Clara Resources Australia Limited
ASX: C7A
ABN 84 122 957 322

Level 19, 10 Eagle Street
p +61 7 3303 8703
e info@clararesources.com.au
w www.clararesources.com.au

29/10/2025

Dear Shareholder

Clara Resources Australia Limited ACN 122 957 322 - Non-renounceable entitlement offer - Notice to Ineligible Shareholders

On 21 October 2025, Clara Resources Australia Limited ACN 122 957 322 (**Clara** or the **Company**) announced a non-renounceable entitlement offer to Eligible Shareholders, on the basis of 1 new fully paid ordinary share (**New Share**) for every 2 existing shares held (**Existing Share**) at an issue price of $0.003 per share to raise up to approximately $1.272 million (before costs) (**Entitlement Offer**). Eligible Shareholders who subscribe for their full entitlement under the Entitlement Offer will also have the opportunity to apply for additional New Shares that are not subscribed for under the Entitlement Offer (**Shortfall Offer**).

The Entitlement Offer is being made without a prospectus or disclosure document in accordance with section 708AA of the *Corporations Act 2001* (Cth) (**Corporations Act**) as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* (**ASIC Instrument**).

A further $315,000 has been raised under a separate placement at the same issue price of $0.003 per new share (**Placement**). New shares issued under the Placement are anticipated to be issued on Friday, 24 October 2025.

Cerberus Investments Pty Ltd ACN 107 652 737 t/a Cerberus Advisory (**Cerberus Advisory**) has been appointed as the lead manager of the Placement and Entitlement Offer. The Placement and Entitlement Offer will be fully underwritten by Sophisticated Capital Pty Ltd ACN 622 752 783.

The new shares issued under the Placement and Entitlement Offer will rank equally in all respects with Clara's existing shares. If an eligible shareholder's entitlement results in a fraction of a New Share, the shareholder's entitlement will be rounded up to the nearest whole number.

Entitlements to New Shares pursuant to the Entitlement Offer will not be traded on the ASX.

The offer booklet in relation to the Entitlement Offer (**Offer Booklet**) was lodged with the Australian Securities Exchange (**ASX**) on 21 October 2025 and is available on the ASX website and also on the Company website at www.clararesources.com.au.

Purpose of the offer

It is proposed that the funds raised from the Placement and Entitlement Offer will be applied to drilling programs and other project development initiatives to deliver a Preliminary Feasibility Study at the Company's NSW based Ashford Coking Coal Project, additional working capital for the Company and to costs of the Entitlement Offer and the Placement.

Timetable

The indicative timetable for the Entitlement Offer and settlement of the Placement is set out below:

Event	Date
Announcement Announcement of Placement and lodgement of Appendix 3B with ASX	Tuesday, 21 October 2025

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Announcement of Entitlement Offer and lodgement of Appendix 3B and Cleansing Notice with ASX Lodgement of Offer Booklet with ASX	
Placement Settlement Date	Wednesday, 22 October 2025
"Ex" Date for Offer Shares quoted on an 'ex' basis	Thursday, 23 October 2025
Record Date Entitlement Offer Record Date	Friday, 24 October 2025
Placement allotment date Issue of Placement Shares and lodgement of Appendix 2A and Cleansing Notice (Placement) with ASX	Friday, 24 October 2025
Despatch and Lodgement of Offer Document Despatch of Offer Booklet and Entitlement and Acceptance Forms to Eligible Shareholders Announcement of Despatch of Offer Booklet	Wednesday, 29 October 2025
Offer Opening Date	Wednesday, 29 October 2025
Last day and time to extend the Closing Date	Before 12.00pm AEDT Tuesday, 4 November 2025
Offer Closing Date	5.00pm AEDT on Friday, 7 November 2025
Securities quoted on deferred settlement basis from market open	Monday, 10 November 2025
Announcement of results of Offer and Issue Issue of New Shares under Entitlement Offer Lodgement of Appendix 2A applying for quotation of the new shares	Before 12.00pm AEDT Friday, 14 November 2025
Trading in new shares commences	Monday, 17 November 2025

Capital structure

The effect of the Placement and Entitlement Offer on the capital structure of the Company are set out in the table below:

Event	**Shares**[1]
Shares on issue on announcement of the Entitlement Offer	743,295,054
Number of New Shares to be issued under the Placement	105,000,000
Maximum number of New Shares to be issued under the Entitlement Offer	424,147,527
Maximum total number of Shares on issue on completion of the Placement and the Entitlement Offer (assuming full subscription)	1,272,442,581

[1] These figures are approximate only and are subject to rounding.

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Eligibility Criteria

Eligible Shareholders are shareholders who:

1. are a registered holder of existing shares in the Company as at 7.00pm (Sydney time) on Friday, 24 October 2025 (**Record Date**);

2. have a registered address on the Company's share register in Australia or New Zealand (**Eligible Shareholders**);

3. are not in the United States and are not acting for the account or benefit of a person in the United States;

4. are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

Shareholders who are not Eligible Shareholders are Ineligible Shareholders.

The restrictions upon eligibility under the Entitlement Offer arise because of legal and regulatory requirements in countries other than those listed above and the potential costs to the company and complexity of complying with these legal and regulatory requirements compared to the relatively small number of shareholders in those countries, the relatively small number of Existing Shares they hold and the relatively low value of the New Shares to which those shareholders would otherwise be entitled.

The Company has determined, pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules and section 9A of the Corporations Act as modified by the ASIC Instrument, that it would be unreasonable to make or extend the Entitlement Offer to shareholders in certain countries under the Entitlement Offer.

According to our records, you do not satisfy the eligibility criteria above for an Eligible Shareholder and accordingly you are an Ineligible Shareholder and the Company wishes to advise that the Entitlement Offer will not be extended to you and you will not be able to subscribe for new Shares under the Entitlement Offer. You will not be sent the offer document relating to the Entitlement Offer.

Please contact the Company by email at info@clararesources.com.au or Cerberus Advisory (which operates the Company's Investor Relations) at +61 404 006 444 if you have any queries regarding the Entitlement Offer or your eligibility to participate in the Entitlement Offer.

Yours sincerely

Peter Harding-Smith
Company Secretary
Clara Resources Australia Limited