August 2025, the Company held a General Meeting obtaining approval to issue the second Tranche of the $600,000 placement. A further 123,333,333 ordinary shares were issued raising a further $370,000. At the same meeting shareholder approval was obtained to issue 31,690,777 shares to settle outstanding remuneration and fees totalling $95,072. These shares were issued at $0.003 cps.
- On 1 July 2025, the related party loans were further varied, with the interest rate increasing to 15% and the maturity extended to 1 January 2027.
- In September 2025, the Company signed an agreement to sale the Land held for sale for $230,000 before costs, with settlement due in early October 2025.

No other matter or circumstance has arisen since 30 June 2025 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's main focus is the Ashford Coking Coal Project. For more information, refer to the review of operations above.

**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.

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| 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).<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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.<br><br>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 2025. The consolidated entity considers the following matters to be relevant to this conclusion:

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(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: | **Richard Willson** (appointed 18 January 2013, Chairman 11 October 2024) |
| Title: | Non-Executive Director |
| Qualifications: | BAc, FCPA, FAICD |
| Experience and expertise: | Richard is an experienced Non-Executive Director, Company Secretary and Chief Financial Officer with more than 20 years' experience predominantly with ASX listed companies within the mining, technology and agricultural sectors. Richard is a Non-Executive Director of Unity Housing Company Ltd, MedTEC Holdings Ltd; and Amplify Equity Solutions Pty Ltd, and is Company Secretary of a number of ASX listed Companies. |
| Other current directorships: | Nil |
| Former directorships (last 3 years): | Titomic Limited (from 17 May 2017 to 1 July 2025)<br>Orpheus Uranium Limited (from 25 October 2023 to 1 July 2025)<br>8IP Emerging Companies Limited (from 1 April 2021 to 11 May 2022)<br>PNX Metals Limited (from 18 June 2021 to 11 April 2023)<br>Thomson Resources Limited (from 31 July 2019 to 13 October 2023) |
| Special responsibilities: | None |
| Interests in shares: | 9,579,824 |
| Interests in options: | 750,000 |

| | |
|---|---|
| Name: | **Alex Fitzgerald** (appointed 19 December 2024) |
| Title: | Non-Executive Director |
| Qualifications: | BComm Finance |
| Experience and expertise: | Alex has a deep understanding of the funds management industry, having been in the funds management role for 3 years, and having worked for the Myer Family office and Yarranabbe Capital. Alex is focused on deep value investing across debt and equity securities and M&A transactions within the Australian and New Zealand Markets. |
| Other current directorships: | None |
| Former directorships (last 3 years): | None |
| Special responsibilities: | None |
| Interests in shares: | 61,531,561 |
| Interests in options: | Nil |

| | |
|---|---|
| Name: | **Peter Westerhuis** (appointed 11 October 2024) |
| Title: | Managing Director |
| Qualifications: | B.Eng (Mech), MBA |
| Experience and expertise: | Peter is a professional engineer with post-graduate business qualifications and over 30 years of Australian and international resources experience in the iron ore, gold and coal industries; the last 17 years at CEO and MD level. He has successfully developed and managed large mining and processing operations including overseeing the transition from explorer to producer, and has undertaken many complex commercial negotiations. |
| Other current directorships: | Bathurst Resources Limited (since April 2015) |
| Former directorships (last 3 years): | None |
| Special responsibilities: | Chief Executive Officer |
| Interests in shares: | 48,423,101 |
| Interests in options: | 3,500,000 |

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|---|---|
| Name: | **Brian Moller** (appointed 1 December 2006, resigned 8 March 2024) |
| Title: | Non-Executive Director |
| Qualifications: | LLB (Hons) |
| Experience and expertise: | Brian Moller is a consultant with the Brisbane based law firm HopgoodGanim Lawyers. He was admitted as a solicitor in 1981 and retired as a partner at 30 June 2024. He practices almost exclusively in the corporate area with an emphasis on capital raising, mergers and acquisitions.<br><br>Brian holds an LLB Hons from the University of Queensland and is a member of the Australian Mining and Petroleum Law Association.<br><br>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)<br>Platina Resources Limited (since 30 January 2007)<br>NewPeak Metals Limited (formerly Dark Horse Resources Limited) (since 22 January 2003)<br>Tempest Minerals Limited (formerly Lithium Consolidated Mineral Exploration Limited) (since 13 October 2016)<br>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)<br>Lole Mining Limited (from February 2022 to 17 June 2024) |
| Special responsibilities: | None |
| Interests in shares: | 3,381,593 |
| Interests in options: | - |

| | |
|---|---|
| Name: | **Nicholas Mather** (appointed 22 December 2006, resigned 11 March 2025) |
| 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, corporate development and marketing. Nick has been involved in the junior resource sector at all levels for more than 35 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.<br><br>With particular reference to Clara Resources Australia Ltd, Nick was instrumental in the formation of the Company and the generation of its investment in the Taronga Tin project which was recently sold via the Company's holding in First Tin plc. Nick was also instrumental as a founding shareholder in successful coal exploration companies Northern Energy Ltd and Waratah Coal Inc and brings considerable coal exploration to experience to Clara Resources Australia Ltd. |
| Other current directorships: | DGR Global Limited (since 26 October 2001)<br>Armour Energy Limited (since 18 December 2009)<br>Lakes Blue Energy NL (formerly Lakes Oil NL) (since 7 February 2012)<br>SolGold plc, which is dual-listed on the London Stock Exchange and the Toronto Stock Exchange (since 11 May 2005) |
| Former directorships (last 3 years): | NewPeak Metals Limited (formerly Dark Horse Resources Limited) (until 28 November 2023)<br>First Tin Plc (from 3 October 2022 to 30 June 2024) |
| Special responsibilities: | None |
| Interests in shares: | 2,121,791 |
| Interests in options: | - |

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

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'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**
Peter Harding-Smith was appointed Company Secretary on 1 December 2024. Peter is a Chartered Accountant and has 30 years of extensive Board, company secretarial and corporate finance experience, predominantly within the mining and resources industry. Peter also acts as the Company Secretary for ASX-listed Litchfield Resources Limited, and Greenvale Energy Limited.

Prior to Peter, John Haley was the Company Secretary through to 30 November 2024.

**Meetings of directors**
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2025, and the number of meetings attended by each director were:

| | Full Board | |
|---|---|---|
| | Attended | Held |
| Richard Willson | 12 | 12 |
| Alex Fitzgerald (appointed 19 December 2024) | 5 | 12 |
| Peter Westerhuis (appointed 11 October 2024) | 8 | 12 |
| Brian Moller (resigned 8 March 2025) | 7 | 12 |
| Nicholas Mather (resigned 11 March 2025) | 7 | 12 |

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.

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*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 2025 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 2025 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 2025, the market price of the Company's ordinary shares was $0.003 per share (30 June 2024: $0.014 per share). No dividends were paid during the year ended 30 June 2025.

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 2025.

***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:
- Richard Willson (Non-executive Director appointed 18 January 2013; Non-Executive Chairman appointed 11 October 2024)
- Alex Fitzgerald (Non-executive Director appointed 19 December 2024)
- Peter Westerhuis (Managing Director appointed 11 October 2024) (Chief Executive Officer 17 May 2022)
- Brian Moller (Non-executive Chairman resigned 8 March 2025)
- Nicholas Mather (Non-executive Director resigned 11 March 2025)

