

ASX / MEDIA RELEASE
2 October 2024

Replacement Full-Year Report

Perth, Australia: Alara Resources Limited (ASX: AUQ), a base and precious metals producer and explorer with projects in Oman, lodges a replacement to its Full-Year Financial and Directors' Report for the financial year ended 30 June 2024, attached to this announcement.

The reason for the replacement is to correct formatting issues, including highlight which inadvertently remained in two tables, in the version originally lodged.

ENDS

This announcement is authorised by:

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About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian-based precious and base metals producer and explorer.

Alara is currently focused on operating the recently completed 1Mtpa¹ Al Wash-hi Majaza copper-gold mine in Oman. The Company is also continuing exploration activities at its other Omani projects; the Block 7 exploration licence under the Daris JV and the Mullaq and Al Ajal exploration licences under the Al Hadeetha JV.

Alara's mission is to become a mid-tier minerals producer which will deliver maximum shareholder value through profitable growth driven by low-cost, sustainable operations.

To learn more, please visit: www.alararesources.com.

¹ Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study Results initial announcement), 24 January 2017 (Definitive Feasibility Study update), 28 June 2018 (Project Net Present Value update) and 29 March and 7 April 2021 (Project Net Present Value NPV update) contain the information required by ASX Listing Rule 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on those dates continue to apply and have not materially changed, except to the extent that a relevant assumption in an earlier announcement referred to above has been updated by an assumption in a later announcement referred to.



FULL YEAR REPORT

**Directors' Report
Auditor's Independence Declaration
Financial Report
Auditor's Report**

30 June 2024



ASX Code: AUQ

Alara Resources Limited
A.B.N. 27 122 892 719

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ABN: 27 122 892 719

Directors

Stephen Gethin
Atmavireswar Sthapak
Vikas Jain
Sanjeev Kumar
Devaki Khimji
Farrokh Masani

Non-Executive Chairman
Managing Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Alternate Director¹

Company Secretary

Dinesh Aggarwal

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Auditors

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Share Registry

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Website: www.automicgroup.com.au

Australian Securities Exchange

ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth, Western Australia 6000

ASX Code: AUQ

Corporate Governance Statement

The Company's Corporate Governance Statement is available on the Company's Website: www.alararesources.com

Website: www.alararesources.com Investors wishing to receive email alerts of all Company ASX Announcements can register their interest here by clicking "email alerts" at: www.alararesources.com/irm/content/default.aspx or by emailing info@alararesources.com.

¹ Mr Masani is an alternate director for Devaki Khimji.

The Directors present their report on Alara Resources Limited (**Company** or **Alara** or **AUQ**) and the entities it controlled at the end of or during the financial year ended 30 June 2024 (the **Consolidated Entity**).

Review of Operations

Al Wash-hi Majaza Copper-Gold Project

Oman

(Alara – 51%; Al Hadeetha Investments LLC – 30%; Al Tasnim Infrastructure Services LLC 19% (AHRL))

Production commencement at Wash-hi Mine

Alara has a controlling stake in the Wash-hi Majaza copper-gold mine in Oman (**Wash-hi Mine**) through its 51% shareholding in Al Hadeetha Resources LLC (**AHRL**). The reporting period was monumental for Alara, seeing the completion of AHRL's 1 Mtpa² concentrator plant at the Wash-hi Mine.

Commissioning of the plant commenced in November 2023 with commercial production commencing in March 2024 and the first copper-gold concentrate shipped to China in May under an offtake agreement with Trafigura.

A key component of the concentrator plant – the tailing filter press (**TFP**) – while sourced from a reputable European manufacturer has not performed in accordance with its rated design capacity. Problems with the TFP limited production at the plant to approximately 40% of its design capacity on commencement of operations. Engineers from the manufacturer have visited the site on two occasions to make improvements. As at the date of writing this report³ the plant is in ramp up phase after a two-week shutdown to make further improvements to the TFP. The plant is now operating at approximately 45-50% of its design capacity.

Alara has ordered two interim replacement TFPs from China, with a combined processing capacity of 75 - 80 tons of concentrate per hour, as an interim solution. Once installed these TFPs are expected to increase production at the plant to 80 - 85% of rated capacity. The interim TFPs are due to be installed and operational by February to March 2025.

