Clara Resources Australia Ltd

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31 October 2025

ASX Announcement

QUARTERLY ACTIVITIES REPORT

Period ending 30 September 2025

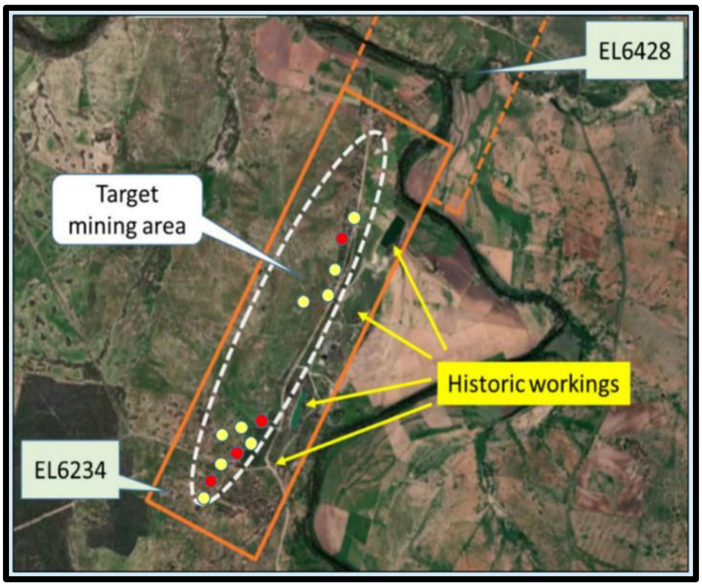
Clara Resources Limited (ASX: C7A) ("Clara", "the Company", "C7A") presents its Activities Report for the quarter ending 30 September 2025.

Ashford Coking Coal Project – Clara 100%

During the quarter, the Company released an updated JORC Resource report for Ashford, replacing the 2017 report. The updated report utilised resource information from previously unused drill hole data and historic mining pit survey data to provide additional points of observation, increasing confidence in structural and quality continuity. Total resources have not changed significantly since the previous assessment, however the increase in confidence has enabled a reduction in Inferred resource and a transfer of 2.5 Mt of resources to Measured status.

	Measured (Mt)	Indicated (Mt)	Inferred (Mt)	Total (Mt)
2017	-	6.5	8.3	14.8
2025	2.5	7.2	4.8	14.5

With funding obtained, post-quarter end, from a Placement and Rights Issue (see below) the Company will finalise preparations for and execute the planned Resource and Quality Drilling Program on EL6234.



The drilling program will comprise 4 x cored holes and 8 x chip holes, anticipated to provide sufficient information to:

- Further upgrade the JORC resource, specifically the Measured category
- Verify depth, thickness & structure of coal seams
- Improve coal quality data, including coking properties and washability

This information will be used as inputs for the pre-feasibility study and specifically refinement of the mining plan and sequence, enhancement of the coal preparation study and process design options and improving accuracy of costing models.

Kildanga Nickel/Cobalt (Qld) – Clara 100%

A strategic review of the Kildanga Co-Ni-Au-Cu prospect is ongoing, considering all options including potential divestment. The opportunity to explore the highly mineralised area for a broader range of critical minerals is also a consideration and of increased interest following the recently announced critical minerals political agreement between the USA and Australia.

Separately, post-quarter end, the Company announced the sale of a parcel of land located within the exploration tenement. The land was sold for $230,000 (before costs) to a private, unrelated party. The transaction was brokered by a local rural land sale agent. The land sale does not affect the rights of Clara as the tenement holder to continue exploration on the land.

Capital Management - Placement

During the quarter Clara prepared for a capital raise and announced, post-quarter end, funding of $1.587 million via a $0.315 million institutional placement and a fully underwritten Rights Issue, providing strong confidence that Clara will raise the full $1.272 million.

Cerberus Advisory is acting as Lead Manager for the Capital Raising. The Rights Issue is scheduled to close on 7 November 2025.