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| | Short-term benefits | | Post-employment benefits | Share-based payments | |
|---|---|---|---|---|---|
| **2025** | Cash salary and fees $ | Cash bonus $ | Super-annuation $ | Equity-settled $ | Total $ |
| *Non-Executive Directors:* | | | | | |
| Richard Willson | 79,444 | - | - | - | 79,444 |
| Alex Fitzgerald | 29,497 | - | - | - | 29,497 |
| Nicholas Mather | 69,057 | - | - | - | 69,057 |
| Brian Moller | 42,854 | - | - | - | 42,854 |
| *Executive Directors:* | | | | | |
| Peter Westerhuis | 247,467 | - | 33,898 | - | 281,365 |
| *Other Key Management Personnel:* | | | | | |
| John Haley | 16,200 | - | - | - | 16,200 |
| | 468,318 | - | 33,898 | - | 502,216 |

| | Short-term benefits | | Post-employment benefits | Share-based payments | |
|---|---|---|---|---|---|
| **2024** | Cash salary and fees $ | Cash bonus $ | Super-annuation $ | Equity-settled $ | Total $ |
| *Non-Executive Directors:* | | | | | |
| Brian Moller | 68,000 | - | - | - | 68,000 |
| Nicholas Mather | 118,754 | - | - | - | 118,754 |
| Richard Willson | 71,155 | - | 2,921 | - | 74,076 |
| Brad Gordon | 8,430 | - | 927 | - | 9,357 |
| *Other Key Management Personnel:* | | | | | |
| Peter Westerhuis | 376,454 | - | 25,296 | 6,809 | 408,559 |
| John Haley | 40,100 | - | - | - | 40,100 |
| | 682,893 | - | 29,144 | 6,809 | 718,846 |

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

| | Fixed remuneration | | At risk - STI | | At risk - LTI | |
|---|---|---|---|---|---|---|
| Name | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| *Directors:* | | | | | | |
| Richard Willson | 100% | 100% | - | - | - | - |
| Alex Fitzgerald | 100% | 100% | - | - | - | - |
| Peter Westerhuis | 100% | 98% | - | - | - | 2% |
| Brian Moller | 100% | 100% | - | - | - | - |
| Nicholas Mather | 100% | 100% | - | - | - | - |
| John Haley | 100% | 100% | - | - | - | - |

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***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 Managing Director 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.

*Managing Director*
Peter Westerhuis is the Managing Director.

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) 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.<br>(b) 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 |

On 1 June 2025, Peter Westerhuis agreed to vary the terms of his service agreement with Clara, reducing to fixed remuneration by 50%. The reduction in remuneration remains in place until the funding position of the Company improves.

***Share-based compensation***
*Issue of shares*
There were shares issued to directors as part of compensation during the year ended 30 June 2025, which were approved by shareholders at General Meetings.

*Options*
**30 June 2025**
There were no options granted to key management personnel during the year ended 30 June 2025.

**30 June 2024**
There were no options granted to key management personnel during the year ended 30 June 2024.

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 |
|---|---|---|---|---|---|---|
| Richard Willson | 750,000 | 29/06/2023 | 29/06/2023 | 29/06/2026 | $0.1200 | $0.021 |
| Peter Westerhuis | 3,500,000 | 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 key management personnel as part of compensation during the year ended 30 June 2025 and 30 June 2024.

The Company granted 200,000 (post share-consolidation) performance rights to Peter Westerhuis 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 expired on 17 May 2025.

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***Additional information***

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

| | 2025 | 2024 | 2023 | 2022 | 2021 |
|---|---|---|---|---|---|
| Profit /(Loss) for the year | (3,400,742) | (5,302,036) | (10,120,804) | 4,197,856 | (1,320,215) |
| Share price at financial year end (cents) | 0.3 | 1.4 | 4.0 | 10.0 | 10.0 |
| Basic earnings per share (cents per share) | (0.9) | (2.8) | (7.1) | 3.2 | (2.1) |

***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:

| | 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 |
|---|---|---|---|---|---|
| *Ordinary shares* | | | | | |
| *Directors* | | | | | |
| Richard Willson | 536,883 | - | - | 3,591,834 | 4,128,717 |
| Alex Fitzgerald (Appointed 19 December 2024) | - | - | - | 51,531,561 | 51,531,561 |
| Peter Westerhuis (Appointed 11 October 2024) | 1,000,000 | 12,247,919 | - | 16,773,012 | 30,020,931 |
| Brian Moller (Resigned 8 March 2025) | 1,044,505 | - | - | (1,044,505) | - |
| Nicholas Mather (Resigned 11 March 2025) | 2,121,781 | - | - | (2,121,781) | - |
| | 4,703,169 | 12,247,919 | - | 68,730,121 | 85,681,209 |

* Includes the net balance of shares held on appointment/resignation, 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:

| | Balance at the start of the year | Granted as remuneration | Options exercised | Net change other* | Balance at the end of the year |
|---|---|---|---|---|---|
| *Options over ordinary shares* | | | | | |
| *Directors* | | | | | |
| Richard Willson | 750,000 | - | - | - | 750,000 |
| Peter Westerhuis (Appointed 11 October 2024) | 3,900,000 | - | - | (400,000) | 3,500,000 |
| Alex Fitzgerald (appointed 19 December2024) | - | - | - | - | - |
| Brian Moller (Resigned 8 March 2025) | 750,000 | - | - | (750,000) | - |
| Nicholas Mather (Resigned 11 March 2025) | 750,000 | - | - | (750,000) | - |
| | 6,150,000 | - | - | (1,900,000) | 4,250,000 |

* Includes the net balance of options held on appointment/resignation and the expiry of options held at the start of the period.

*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:

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| | Balance at the start of the year | Granted as remuneration | Vested | Net change Other* | Balance at the end of the year |
|---|---|---|---|---|---|
| *Performance rights over ordinary shares* | | | | | |
| *Directors* | | | | | |
| | - | - | - | - | - |
| Richard Willson | - | - | - | - | - |
| Alex Fitzgerald (appointed 19 December 2024) | - | - | - | - | - |
| Peter Westerhuis (appointed 11 October 2024) | 200,000 | - | - | (200,000) | - |
| Brian Moller (resigned 8 March 2025) | - | - | - | - | - |
| Nicholas Mather (resigned 11 March 2025) | - | - | - | - | - |
| | 200,000 | - | - | (200,000) | - |

* Includes the expiry of performance rights held at the start of the period.

*Loans to directors and their related parties*
On 28 May 2024, the Company received loans from Richard Willson, Peter Westerhuis and Alex Fitzgerald of $100,000, $150,000 and $250,000 respectively. The funds, along with other lenders, have been used to fund the acquisition of 6 ordinary shares of Renison Coal Pty Ltd and for working capital. Interest was payable at 20% of the face value to be settled on expiry by either cash or the issue of a fixed number of shares in the Company (subject to shareholder approvals). The loans were due to expire on 29 July 2024, however a rollover clause was executed allowing an extension to 31 October 2024 with 5% interest payable and the right for the loan to be converted to shares.

On 1 January 2025, the directors agreed to vary the unsecured loans, reducing the interest rate to 12% per annum and loan expiry date of 1 January 2026. On 1 July 2025 the related party loans were further modified to 15% per annum and a maturity date of 31 December 2026.

The loan balances at 30 June 2025 were $110,376, $87,654 and $96,961 respectively.

*Other transactions with key management personnel and their related parties*
Mr Brian Moller (a Director), retired as a partner in the Australian firm HopgoodGanim Lawyers. For the year ended 30 June 2025, $153,466 (2024: $148,200) 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 $72,772 (2024: $58,545).

DGR Global Limited (common Directors include Nicholas Mather and Brian Moller) has an in-house lawyer who has provided services to Clara Resources Australia Ltd and a total of $nil was charged as other expenses during the year ended 30 June 2025 (2024: $1,223 as share issue costs).

Mr Nicolas Mather is a director of Samuel Capital Pty Ltd. He provided corporate advise as a consultant for Samual Capital Pty Ltd to the Group. For the year ended 30 June 2025, $20,000 (2024: $60,000) was paid to Samuel Capital for consultancy services.

At 30 June 2025 there was $8,311 (2024: $61,875) payable to Brian Moller (Director), $nil (2024: $55,000) payable to Nicholas Mather (Director), and $84,167 (2024: $32,707) payable to Richard Wilson (Director) relating to their remuneration for the year ended 30 June 2025 and 30 June 2024.

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: | $153,466 (2024: $148,200) |
| Rent expenses: | $nil (2024: $10,000) |
| Other expenses: | $0 (2024: $1,223) |
| Finance costs: | $119,693 (2024: $36,092) |
| Share-based payments expenses: | $0 (2024: $6,809) |
| Consultancy fees: | $20,000 (2024: $60,000) |

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Statement of financial position:

*Amounts recognised as trade and other payables*
Trade payables: $165,250 (2024: $218,811)

*Amounts recognised as borrowings*
Borrowings: $294,931 (2024: $320,871)

***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 |
|---|---|---|---|
| 29/06/2023 | 29/06/2026 | $0.1200 | 31,135,418 |
| | | | 31,135,418 |

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 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 2025 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 2025 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 Ltd**
There are no officers of the Company who are former partners of BDO Audit Pty Ltd.