As a long-term solution AHRL has also ordered a state-of-the-art filter press from Italy which will serve as the permanent TFP for the plant once delivered. This unit has a longer lead time than the Chinese TFPs, thus the solution is being implemented in two stages. The permanent TFP will have a processing capacity of 137 tonnes of concentrate per hour and has been ordered from a leading manufacturer in Italy. The vendor's proposed design has exceptional performance, including a short filtration cycle and a suite of modern capabilities including high-pressure, automatic filter-cloth rinsing, automatic plate shaking and an overhead robot to perform plate change outs. AHRL is targeting October 2025 for the installation and commissioning of the permanent TFP. Once operational, this press will provide a robust and permanent solution to the current challenges with tailings management at the plant.

Wash-hi Mine copper sales

AHRL has shipped four consignments of copper and gold concentrate from Sohar Port since the plant commenced operation. Summaries of the shipments are set out in the table below. A fifth shipment is scheduled for October 2024. The longer interval between the fourth and fifth shipments is a result of a suspension of operations due to the TFP.

	Parcel 1: May 2024	Parcel 2: Jun 2024	Parcel 3: 18 Jul 2024	Parcel 4: 16 Aug 2024
Dispatch Cycle	4 weeks	4 weeks	3 weeks	3.5 weeks
Copper Concentrate WMT (approx.)	1019 WMT	1223 WMT	821 WMT	855 WMT
Copper Concentrate DMT (approx.)	909 DMT	1093 DMT	751 DMT	762.18 DMT
Copper (approx.)	130 MT	163 MT	119 MT	123.7 MT
Gold (approx.)	5.8 Kg	5.7 Kg	4.0 Kg	4.0 Kg

Table: Monthly Copper and Gold Production at Al Wash-hi Majaza

² Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study Results initial announcement), 24 January 2017 (Definitive Feasibility Study update), 28 June 2018 (Project Net Present Value update) and 29 March and 7 April 2021 (Project Net Present Value NPV update) contain the information required by ASX Listing Rule 5.16 regarding the stated production target. All material assumptions underpinning the production target as announced on those dates continue to apply and have not materially changed, except to the extent that a relevant assumption in an earlier announcement referred to above has been updated by an assumption in a later announcement referred to.

³ 17 September 2024

Mineral Tenements

The current status of all mineral tenements and applications for the Al Hadeetha Project is presented in the table below.

Licence Name	Licence Owner	Alara JV Interest	Area	Exploration Licence			Mining Licence within EL		
				Date of Grant	Date of Expiry	Status	Area	Date of Application	Status
Washi-hi Majaza ML 10003075.	Al Hadeetha Resources LLC	51%	39km ²	Jan 2008	Nov 2016	Active*	3km ²	2013	Active
Mullaq	Al Hadeetha Resources LLC	51%	41km ²	Oct 2009	Nov 2016	Active*	1km ²	Jan 2013	Now part of 22B
Al Ajal	Al Hadeetha Resources LLC	51%	25km ²	Jan 2008	Nov 2016	Active*	1.5km ²	Jan 2013	Pending

*Pursuant to Ministerial decree (38/2013) which declares that the exploration licence ends when its duration ends, unless the licensee has submitted an application for a mining licence, in which case the duration for the exploration licence extends until the date that a determination is made on the mining application.

