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ASX Announcement

16 June 2025

CAPITAL RAISING AND CORPORATE UPDATE

Highlights

- Clara to raise A$600,000 via a two-tranche placement at $0.003 per share to sophisticated investors to advance the Ashford Coking Coal Project (NSW) and for general working capital.
- Tranche 1 of A$230,000 to be issued under the Company's LR7.1 placement capacity with Tranche 2 of A$370,000 subject to shareholder approval.
- Clara evaluating complementary project-level opportunities capable of adding shareholder value, enhancing its asset base and improving access to capital.

Placement Details

Clara Resources Australia Ltd (ASX: C7A) ("Clara" or "the Company") is pleased to announce that it has received firm commitments to raise approximately **A$600,000** (before costs) through a two-tranche placement of new fully paid ordinary shares at an issue price of A$0.003 (0.3 cents) per share ("Placement"). The Placement will result in the issue of approximately **200 million** new shares, representing a significant injection of capital for the Company.

Tranche 1 of the Placement will raise approximately **A$230,000** via the issue of 76,666,667 new shares at $0.003 per share. These Tranche 1 shares will be issued under the Company's existing 15 % placement capacity pursuant to ASX Listing Rule 7.1.

Tranche 2 will raise approximately **A$370,000** via the issue of 123,333,333 new shares at $0.003 per share, and will be issued subject to shareholder approval at a General Meeting of shareholders expected to be held in late July 2025. Any related party participating in the placement will be included in Tranche 2 and will be subject to shareholder approval.

Peak Asset Management acted as lead manager to the Issue, and Cerberus Advisory assisted the Company during the process. The Placement has been made to professional and sophisticated investors as defined under sections 708(8) and 708(11) of the Corporations Act 2001 (Cth). Accordingly, the offer is being conducted without a prospectus, in reliance on the investor exemptions in the Corporations Act.

Use of Funds

Funds raised from the Placement will support ongoing project activities at Ashford as well as general corporate and administrative expenditures, ensuring the Company is adequately funded to progress its strategic objectives while maintaining financial flexibility.

Indicative Timetable

An indicative timetable for the Placement is outlined below:

Key Event	Date
Placement announced & Company resumes trading on ASX	Monday, 16 June 2025
Settlement of Tranche 1	Thursday, 19 June 2025
Issue of Tranche 1 Shares	Friday, 20 June 2025
General Meeting to approve Tranche 2	Late July 2025

Note: The above dates are indicative and subject to change. The General Meeting date for Tranche 2 approval will be confirmed in a separate Notice of Meeting sent to shareholders in due course.

Strategic Outlook

Following completion of the Placement, Clara will remain focused on its core Ashford Coking Coal Project and continue to exercise disciplined capital management. The Company has reduced non-essential expenditure to conserve funds, ensuring that capital is directed toward high-priority project activities. In parallel, Clara is actively evaluating complementary project-level opportunities that could potentially augment its asset portfolio and deliver further growth. Opportunities will be assessed rigorously with the aim of enhancing shareholder value.

Clara's Managing Director, **Mr Peter Westerhuis**, commented:

> "*The current market environment for junior coal companies remains challenging; however, we are pleased with the support shown by investors for this capital raise. The funds secured will strengthen Clara's balance sheet and ensure we can maintain momentum at the Ashford Coking Coal Project while continuing to pursue our strategic objectives. In addition, we have moved to preserve cash by cutting down on non-essential expenditure. We are also evaluating opportunities that have the potential to enhance Clara's asset base. This approach positions us well to create additional shareholder value as we navigate the present market conditions.*"

Broker Options

Peak Asset Management and Cerberus Advisory as part of their fee structure for the raise will receive Broker options. Peak Asset Management will receive options equate to 3% and Cerberus Advisory will receive options equal to 1% of the shares on issue in C7A post the completion of the Capital Raise. The Broker Options will have a term of 2 years and a strike price of 150% above the issue price under the Capital Raise but otherwise on usual and standard terms for options issued by Clara. Broker Options are subject to shareholder approval at a General Meeting planned for late July 2025. Refer Schedule 1 for Terms and Conditions of Broker Options.