**Rounding of amounts**
The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with the instrument to the nearest dollar.

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**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



Richard Willson
Non-executive Chairman

30 September 2025

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**DECLARATION OF INDEPENDENCE BY R M SWABY TO THE DIRECTORS OF CLARA RESOURCES AUSTRALIA LTD**

As lead auditor of Clara Resources Australia Ltd for the year ended 30 June 2025, 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 period.

**R M Swaby**

Director

**BDO Audit Pty Ltd**

Brisbane, 30 September 2025

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**Clara Resources Australia Ltd**
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**30 June 2025**


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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.

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 12
10 Market 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 29 September 2025. The directors have the power to amend and reissue the financial statements.

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**Clara Resources Australia Ltd**
**Statement of profit or loss and other comprehensive income**
**For the year ended 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Other income** | | | |
| Share of losses of investments accounted for using the equity method | | - | (704,445) |
| Net fair value through profit or loss | | 16,139 | - |
| Interest revenue | | 305 | 19,508 |
| **Expenses** | | | |
| Consultancy fees | | (140,043) | (513,127) |
| Depreciation and amortisation expense | 12 | (37,409) | (8,640) |
| Director fees | | (216,964) | (157,237) |
| Employee benefits expense | | (489,267) | (687,464) |
| Exploration costs written off | 13 | (17,632) | (13,918) |
| Impairment - investment in associate | 11 | - | (1,974,862) |
| Legal expenses | | (189,784) | (183,807) |
| Loss on disposal of investment in an associated | 11 | (1,313,374) | (83,139) |
| Net fair value loss on investments at fair value through profit or loss | 8 | - | (239,062) |
| Other Granville operating costs | | - | (54,324) |
| Share registry, ASX and filing fees | | (172,288) | (116,262) |
| Other expenses | | (381,176) | (451,269) |
| Finance costs | 4 | (459,249) | (133,988) |
| Total expenses | | (3,417,186) | (4,617,099) |
| **Loss before income tax expense** | | (3,400,742) | (5,302,036) |
| Income tax expense | 5 | - | - |
| **Loss after income tax expense for the year attributable to the owners of Clara Resources Australia Ltd** | | (3,400,742) | (5,302,036) |
| Other comprehensive income for the year, net of tax | | - | - |
| **Total comprehensive income for the year attributable to the owners of Clara Resources Australia Ltd** | | (3,400,742) | (5,302,036) |

| | Note | 2025 Cents | 2024 Cents |
|---|---|---|---|
| Basic earnings per share | 29 | (0.9) | (2.8) |
| Diluted earnings per share | 29 | (0.9) | (2.8) |

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**Clara Resources Australia Ltd**
**Statement of financial position**
**As at 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Assets** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 6 | 110,212 | 14,796 |
| Trade and other receivables | 7 | 21,936 | 3,618 |
| Investments at fair value through profit or loss | 8 | - | 135,938 |
| Other assets | 9 | - | 1,116,500 |
| | | 132,149 | 1,270,852 |
| Assets classified as held for sale | 10 | 50,000 | - |
| Total current assets | | 182,149 | 1,270,852 |
| **Non-current assets** | | | |
| Investments accounted for using the equity method | 11 | - | 8,300,480 |
| Property, plant and equipment | 12 | - | 87,409 |
| Exploration and evaluation | 13 | 7,438,919 | 5,066 |
| Other assets | | 46,106 | 96,106 |
| Total non-current assets | | 7,485,025 | 8,489,061 |
| **Total assets** | | 7,667,173 | 9,759,913 |
| **Liabilities** | | | |
| **Current liabilities** | | | |
| Trade and other payables | 14 | 678,728 | 696,791 |
| Provisions | | 64,124 | - |
| Borrowings | 15 | 294,931 | 1,459,532 |
| Total current liabilities | | 1,037,784 | 2,156,323 |
| **Total liabilities** | | 1,037,784 | 2,156,323 |
| **Net assets** | | 6,629,389 | 7,603,590 |
| **Equity** | | | |
| Issued capital | 16 | 39,770,131 | 37,343,590 |
| Reserves | | 1,863,821 | 1,863,821 |
| Accumulated losses | | (35,004,563) | (31,603,821) |
| **Total equity** | | 6,629,389 | 7,603,590 |

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

**Clara Resources Australia Ltd**
**Statement of changes in equity**
**For the year ended 30 June 2025**

| Consolidated | Issued capital $ | Share based payment reserve $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2023 | 37,090,290 | 1,857,012 | (26,301,785) | 12,645,517 |
| Loss after income tax expense for the year | - | - | (5,302,036) | (5,302,036) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | - | (5,302,036) | (5,302,036) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 16) | 253,300 | - | - | 253,300 |
| Share-based payments (note 30) | - | 6,809 | - | 6,809 |
| Balance at 30 June 2024 | 37,343,590 | 1,863,821 | (31,603,821) | 7,603,590 |

| Consolidated | Issued capital $ | Share based payment reserve $ | Accumulated losses $ | Total equity $ |
|---|---|---|---|---|
| Balance at 1 July 2024 | 37,343,590 | 1,863,821 | (31,603,821) | 7,603,590 |
| Loss after income tax expense for the year | - | - | (3,400,742) | (3,400,742) |
| Other comprehensive income for the year, net of tax | - | - | - | - |
| Total comprehensive income for the year | - | - | (3,400,742) | (3,400,742) |
| *Transactions with owners in their capacity as owners:* | | | | |
| Contributions of equity, net of transaction costs (note 16) | 2,426,541 | - | - | 2,426,541 |
| `Balance at 30 June 2025 | 39,770,131 | 1,863,821 | (35,004,563) | 6,629,389 |

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

**Clara Resources Australia Ltd**
**Statement of cash flows**
**For the year ended 30 June 2025**

| | Note | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Payments to suppliers and employees (inclusive of GST) | | (1,434,573) | (1,906,476) |
| Interest received | | 305 | 19,508 |
| Interest and other finance costs paid | | (205,111) | (1,956) |
| Net cash used in operating activities | 28 | (1,639,379) | (1,888,924) |
| **Cash flows from investing activities** | | | |
| Payments for purchase of Renison Coal Pty Ltd | 17 | (3,448,164) | (950,000) |
| Payments for investment in Savannah Goldfields Pty Ltd | 8 | - | (375,000) |
| Proceeds from disposal of Savannah Goldfields Pty Ltd | 8 | 152,077 | - |
| Proceeds from the disposal of First Tin Pty Ltd | 11 | 4,293,033 | - |
| Payments for exploration and evaluation assets | 13 | (192,748) | (18,984) |
| Payments for security deposits | | - | (3,409) |
| Net cash proceeds from disposal of subsidiary | | - | 19,622 |
| Proceeds from return of refundable deposits | | 50,000 | - |
| Net cash from / (used in) investing activities | | 854,199 | (1,327,771) |
| **Cash flows from financing activities** | | | |
| Proceeds from issue of shares | 16 | 1,720,401 | 100,000 |
| Proceeds from borrowings | | - | 1,327,500 |
| Share issue transaction costs | | (97,686) | (13,200) |
| Repayment of borrowings | 15 | (742,120) | - |
| Net cash from financing activities | | 880,595 | 1,414,300 |
| Net increase/(decrease) in cash and cash equivalents | | 95,415 | (1,802,395) |
| Cash and cash equivalents at the beginning of the financial year | | 14,796 | 1,817,191 |
| Cash and cash equivalents at the end of the financial year | 6 | 110,212 | 14,796 |

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*The above statement of cash flows should be read in conjunction with the accompanying notes*

## Note 1. Material accounting policy information

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, 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**
The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. As disclosed in the financial statements, the Group recorded a net loss of $3,400,742, net operating cash outflows of $1,965,517. As at 30 June 2025 the Group had cash of $110,212.