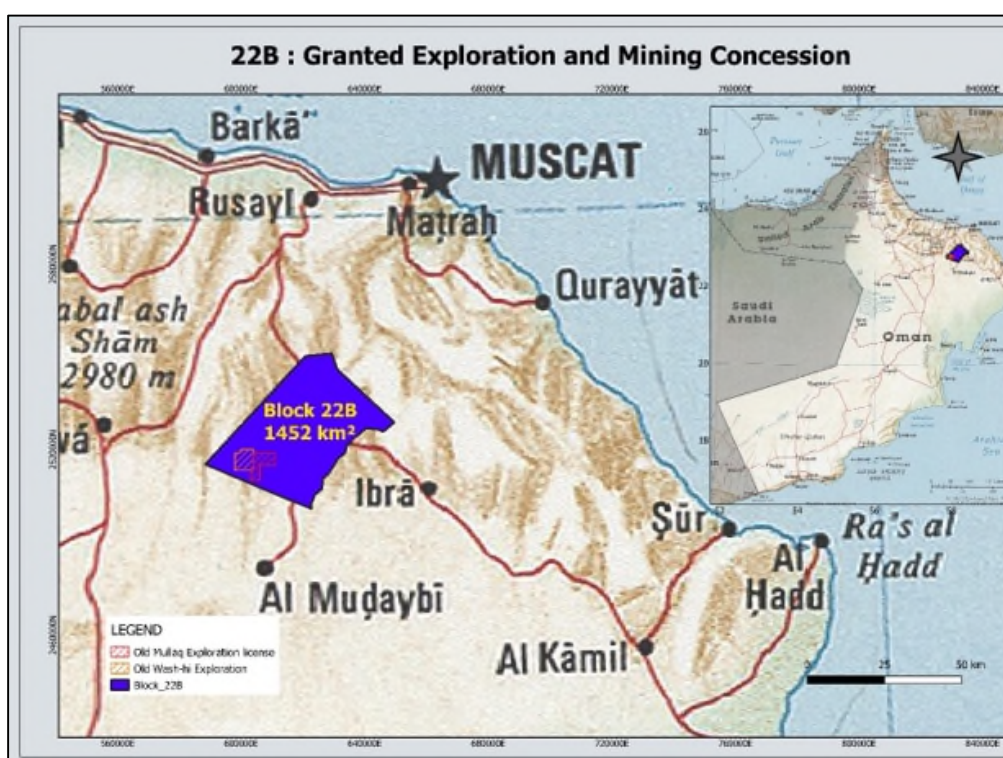
New Block 22B Exploration Permit

Oman

Having brought its first mine to production, the next phase in Alara's growth plan is to resume exploration on its other Omani mineral properties to endeavour to identify further economic copper-gold resources. Any new discovery within proximity to the existing Wash-hi processing facility can be taken there for treatment under the "hub and spoke" model, thus avoiding the need to construct further high-capital infrastructure at any satellite deposit that may be found. Any future discovery has potential to significantly extend the economic life of the Wash-hi processing plant.

In 2024 the Omani Ministry of Energy and Minerals (**MOEM**) granted an Alara JV company an additional 1452 km² of exploration ground titled "Block 22-B" and invited the JV to negotiate and execute an Exploration and Mining Concession Agreement covering this area (**Concession Agreement**). The map below shows the area of Block 22-B.

Map 1 – Block 22-B location



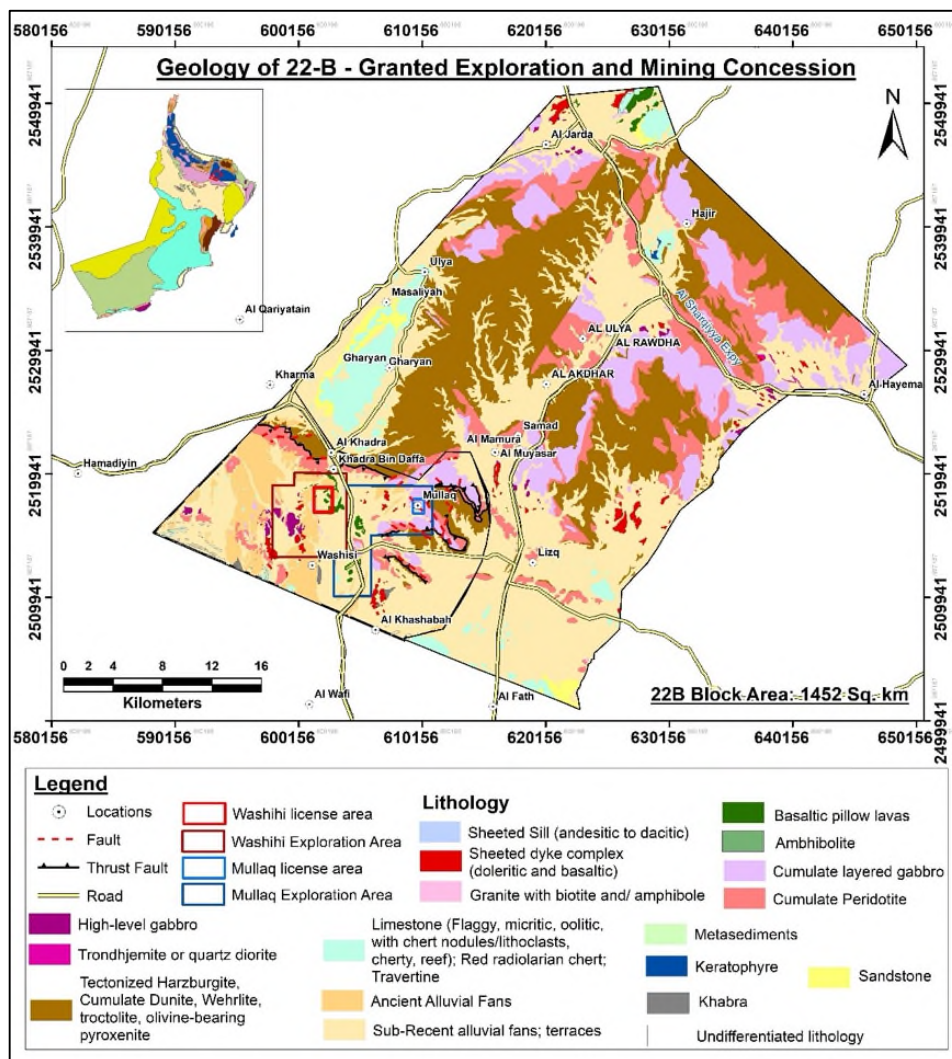
On execution of the Concession Agreement the Omani Government will grant the JV the exclusive right to explore, appraise, develop and mine designated minerals within Block 22-B. The Concession Agreement will comprise an initial two-year exploration phase followed by an exploitation phase extending up to 15 years. Extensions of both phases may be considered for reasonable cause. The Concession Agreement will detail the obligations of the concession holder and the Government, and address issues such as included minerals, royalties and tax.