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This ASX release was authorized by the Board of Clara Resources Australia Ltd.

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Schedule 1 – Summary of Broker Option Terms
Clara Resources Australia Limited ACN 122 957 322
Terms and Conditions of Broker Options

(a) **Entitlement:** Each Broker Option entitles the holder to subscribe for one Share upon exercise of the Broker Option.

(b) **Exercise Price**: The exercise price of each Broker Option is $0.0075.

(c) **Expiry Date:** Each Broker Option will lapse and expire at 5.00pm (AEST) on the date that is two years after its date of issue (Expiry Date), and any Broker Option not exercised on or before the Expiry Date will expire and cease to carry any rights or benefits.

(d) **Exercise Period**: Broker Options are exercisable at any time on or before the Expiry Date (Exercise Period).

(e) **Exercise of Options**: Broker Options may be exercised during the Exercise Period by the relevant holder (Holder) by notice in writing to the Company stating the number of Broker Options to be exercised (Notice) together with payment (in Australian currency) for an amount equal to the Exercise Price multiplied by the number of Broker Options being exercised by electronic funds transfer or other means of payment acceptable to the Company (in its sole discretion). A minimum of 10,000 Broker Options must be exercised in each Notice unless the Company agrees to the exercise of a lesser number of Broker Options.

(f) **Issue of Shares**: Upon a valid exercise of the Broker Options, the Company will within 5 Business Days of the date of exercise:
(1) issue the number of Shares required under these terms and conditions to be issued for which cleared funds have been received by the Company;
(2) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act;
(3) if admitted to the Official List at the relevant time, make application to ASX for quotation of all Shares issued pursuant to the exercise of the Broker Options.

(g) **Ranking**: Shares issued pursuant to an exercise of Broker Options will, from the date of issue, rank equally with all other Shares on issue.

(h) **Quotation**: The Broker Options will not be quoted on ASX.

(i) **Transfer**: The Broker Options must not be transferred or assigned by the Holder except with the prior written consent of the Company (not to be unreasonably withheld).

(j) **Dividends**: Holders do not participate in any dividends unless the Broker Options are exercised and the resultant Shares of the Company are issued prior to the record date to determine entitlement to dividends.

(k) **Reconstruction**: In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
(1) the number of Broker Options, the Exercise Price of the Broker Options, or both will be reconstructed (as appropriate) in a manner consistent with the Listing Rules as applicable at the time of reconstruction, but with the intention that such reconstruction will; not result in

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any benefits being conferred on the holders of the Broker Options which are not conferred on Shareholders of the Company: and

(2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of Shareholders of the Company approving a reconstruction of capital, in all other respects the terms for the exercise of the Broker Options will remain unchanged;

(l) **Pro rata issue**: If there is a pro rata issue (except a bonus issue), the Exercise Price of the Broker Option may be reduced according to the following formula.

$$On = O - \frac{E\,[P - (S + D)]}{N + 1}$$

Where:

On = the new exercise price of the Broker Option; O = the old exercise price of the Broker Option;

E = the number of underlying securities into which one Broker Option is exercisable;

P = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;

S = the subscription price for a security under the pro rata issue;

D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue;

N = the number of securities with rights or entitlement that must be held to receive a right to one new security.

(m) **Bonus Issue**: If there is a bonus issue to the holder of Shares, the number of Shares over which the Broker Option is exercisable may be increased by the number of Shares which the option holder would have received if the Broker Option had been exercised before the record date for the bonus issue.

(n) **Change of terms**: The terms of the Broker Options shall only be changed if holders (whose votes are not to be disregarded) of Shares approve of such a change. However, the terms of the Broker Options shall not be changed to reduce the Exercise Price, increased the number of Broker Options or change and period for exercise of the Broker Options.

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