In June 2025, Clara launched a two-tranche placement, settling $230,000 in June 2025 and the second tranche of $370,000 in August 2025 following a general meeting of shareholders. Clara has also sold Lot 223 MtCoora Rd, Blacksnake, and realised $230,000, before costs. These short-term funding injections will allow Clare sufficient time to work through commercial opportunities to grow the asset portfolio and secure further funding.

The ability of the Group to continue as a going concern is principally dependent upon the following conditions:
- the ability of the Group to successfully raise capital, as and when necessary;
- the ability to complete successful exploration and subsequent exploitation of the areas of interest;
- continued deferment of related party liabilities until they are able to be settled; and
- reducing its working capital expenditure as and when necessary.

The Directors have concluded that as a result of the requirement to raise funds in the future, there exists a material uncertainty that may cast significant doubt regarding 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. Nevertheless, after taking into account the Board's belief of the Company's ability to raise further capital, the directors have a reasonable expectation that the Company will have adequate resources to fund its future operational requirements and for these reasons they continue to adopt the going concern basis in preparing the financial report.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable 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.

**Comparative information**
Some of the comparative information has been reclassified for presentation purposes.

**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 26.

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**Note 1. Material accounting policy information (continued)**

**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 2025 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'.

**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 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

*AASB 18 Presentation and Disclosure in Financial Statements*
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

**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 2025, 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*.

**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.

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**Note 3. Operating segments (continued)**

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. Expenses**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Loss before income tax includes the following specific expenses: | | |
| *Finance costs* | | |
| Interest and finance charges paid/payable on borrowings and insurance premium finance | 459,249 | 133,988 |
| *Superannuation expense* | | |
| Defined contribution superannuation expense | 38,962 | 44,751 |
| *Share-based payments expense* | | |
| Share-based payments expense | - | 3,423 |

**Note 5. Income tax**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| *Income tax expense* | | |
| Current tax | - | - |
| Aggregate income tax expense | - | - |
| *Numerical reconciliation of income tax expense and tax at the statutory rate* | | |
| Loss before income tax expense | (3,400,742) | (5,302,036) |
| Tax at the statutory tax rate of 30% | (1,020,223) | (1,590,611) |
| Derecognition of tax losses | 942,229 | 1,322,027 |
| Permanent differences | 77,994 | 268,584 |
| Income tax expense | - | - |

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*Deferred tax*

| | Opening balance $ | Net charged to income $ | Net charged to equity $ | Derecognised | Closing balance $ |
|---|---|---|---|---|---|
| **30 June 2025** | | | | | |
| *Recognised deferred tax assets* | | | | | |
| Unused tax losses | 1,403,620 | 614,721 | - | (2,018,341) | - |
| Deductable temporary differences | 147,974 | (26,277) | - | (121,697) | - |
| Capital raising costs in equity | 54,313 | (33,772) | 29,306 | (49,847) | - |
| | 1,605,907 | 536,266 | 29,306 | (2,189,885) | - |
| Recognised deferred tax liabilities | | | | | |
| Exploration and evaluation assets | (1,520) | 1,520 | - | - | - |
| Financial assets at fair value through profit and loss | (1,604,387) | 1,604,387 | - | - | - |
| | (1,605,907) | 1,605,907 | - | - | - |
| Net deferred tax recognised | - | - | - | - | - |

| | Opening balance $ | Net charged to income $ | Net charged to equity $ | Closing balance $ |
|---|---|---|---|---|
| **30 June 2024** | | | | |
| *Recognised deferred tax assets* | | | | |
| Unused tax losses | 2,290,433 | (886,813) | - | 1,403,620 |
| Deductable temporary differences | 108,921 | 39,053 | - | 147,974 |
| Capital raising costs in equity | 86,360 | (32,047) | - | 54,313 |
| | 2,485,714 | (879,807) | - | 1,605,907 |
| *Recognised deferred tax liabilities* | | | | |
| Exploration and evaluation assets | - | (1,520) | - | (1,520) |
| Financial assets at fair value through profit or loss | (2,485,714) | 881,327 | - | (1,604,387) |
| | (2,485,714) | 879,807 | - | (1,605,907) |
| Net deferred tax recognised | - | - | - | - |

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

| | Consolidated 2025 $ | 2024 $ |
|---|---|---|
| Unrecognised tax losses | 38,320,745 | 35,829,988 |
| Unrecognised capital losses | 26,809,833 | 122,249 |
| CGT assets | - | 16,157 |
| | 65,130,578 | 35,968,394 |
| Potential tax benefit @ 30%* | 19,520,768 | 10,790,518 |

*the effect that the unrecognised DTA/DTL position for Clara has been shown prior to any impact of the Renison ACA calculation

*Accounting policy for income tax*

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.

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## Note 6. Cash and cash equivalents

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| Cash at bank | 110,212 | 14,796 |

## Note 7. Trade and other receivables

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| BAS receivable | 21,936 | 3,618 |

## Note 8. Investments at fair value through profit or loss

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| Investment in Savannah Goldfields Ltd - at fair value | - | 135,938 |
| *Reconciliation* | | |
| Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below: | | |
| Opening fair value | 135,938 | - |
| Addition | - | 375,000 |
| Revaluation decrements | - | (239,062) |
| Release through sale | (152,077) | - |
| Gain on revaluation increments | 16,139 | - |
| Closing fair value | - | 135,938 |

The Company subscribed for 9,375,000 Savannah shares and 4,687,500 free attaching options, in two tranches, at a total cost of $375,000, paid in full during the year ended 30 June 2024. The options expired on 30 June 2025 and were exercisable at $0.06.

The shares held in Savannah have been sold during the financial year.

## Note 9. Other assets

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current assets* | | |
| Prepayments for Renison Coal Pty Ltd acquisition* | - | 1,116,500 |
| *Non-current assets* | | |
| Security deposits | 46,106 | 96,106 |
| | 46,106 | 1,212,606 |

**Renison Coal Pty Ltd**
On 15 February 2024, the Company entered into a binding term sheet with Savannah Goldfields Ltd ("Savannah") to, amongst other elements, enter a revised Share Purchase Agreement (SPA) for the Company to acquire the remaining 60% of the ordinary shares of Renison Coal Pty Ltd (the owner of the Ashford Coking Coal Project). The SPA rescinded and replaced the previous Share Acquisition Agreement entered in April 2021. The SPA was further amended on 3 May 2024 to amend the payment schedule. Of the total consideration payable by the Company, $750,000 upfront payments and $200,000 of extension fees had been paid and the $166,500 of shares had been issued by 30 June 2024, resulting in prepayments for the acquisition of $1,116,500 at 30 June 2024.

The acquisition completed on 16 July 2024 (refer note 17). After completion of the acquisition, the Company became the 100% owner of the Ashford Coking Coal Project.

**Note 10. Assets classified as held for sale**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| *Current assets* | | |
| Freehold land and buildings - at cost | 50,000 | - |

The Company owns Lot 223 Mount Coora Road, Black Snake QLD 4600, which it acquired in 2015 for $50,000. The Lot was previously disclosed as Property, plant and equipment, however is now determined to be surplus to the Company's required and as been listed for sale.

**Note 11. Investments accounted for using the equity method**

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| *Non-current assets* | | |
| Investment in First Tin Plc | - | 5,606,407 |
| Investment in Renison Coal Pty Ltd | - | 2,694,073 |
| | - | 8,300,480 |

*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 | 8,300,480 | 10,979,787 |
| Loss after income tax | - | (704,445) |
| Impairment of investment in First Tin Plc | - | (1,974,862) |
| Derecognition due to acquisition of remaining interest in Renison Coal Pty Ltd (note 17) | (2,694,073) | - |
| Disposal of investment in First Tin Plc | (5,606,407) | - |
| Closing carrying amount | - | 8,300,480 |

On 12 July 2024, the Company sold its 60,000,000 shareholding in First Tin Plc for £0.04 per share, raising £2,400,000 (AUD$4,293,033) to fund the Renison acquisition, repayment of debts and general working capital. The resulting loss on disposal was $1,313,374.