Block 22B includes Block 22A, covering the former Al Wash-hi and Mullaq exploration licenses held by AHRL. AHRL will continue to hold that area, with the remainder of Block 22B being held by a new joint venture company in which Alara holds a 27.5% stake. Alara's other partners in the new JV will be its two existing partners in AHRL – Al Naba Group and Al Tasnim Group (each also holding 27.5%) with the remaining 17.5% held by South West Pinnacle, an existing Alara JV Partner in Alara Resources LLC, an Omani mining services company.

Brief geological description of Block 22B

Nearly 20% of the area in the southern and central-north and along the north-western margin of Block 22-B is occupied by recent alluvial sands interspaced by dry river channels, known as wadis. More than two-thirds of the area in the northern half of Block 22B is mountainous, with low hills. The AHRL Block 22A area, which surround the existing Washi-hi Mine and include the ancient Mullaq copper mine are located in the south-western corner of Block 22B. The geological characteristics of Block 22B overlaid with existing exploration licenses are shown in Map 2, below.

Map 2 – Geological Map of Block 22-B



The Company's existing Wash-hi project (covering an area of 39 km²) and Mullaq project (covering an area of 41 km²) fall entirely within the 22A portion of Block 22B. Importantly, areas already explored by Alara constitute a substantial part of the

upper-crustal rocks of Block 22B. This is significant, as the Semail Ophiolite upper-crustal rocks are considered to contain nearly all the VMS-type base metal prospects in Oman.

Geologically, the mountainous areas of Block 22-B include the Semail Nappe. The Semail Nappe is now recognized as a Cretaceous ophiolite, exposing the world's best-preserved section of upper mantle, lower-oceanic crust and upper-oceanic crust. The Semail Nappe (the Semail Ophiolite) covers almost the entire area of Block 22-B (excepting some pre-Ophiolitic sedimentary rocks in the north-western section) and exposes the upper-mantle section, lower-crustal rocks and upper-crustal rocks of the ophiolite sequence, with the upper-crustal rocks mainly being covered by alluvium.

There are reports of several old copper workings in the north-western section of the Block, old gold and chromium workings in the northern section and a small number of old iron workings in the western section. In general, the upper-oceanic crust of the Semail Ophiolite is known to host copper and gold deposits, whereas the lower-crustal parts and the upper mantle sections are known to host some chromite deposits with minor incidences of PGE mineralization.

There is no assurance that any new mineralisation will be discovered in Block 22-B in economically mineable quantities.