Extraordinary General Meeting

An EGM was conducted on 5th August, seeking shareholder approval on the following resolutions:

1 & 2	Ratification & Approval of Placement Shares – June 2025 capital raise
3	Approval to issue Placement Shares to Alex Fitzgerald – June 2025 capital raise
4	Approval to issue 18,402,170 Shares to Mr Peter Westerhuis in lieu of salary
5	Approval to issue 5,451,107 Shares to Mr Richard Willson in lieu of Director fees
6	Approval to issue 7,837,500 shares to Mr Peter Harding-Smith in lieu of Contractor fees
7	Approval to issue Lead Manager Options to the Co-Lead Managers of the Placement
8	Approval to issue Deferred Broker Options

All Resolutions were passed.

Corporate

1. **ASX Listing Rule 5.3.5**:

   Payment to related parties of the Company and their associates during the quarter was $6,000, relating to interest payments on related party loans.

2. **ASX Listing Rule 5.3.1:**

   Exploration and Evaluation Expenditure during the Quarter was $39,000, which related to land holder engagement and cultural clearances.

3. **ASX Listing Rule 5.3.2:**

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

4. **ASX Listing Rule 5.3.3**

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

Exploration Licences held at 30/6/25	Location	% Interest	Grant Date	Expiry Date
EPM 19366	QLD (Kilkivan)	100%	08.07.22	09.08.28
EL 6234	NSW (Ashford)	100%	19.04.04	19.04.26
EL 6428	NSW (Ashford)	100%	07.06.05	07.06.28

An application for extension of EPM19366 was submitted and granted.

Notification was received that the Licence for EL6428 was renewed for a further three years, to June 2028.

5. Business Development

The board continues to assess exploration and development project opportunities to augment the current portfolio.

This ASX announcement has been approved by Clara Resources' Board of Directors.

For further information regarding this release or about Clara Resources in general please contact the undersigned below.

Peter Westerhuis
MD & CEO
0451 976 285

Duncan Gordon (Investor Relations)
Cerberus Advisory
0404 006 444

Principal ASX Announcements during the September 2025 Quarter

2/7/25	Cleansing Notice
7/7/25	Notice of Meeting - EGM
8/7/25	Cleaning Prospectus, Proposed issue of securities
10/7/25	Notification of cessation of securities, change in Director's interest
18/7/25	Becoming a substantial holder
31/7/25	Quarterly activities, 5B
5/8/25	Results of EGM
18/8/25	Application for quotation of securities, cleansing notice

21/8/25	Change of Director’s interest
1/9/25	Change in substantial holding
10/9/25	Clarification of issue of deferred broker options
15/9/25	Ashford maiden measured resource
30/9/25	Annual report to shareholders

Appendix 5B

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

Name of entity

Clara Resources Australia Limited

ABN	Quarter ended ("current quarter")
84 122 957 322	September 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation		
	(b) development		
	(c) production		
	(d) staff costs	(31)	(31)
	(e) administration and corporate costs	(202)	(202)
1.3	Dividends received (see note 3)		
1.4	Interest received		
1.5	Interest and other costs of finance paid	(7)	(7)
1.6	Income taxes paid		
1.7	Government grants and tax incentives		
1.8	Other (provide details if material)		
1.9	**Net cash from / (used in) operating activities**	**(239)**	**(239)**

1.8 Non-recurring costs associated with the resignation of Directors Moller and Mather in April 2025

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) exploration & evaluation	(39)	(39)
	(e) investments		
	(f) other non-current assets		

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments		
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	**Net cash from / (used in) investing activities**	**(39)**	**(39)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	331	331
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(24)	(24)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings	(2)	(2)
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	**Net cash from / (used in) financing activities**	**305**	**305**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	110	110
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(239)	(239)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(39)	(39)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	305	305

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**137**	**137**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	137	110
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**137**	**110**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	6
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	295	295
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	**Total financing facilities**	295	295
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	Loan from related parties, unsecured, 15% interest paid monthly, maturing 24 months		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(239)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(39)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(278)
8.4	Cash and cash equivalents at quarter end (item 4.6)	137
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	137
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.49
	Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes. The Company plans to commence drilling at the Ashford Coal Project and increase project activity as funding allows.	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Yes. As announced on 21 October 2025, the company launched a $1.6m raise, with the $315,000 placement completed. The Security Purchase Plan for $1.3m, launched on 29 October and is fully underwritten.	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes, As above	
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: ....31 October 2025..

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.