The Company previously held a 40% equity interest in Renison Coal Pty Ltd ("Renison"), which was accounted for using the equity method under AASB 128 Investments in Associates and Joint Ventures. On 16 July 2024, the Company acquired the remaining 60% shareholding in Renison, resulting in a 100% ownership in Renison and the Ashford Coking Coal Project. As the transaction was assessed to be an asset acquisition (refer note 17), the investment in joint associate was derecognised, and as a result, the carrying value of the investment in associate as at 30 June 2025 was $nil.

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## Note 12. Property, plant and equipment

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Land – at cost | - | 50,000 |
| Plant and equipment - at cost | - | 102,796 |
| Less: Accumulated depreciation | - | (69,300) |
| | - | 33,496 |
| Motor vehicles - at cost | - | 4,400 |
| Less: Accumulated depreciation | - | (487) |
| | - | 3,913 |
| Office equipment - at cost | - | 2,646 |
| Less: Accumulated depreciation | - | (2,646) |
| | - | - |
| | - | 87,409 |

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

| **Consolidated** | Land | Plant and equipment $ | Motor vehicles $ | Total $ |
|---|---|---|---|---|
| Balance at 1 July 2023 | 50,000 | 42,136 | 3,913 | 96,049 |
| Depreciation expense | | (8,640) | - | (8,640) |
| Balance at 30 June 2024 | 50,000 | 33,496 | 3,913 | 87,409 |
| Depreciation expense | | (33,496) | (3,913) | (37,409) |
| Transfer to 'held for sale' (note 10) | (50,000) | | | |
| Balance at 30 June 2025 | - | - | - | - |

*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:

| | |
|---|---|
| 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.

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## Note 13. Exploration and evaluation

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Non-current assets* | | |
| Exploration and evaluation - at cost | 13,272,485 | 5,821,000 |
| Acquisition of exploration and evaluation asset | | |
| Less: Impairment | (5,833,566) | (5,815,934) |
| | 7,438,919 | 5,066 |

*Reconciliations*
Reconciliations of the value at the beginning and end of the current financial year is set out below:

| **Consolidated** | $ |
|---|---|
| Balance at 30 June 2024 | 5,066 |
| Expenditure during the year | 192,748 |
| Additions through asset acquisition (note 17) | 7,258,737 |
| Impairment of assets* | (17,632) |
| Balance at 30 June 2025 | 7,438,919 |

* This represents a 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.

*Option to purchase land*
In September 2024, the Company entered an option agreement with the owners of pastoral property Strathnairn. This 147Ha grazing and cropping property is located immediately adjacent to EL6234, the development of the Ashford coking coal Project.

The option agreement is for 5 years and includes a call option which can be exercised by the Company at any time, and a put option which can be exercised by the landowner once the Company has obtained all mining leases, including over Strathnairn, the environmental consent to operate the Ashford mine, and mine construction has commenced.

The agreement requires the Company to pay the landowner an annual option fee of $60,000. The purchase price, should the option be exercised, is $1.4m escalating at 3.5% per annum over the 5-year option period. The Company will commence the process to obtain an ancillary services mining lease over the Strathnairn property.

*Accounting policy for exploration and evaluation assets*
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 14. Trade and other payables

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| *Current liabilities* | | |
| Trade payables | 315,233 | 372,703 |
| Accrued expenses | 56,500 | 252,500 |
| Employee entitlements | 306,996 | 70,669 |
| Other payables | - | 919 |
| | 678,729 | 696,791 |

Refer to note 19 for further information on financial instruments.

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## Note 15. Borrowings

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| *Current liabilities* | | |
| Short term loans - third parties | - | 885,161 |
| Short term loans - related parties | 294,931 | 320,871 |
| Secured: | | |
| Convertible notes at fair value through profit or loss | - | 253,500 |
| | 294,931 | 1,459,532 |

Refer to note 19 for further information on financial instruments.

*Borrowings reconciliations*
Reconciliations of the value at the beginning and end of the current financial year is set out below:

| | **Third Party Loans** | **Related Party Loans** | **Convertible Notes** | **Total** |
|---|---|---|---|---|
| | **$** | **$** | **$** | **$** |
| Balance at 30 June 2024 | 885,161 | 320,871 | 253,500 | 1,459,532 |
| Reclassification of loans | (255,257) | 255,257 | - | - |
| Capitalised interest | 139,491 | 114,647 | - | 254,138 |
| Cash repayment of borrowings | (468,620) | (20,000) | (253,500) | (742,120) |
| Non-cash (equity) repayment of borrowings | (300,775) | (375,844) | - | (676,619) |
| Balance at 30 June 2025 | - | 294,391 | - | 294,931 |

*Short term loans*
On 28 May 2024, the Company received loans from sophisticated and professional investors, including related parties, totalling $1,090,000. The funds were used to pay the initial upfront payment ($750,000) and extension fees ($200,000) relating to the asset acquisition (refer note 13) and for working capital. Interest was payable at 20% of the face value to be settled on expiry by either cash or the issue of a fixed number of shares in the Company (subject to shareholder approvals). The loans were due to expire on 29 July 2024, however a rollover clause was executed allowing an extension to 31 October 2024 with 5% interest payable per month. The loans were not repaid by the extended expiry date, therefore the loans defaulted to a penalty interest rate of 5% per month.

On 1 January 2025, the terms of the related party loans were modified, to interest rate is 12% per annum with a 12-month maturity. Subsequent to the year end, the related party loans were further modified to 15% per annum and a maturity date of 31 December 2026, refer Note 27.

*Convertible notes*
During the year ended 30 June 2024, the Company issued convertible notes to sophisticated and professional investors, including a Director and the CEO, for an aggregate of $237,500 and $16,000 accrued interest, totalling $253,500. The convertible notes were paid on 30 July 2024, plus $23,750 of interest that had accrued.

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## Note 16. Issued capital

| | Consolidated | | | |
|---|---|---|---|---|
| | 2025 Shares | 2024 Shares | 2025 $ | 2024 $ |
| Ordinary shares - fully paid | 588,270,944 | 200,138,702 | 39,770,130 | 37,343,590 |

*Movements in ordinary share capital*

| Details | Date | Shares | Issue price | $ |
|---|---|---|---|---|
| Balance | 30 June 2023 | 187,372,371 | | 37,090,290 |
| **2024** | | | | |
| Placement | 11 July 2023 | 1,666,667 | $0.0600 | 100,000 |
| Shares issued to the vendor of Renison Coal Pty Ltd | 3 May 2024 | 11,100,000 | $0.0150 | 166,500 |
| Transaction costs arising on share issues, net of tax | | | | (13,200) |
| Balance | 30 June 2024 | 200,139,038 | | 37,343,590 |
| **2025** | | | | |
| Share placement | 28 August 2024 | 50,000,000 | $0.012 | 600,000 |
| Rights issue | 1 November 2024 | 23,707,447 | $0.010 | 237,075 |
| Sub underwriting | 17 December 2024 | 7,651,400 | $0.010 | 76,514 |
| Share placement and ANREO | 30 December 2024 | 163,584,738 | $0.006 | 981,508 |
| Share placement and ANREO | 20 January 2025 | 31,666,668 | $0.006 | 190,000 |
| ANREO retail component | 14 February 2025 | 12,250,346 | $0.006 | 73,502 |
| Related parties issue | 03 April 2025 | 22,604,640 | $0.006 | 135,628 |
| Share placement | 20 June 2025 | 76,666,667 | $0.003 | 230,000 |
| Transaction costs arising on share issues, net of tax | | | | (97,686) |
| Balance | 30 June 2025 | 588,270,944 | | 39,770,131 |

*Reconciliation of share capital*

| | $ |
|---|---|
| Balance at 30 June 2024 | 37,343,590 |
| Share placements settled as cash | 1,720,401 |
| Share placements settled as debt repayments for borrowings | 676,619 |
| Share placements settled as payment for outstanding employee salaries | 55,207 |
| Share placements settled as payment for outstanding supplier debt | 72,000 |
| Transaction costs arising on share issues, net of tax | (97,686) |
| Balance at 30 June 2025 | 39,770,131 |

*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.

*30 June 2024*

- On 11 July 2023, as the final part of the second tranche of a capital raising, 1,666,667 ordinary shares were issued to institutional, sophisticated and professional investors, and 833,334 share options were also issued on a 1:2 basis.
- On 3 May 2024, as part of the consideration for the acquisition of the remaining shares in Renison Coal Pty Ltd, 11,100,000 ordinary shares were issued to Savannah. Based on the share price at grant date of $0.015 per share, the fair value of 11,100,000 shares was $166,500.

*30 June 2025*

- On 28 August 2024, the Company issued 50,000,000 ordinary shares for $0.012 per share to raise $600,000. The funds raised were used to repay debts and budgeted expenditure for the Ashford coking coal project. Raising $350,000 in cash and $178,000 in settlement of borrowings and $72,000 in settlement of outstanding supplier debt.
- On 20 September 2024, the Company announced a rights issue of 2 new shares for every 3 shares held at $0.01 per share, to raise funds to advance the Ashford Coking Coal Project and to repay debts. The rights issue was partially underwritten up to $285,000. The rights issue resulted in a total of 23,707,447 shares issued on 1 November 2024, raising $237,074.
- On 17 December 2024, the Company issued 7,651,400 ordinary shares for $0.01 per share, as a result of sub underwriting agreement with Peter Westerhuis and Alex Fitzgerald, in relation to the 20 September 2024 rights issue, totalling $76,514 in repayment of borrowings.
- During the half-year ended 31 December 2024, the Company announced a share placement and a 1 for 1 pro-rata Accelerated Non-Renounceable Entitlement Offer ("ANREO") of new shares at an offer price of $0.006 per share. The ANREO was conducted through two phases, with the first phase and the share placement resulting in the Company issuing 163,584,738 ordinary shares for $981,508 on 30 December 2024. Raising $639,825 in cash and $341,684 in repayment of borrowings.
- On 20 January 2025 there was also a further 31,666,668 shares issued for $190,000 that were delayed under the ANREO.
- On 14 February 2025 the retail component of the ANREO closed raising a further $73,502 at an offer price of $0.006, issuing a further 12,250,346 shares.
- On 3 April 2025, after obtaining shareholder approval at a General Meeting on the 11 March 2025, the Company issued 9,201,085 ordinary shares to Peter Westerhuis in lieu of salary totalling $55,207 and 13,403,555 ordinary shares to the Board under the ANREO shortfall, totalling $80,421 in repayment of borrowings. Both issues were done at $0.006 cents per share.
- On 20 June 2025, the first part of a two-tranche placement, 76,666,667 ordinary shares were issued to institutional, sophisticated and professional investors at $0.003 per share, raising $230,000.

*Options*

As at 30 June 2025, there were 31,135,418 unissued ordinary shares of Clara under option, held as follows:

| Options on issue in Clara Resources Australia Ltd | Number | Exercise price | Expiry |
|---|---|---|---|
| Unquoted options | 31,135,418 | $0.12 | 29/06/2026 |
| | 31,135,418 | | |

*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 2024 Annual Report.

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## Note 17. Asset acquisition

On 4 April 2024, the Company received shareholder approval at an EGM on that day for the acquisition agreement terms with Savannah Goldfields Ltd ("Savannah") to acquire their 60% holding in Renison Coal Pty Ltd ("Renison"), the owner of the Ashford Coking Coal Project. The acquisition completed on 16 July 2024, resulting in the Company owning 100% of the share capital in Renison. With reference to AASB 3 Business combinations, it has been determined that the acquisition of Renison Coal Pty Ltd is not a business combination and has been accounted for as an asset acquisition. As consideration for the acquisition, the following amounts, totalling $4,564,664, were paid to Savannah:

- 11,100,000 ordinary shares of Clara Resources Australia Ltd, valued at $166,500, issued on 3 May 2024,
- $750,000 upfront payment made on 30 May 2024,
- $200,000 of extension fees,
- $3,310,000 paid on 16 July 2024,
- Interest of $130,164 paid on 16 July 2024, and a late payment penalty of $8,000,
- Ongoing royalty payable to Savannah of $0.75 per tonne of coal sold from the Ashford Project.

At acquisition, the carrying value of the investment in the 4 Renison shares already owned by the Company was $2,694,073.

Details of the acquisition are as follows:

| | Fair value $ |
|---|---|
| Exploration and evaluation | 7,258,737 |
| Net fair value of assets acquired | 7,258,737 |
| Representing: | |
| Cash paid or payable to vendor | 4,398,164 |
| Clara Resources Australia Ltd shares issued to vendor (note 10) | 166,500 |
| Carrying value of existing 40% shareholding in Renison | 2,694,073 |
| | 7,258,737 |
| Cash used to acquire assets: | |
| Acquisition-date fair value of the total consideration transferred | 4,564,664 |
| Less: payments made in prior periods | (950,000) |
| Less: shares issued by Company as part of consideration in prior period | (166,500) |
| Net cash used | 3,448,164 |

## Note 18. 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 (2024: none).

## Note 19. 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, loans, convertible notes and payables.

**Note 19. Financial instruments (continued)**

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.

***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.

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**Note 19. Financial instruments (continued)**

*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 – 2025** | 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 | 678,728 | - | - | - | 678,728 |
| *Interest-bearing* | | | | | |
| Other loans | 294,931 | - | - | - | 294,931 |
| Convertible notes payable | - | - | - | - | - |
| Total non-derivatives | 973,659 | - | - | - | 973,659 |

| **Consolidated - 2024** | 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 | 696,791 | - | - | - | 696,791 |
| *Interest-bearing* | | | | | |
| Other loans | 1,308,000 | - | - | - | 1,308,000 |
| Convertible notes payable | 261,250 | - | - | - | 261,250 |
| Total non-derivatives | 2,266,041 | - | - | - | 2,266,041 |

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 20. 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** | |
|---|---|---|
| | **2025 $** | **2024 $** |
| Short-term employee benefits | 468,318 | 682,893 |
| Post-employment benefits | 33,898 | 29,144 |
| Share-based payments | - | 6,809 |
| | 502,216 | 718,846 |

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## Note 21. Remuneration of auditors

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

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| *Audit services - BDO Audit Pty Limited* | | |
| Audit and review of the financial statements | 85,305 | 104,519 |

## Note 22. Contingent assets and liabilities

*Contingent assets*
There are no contingent assets at 30 June 2025 and 30 June 2024.

*Contingent liabilities*
There are no contingent liabilities at 30 June 2025 and 30 June 2024.

## Note 23. Commitments

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| *Future Exploration Commitments* | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | 509,475 | 251,500 |
| One to five years | 350,000 | 87,500 |
| | 859,475 | 339,000 |
| *Renison Coal Pty Ltd acquisition commitments* | | |
| Committed at the reporting date but not recognised as liabilities, payable: | | |
| Within one year | - | 3,448,164 |

*Future exploration commitments*
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.

*Renison Coal Pty Ltd acquisition commitments*
The Company is also committed to an ongoing royalty payable to the vendor of the Renison Coal Pty Ltd shares (Savannah) of $0.75 per tonne of coal sold from the Ashford Project (refer note 17).

## Note 24. Related party transactions

*Parent entity*
Clara Resources Australia Ltd is the parent entity.

*Subsidiaries*
Interests in subsidiaries are set out in note 26.

*Joint ventures and associates*
Interests in joint ventures and associates are set out in note 11.

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**Note 24. Related party transactions (continued)**

*Key management personnel*
Disclosures relating to key management personnel are set out in note 21 and the remuneration report included in the directors' report.

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

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Payment for goods and services: | | |
| Purchase of services - DGR Global Ltd (a) | - | 1,223 |
| Purchase of services - HopgoodGanim Lawyers (b) | 153,466 | 148,200 |
| Payment for rent - DGR Global Ltd (a) | - | 10,000 |
| Payment of services – Samuel Capital Pty Ltd (c) | 20,000 | 60,000 |
| Payment for other expenses: | | |
| - Richard Willson | 43,530 | 10,645 |
| - Peter Westerhuis | 57,017 | 19,905 |
| - Alex Fitzgerald | 5,570 | - |
| - John Haley | 23,843 | 6,133 |
| Interest expense to key management personnel | 127,960 | 36,683 |
| Other transactions: | | |
| Share-based payment transactions (note 30) | - | 6,809 |

(a) DGR Global Limited (common Directors include Nicholas Mather and Brian Moller) has an in-house lawyer who has provided services to Clara Resources Australia Ltd and a total of $nil was charged as share issue costs during the year ended 30 June 2025 (2024: $1,223). Clara Resources Australia Ltd also rented office space from DGR Global Limited for use by the CEO, Peter Westerhuis until 31 October 2023. The monthly rental charge payable was $2,000 and the total expense in the year ended 30 June 2025 was $nil (2024: $10,000).
(b) Mr Brian Moller (a Director), retired as a partner in the Australian firm HopgoodGanim Lawyers at 30 June 2024. HopgoodGanim Lawyers provides legal services to the Group and the fees are based on normal commercial terms and conditions.
(c) Mr Nicolas Mather is a director of Samuel Capital Pty Ltd. Samuel Capital provides corporate advice consultancy services to the Group and the fees are based on normal commercial terms and conditions.

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

| | Consolidated | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Current payables: | | |
| Trade payables to key management personnel | 384,441 | 159,826 |
| Trade payables - DGR Global Ltd | - | 440 |
| Trade payables - HopgoodGanim Lawyers | 72,772 | 58,545 |
| Trade payables - Samuel Capital Pty Ltd | - | 30,000 |

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

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**Note 24. Related party transactions (continued)**

*Loans to/from related parties*
The following balances are outstanding at the reporting date in relation to loans with related parties:

| | Consolidated 2025 $ | Consolidated 2024 $ |
|---|---|---|
| Current borrowings: | | |
| - Richard Willson | 110,376 | 110,645 |
| - Peter Westerhuis | 87,654 | 165,968 |
| - Alex Fitzgerald[1] | 96,901 | - |
| - John Haley | - | 44,258 |
| Loan from key management personnel (note 15) | 294,931 | 320,871 |
| | | |
| Convertible notes issued to key management personnel | | |
| - Peter Westerhuis | - | 52,500 |
| - John Haley | - | 25,000 |

[1] The loan from Alex Fitzgerald was reclassified to a related party loan on Alex joining the Board on 19 December 2025. The loan is on the same terms and conditions as the other related party loans.

During the year there has been no additional borrowings from related parties. Movements during the year represent interest accrued, interest paid and conversion of debt/interest into equity.

**Note 25. Parent entity information**

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

*Statement of profit or loss and other comprehensive income*

| | Parent 2025 $ | Parent 2024 $ |
|---|---|---|
| Loss after income tax | (3,409,389) | (5,204,144) |
| Other comprehensive income for the year, net of tax | - | - |
| Total comprehensive income | (3,409,389) | (5,204,144) |

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**Note 25. Parent entity information (continued)**

*Statement of financial position*

| | Parent | |
|---|---|---|
| | **2025** | **2024** |
| | **$** | **$** |
| Total current assets | 178,255 | 1,270,852 |
| Total non-current assets | 7,481,602 | 8,490,391 |
| Total assets | 7,659,856 | 9,761,243 |
| Total current liabilities | 1,037,785 | 2,156,323 |
| Total non-current liabilities | - | - |
| Total liabilities | 1,037,785 | 2,156,323 |
| Net assets | 6,622,072 | 7,604,920 |
| Equity | | |
| Issued capital | 36,079,852 | 33,653,311 |
| Share-based payments reserve | 3,293,941 | 3,293,941 |
| Accumulated losses | (32,751,721) | (29,342,332) |
| Total equity | 6,622,072 | 7,604,920 |

*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 2025 and 30 June 2024.

*Contingent liabilities*
The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

*Capital commitments - Property, plant and equipment*
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

*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.

**Note 26. 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:

| | | Ownership interest | |
|---|---|---|---|
| | **Principal place of business /** | **2025** | **2024** |
| **Name** | **Country of incorporation** | **%** | **%** |
| New England Tin Pty Ltd | Australia | 100% | 100% |
| Renison Coal Pty Ltd | Australia | 100% | 40% |

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.

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## Note 27. Events after the reporting period

- On 5 August 2025, the Company held a General Meeting obtaining approval to issue the second Tranche of the $600,000 placement. A further 123,333,333 ordinary shares were issued raising a further $370,000. At the same meeting shareholder approval was obtained to issue 31,690,777 shares to settle outstanding remuneration and fees. These shares were issued at $0.003 cps.
- On 1 July 2025, the related party loans were further varied, with the interest rate increasing to 15% and the maturity extended to 1 January 2027.
- In September 2025, the Company signed an agreement to sale the Land held for sale for $230,000 before costs, with settlement due in early October 2025.

No other matter or circumstance has arisen since 30 June 2025 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 28. Cash flow information

*Reconciliation of loss after income tax to net cash used in operating activities*

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Loss after income tax expense for the year | (3,400,742) | (5,302,036) |
| Adjustments for: | | |
| Depreciation and amortisation | 37,409 | 8,640 |
| Impairment investment in associate | - | 1,974,862 |
| Share-based payments | - | 6,809 |
| Write off of exploration assets | 17,632 | 13,918 |
| Supplier debt settled with equity (non-cash) | 72,000 | - |
| Net loss on disposal of subsidiary | 1,313,374 | - |
| Net gain on sale of investment held at fair value through profit or loss | (16,139) | - |
| Net loss on disposal of non-current assets | - | 83,139 |
| Net fair value loss on investments at fair value through profit or loss | - | 239,062 |
| Share of loss - associates | - | 704,445 |
| Finance costs - non-cash | 254,138 | 132,032 |
| Change in operating assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | 36,888 | (8,000) |
| Decrease in deferred tax assets | - | - |
| Decrease/(increase) in GST receivable | (18,063) | 3,163 |
| Increase in trade and other payables | 64,124 | 255,042 |
| Net cash used in operating activities | (1,639,379) | (1,888,924) |

## Note 29. Earnings per share

| | Consolidated | |
|---|---|---|
| | 2025 | 2024 |
| | $ | $ |
| Loss after income tax attributable to the owners of Clara Resources Australia Ltd | (3,400,742) | (5,302,036) |
| | **Number** | **Number** |
| Weighted average number of ordinary shares used in calculating basic earnings per share | 369,470,126 | 190,747,628 |
| Weighted average number of ordinary shares used in calculating diluted earnings per share | 369,470,126 | 190,747,628 |

**Note 29. Earnings per share (continued)**

| | Cents | Cents |
|---|---|---|
| Basic earnings per share | (0.9) | (2.8) |
| Diluted earnings per share | (0.9) | (2.8) |

Share options and performance rights are considered to be potential ordinary shares but were anti-dilutive in nature for the 30 June 2025 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.

**Note 30. 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 $nil (2024: $6,809).

(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 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 2025 | Weighted average exercise price 2025 | Number of options 2024 | Weighted average exercise price 2024 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | 9,150,000 | $0.1235 | 9,150,000 | $0.1235 |
| Expired | (4,900,000) | $0.1250 | - | $0.0000 |
| Outstanding at the end of the financial year | 4,250,000 | $0.1200 | 9,150,000 | $0.1235 |
| Exercisable at the end of the financial year | 4,250,000 | $0.1200 | 9,150,000 | $0.1235 |

Set out below are the share-based payment options exercisable at the end of the financial year:

| Grant date | Expiry date | 2025 Number | 2024 Number |
|---|---|---|---|
| 29/06/2023 | 29/06/2026 | 4,250,000 | 9,150,000 |
| | | 4,250,000 | 9,150,000 |

The weighted average remaining contractual life of options outstanding at the end of the financial year was 0.9 years (2024: 1.9 years).

(c) Performance rights
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 expired on 17 May 2025.

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**Note 30. Share-based payments (continued)**

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

| | Number of performance rights 2025 | Weighted average exercise price 2025 | Number of performance rights 2024 | Weighted average exercise price 2024 |
|---|---|---|---|---|
| Outstanding at the beginning of the financial year | 200,000 | $0.0000 | 200,000 | $0.0000 |
| Exercised | - | $0.0000 | - | $0.0000 |
| Expired | (200,000) | $0.0000 | - | $0.0000 |
| | - | | 200,000 | |

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

| Grant date | Expiry date | 2025 Number | 2024 Number |
|---|---|---|---|
| 17/05/2022 | 17/05/2025 | - | 200,000 |

*Accounting policy for share-based payments*
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.

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**Clara Resources Australia Ltd**
**Consolidated entity disclosure statement**
**As at 30 June 2025**

*Basis of preparation*
This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001,* reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

*Determination of tax residency*
Section 295(3B)(a) of the Corporation Acts 2001 defines Australian resident as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

*(a) Australian tax residency*
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

*(b) Foreign tax residency*
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency in those foreign jurisdictions and ensure compliance with applicable foreign tax legislation.

| Entity name | Type of entity | Country of incorporation | % of share capital held | Australian Resident | Tax residency<br>Foreign jurisdiction(s) in which the entity is a resident for tax purposes (according to the law of the foreign jurisdiction) |
|---|---|---|---|---|---|
| Clara Resources Australia Ltd | Body corporate | Australia | N/A | Yes | N/A |
| New England Tin Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |
| Renison Coal Pty Ltd | Body corporate | Australia | 100% | Yes | N/A |

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**Clara Resources Australia Ltd**
**Directors' declaration**
**30 June 2025**

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 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

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



Richard Willson
Non-executive Chairman

30 September 2025

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# 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 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement 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 2025 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.

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## 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.

### Acquisition of Ashford project

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| Refer to Notes 13 and 17 of the financial report.<br><br>During the period, the group acquired the remaining 60% of Renison Coal from Savannah Goldfields Ltd. This is a key audit matter due to:<br><br>• The determination of the accounting treatment on where the acquisition constitutes a business combination under AASB 3 or is determined to be an asset acquisition.<br><br>• Determination of the total consideration; and<br><br>• Full disclosure of the transaction being required in the financial report. | Our audit procedures included, but were not limited to:<br><br>• Evaluating management's assessment of the accounting treatment of the acquisition including evaluating whether the transaction was appropriately classified under AASB 3 *Business Combinations* or as an asset acquisition;<br><br>• Reviewing the terms of purchase and value of consideration; and<br><br>• Assessing the adequacy of disclosures in the financial report in accordance with AASB 3 and AASB 137. |

### Carrying value of exploration and evaluation assets

| Key audit matter | How the matter was addressed in our audit |
|---|---|
| Refer to Note 13 in the financial report.<br><br>The Group has capitalised exploration and evaluation assets in relation to the application of the Group's accounting policy for exploration and evaluation assets.<br><br>The recoverability of exploration and evaluation assets is a key audit matter due to:<br><br>• The significance of the total balance; and<br><br>• The level of procedures undertaken to evaluate management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources* ('AASB 6') in light of any indicators of impairment that may be present. | Our procedures included, but are not limited to the following:<br><br>• Obtaining evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditure by obtaining supporting documentation such as licence agreements and also considering whether the Group maintains the tenements in good standing;<br><br>• Testing a sample of capitalised exploration expenditure during the year to ensure it meets the recognition criteria under AASB 6; |

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| Key audit matter | How the matter was addressed in our audit |
|---|---|
| | • Making enquiries of management with respect to the status of ongoing exploration programs in the respective areas of interest and assessing the Group's cash flow forecast for the level of budgeted spend on exploration projects and held discussions with management as to their intentions and strategy; and<br>• Enquiring of management, reviewing ASX announcements and reviewing directors' minutes to ensure that the Group had not decided to discontinue activities in any applicable areas of interest and to assess whether there are any other facts or circumstances that existed to indicate impairment testing was required. |

**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 2025, 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:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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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 (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.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 in pages 10 to 16 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Clara Resources Australia Ltd, for the year ended 30 June 2025, 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**

**R M Swaby**

Director

Brisbane, 30 September 2025

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**Clara Resources Australia Ltd**
**Shareholder information**
**30 June 2025**

The shareholder information set out below was applicable as at 30 June 2025.

**Distribution of equitable securities**
Analysis of number of equitable security holders by size of holding:

| | Ordinary shares | | Unlisted options over ordinary shares | |
|---|---|---|---|---|
| | Number of holders | % of total shares issued | Number of holders | % of total options issued |
| 1 to 1,000 | 516 | 0.03 | - | - |
| 1,001 to 5,000 | 676 | 0.42 | - | - |
| 5,001 to 10,000 | 545 | 0.81 | 1 | 0.03 |
| 10,001 to 100,000 | 682 | 6.82 | 1 | 0.27 |
| 100,001 and over | 203 | 91.92 | 25 | 99.70 |
| | 2,622 | 100.00 | 27 | 100.00 |
| Holding less than a marketable parcel | 2,470 | 0.062 | | |

**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 | |
|---|---|---|
| Name | Total Units | % of total shares issued |
| MR PETER FITZGERALD + MS HELEN FITZGERALD + MR ALBERT ALLOO <TAWNY TUSSOCK A/C> | 51,531,561 | 8.76 |
| TREASURY SERVICES GROUP PTY LTD <NERO RESOURCE FUND A/C> | 31,333,333 | 5.33 |
| FOSTER STOCKBROKING PTY LTD <NO 1 ACCOUNT> | 30,745,833 | 5.23 |
| MR PIER WESTERHUIS | 30,020,931 | 5.10 |
| HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED | 28,853,466 | 4.90 |
| SAVANNAH GOLDFIELDS LIMITED | 27,933,574 | 4.75 |
| DGR GLOBAL LIMITED | 23,851,041 | 4.05 |
| PALM BEACH NOMINEES PTY LIMITED | 20,100,002 | 3.42 |
| MR KENNETH JOSEPH HALL <HALL PARK A/C> | 16,666,667 | 2.83 |
| TORNADO NOMINEES PTY LTD <ANGUS MIDDLETON S/F A/C> | 16,666,667 | 2.83 |
| VIVO 09 PTY LTD | 16,666,667 | 2.83 |
| BNP PARIBAS NOMS (NZ) LTD | 12,833,334 | 2.18 |
| BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT> | 12,113,236 | 2.06 |
| MR FREDERICK BART | 11,250,000 | 1.91 |
| SAVANNAH GOLDFIELDS LIMITED | 11,100,000 | 1.89 |
| BNP PARIBAS NOMS PTY LTD | 10,854,232 | 1.85 |
| CHETAN ENTERPRISES PTY LTD <HEGDE SUPER FUND A/C> | 10,300,000 | 1.75 |
| 10 BOLIVIANOS PTY LTD | 9,533,333 | 1.62 |
| MR FREDERICK BART | 8,863,484 | 1.51 |
| MBA INVESTMENTS PTY LTD | 8,333,334 | 1.42 |
| MR ADAM NOVOTNY | 8,000,000 | 1.36 |
| CERBERUS INVESTMENTS PTY LTD | 6,891,208 | 1.17 |
| | 404,441,903 | 68.75 |

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**Clara Resources Australia Ltd**
**Shareholder information**
**30 June 2025**

*Unquoted equity securities*

| | Number on issue | Number of holders |
|---|---|---|
| Options over ordinary shares issued | 31,135,418 | 27 |

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

| Name | Class | Number held |
|---|---|---|
| Crocodile Capital Offshore Fund | Options over ordinary shares | 5,000,000 |
| BNP Paribas Noms Pty Ltd - DRP A/C | Options over ordinary shares | 5,000,000 |
| DGR Global Limited | Options over ordinary shares | 3,179,167 |
| Peter Westerhuis | Options over ordinary shares | 3,000,000 |
| HSBC Custody Nominees (Australia) Limited | Options over ordinary shares | 1,666,667 |

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

| | Ordinary shares | |
|---|---|---|
| | Number held | % of total shares issued |
| Peter Westerhuis | 30,020,931 | 5.87% |
| Mr Peter Fitzgerald + Ms Helen Fitzgerald + Mr Albert Alloo <Tawny Tussock A/C> | 61,531,561 | 8.38% |
| Foster Stockbroking Pty Ltd | 2,247,917 | 6.86% |
| Cerberus Investments Pty Ltd | 2,000,000 | 6.10% |

**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 | 09/08/2028 | 3 years |
| EL 6234 | Clara Resources Australia Ltd | 100 | 19/04/2026 | 3 years |
| EL 6428 | Clara Resources Australia Ltd | 100 | 07/06/2028 | 3 years |

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