Awtad Copper-Gold Project

Oman

(The Awtad Project comprises an area of approximately 497 km² (**Block 8**) and is located immediately adjacent to the Block 7 (Daris Copper-Gold Project). Exploration previously undertaken at this project includes:

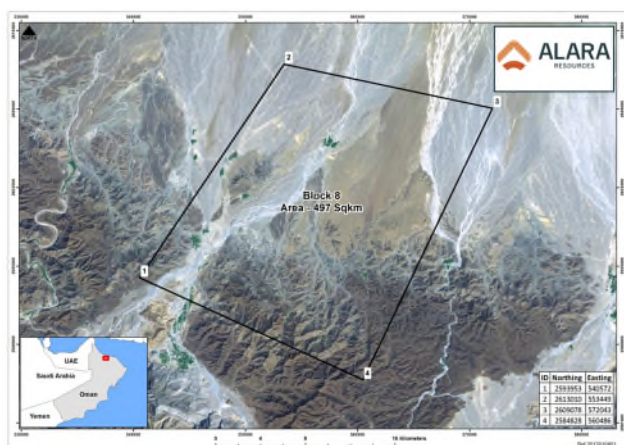
- 86-line kilometres of airborne VTEM, 14-line kilometres of ground IP, 169-line kilometres of ground magnetics and 202-line kilometres of high-resolution ground magnetics.
- 76 RAB drill holes totalling 1,747m and 11 core drill holes totalling 299m.
- Drilling results (including some undertaken across the Al Mansur Prospect) were low grade in general and inconclusive.

Previous exploration identified anomalies worthy of further exploration. The fact that prospective geological formations within the license area are under cover of alluvial and aeolian deposits enhances the chances of further copper mineralisation.

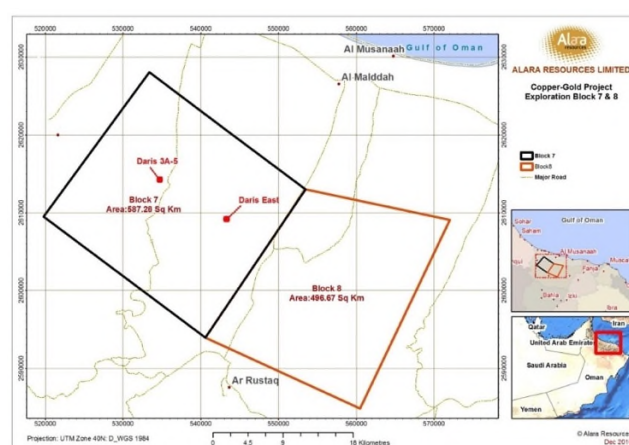
Alara holds its interest in the Block 8 mineral concession in Oman under a joint venture with Awtad Resources LLC (Awtad). Alara holds a 10% interest in the joint venture, with potential to increase its interest to 70%.

Block-8 Exploration License

Map 1: Location of Block 8 Exploration License



Map 2: Block 8 license with Daris Prospects in adjacent Block 7



The Block 8 Exploration License lies within the Semail Ophiolite Sequence of Oman, 150km west of Muscat. The western boundary of the area adjoins Block 7 where Alara previously identified the Daris East copper resource and Daris 3A5 mineralization.

Copper and gold in the Sultanate of Oman is found in the Semail Nappe, which comprises the Semail Ophiolite sequence consisting of mylonite at the base, through mafic cumulates, high level gabbros, sheeted dykes and volcanic rocks at the top.

Copper and gold mineralisation usually occurs in the volcanic rock units of ophiolite. More than 150 volcanic massive sulphide (VMS) prospects have been discovered along the 500 km length of the Semail Ophiolite. Block 8 is part of this geological belt and is distinguished by extensive regolith cover over exposed geology, which includes recent alluvial and aeolian deposits.

Because of this cover, no known copper mineralization has yet been located in the area, making the Block an ideal location for potential fresh discoveries of base metal deposits.

The Block 8 licence was renewed in April 2024. With renewal of the license, the Awtad JV has executed a non-binding heads-of-terms (**HoT**) with AIM-listed Power Metal plc for the parties to enter negotiations for a binding agreement which, if reached, will have the following key terms:

- Power Metal will manage the Block 8 exploration program for one year.
- Power Metal will provide all management, planning, execution, interpretation and reporting on exploration activities and will consult with Awtad and Alara during development and implementation of the program.
- Power Metal will provide funding of up to US\$740,000 for exploration activities. It will contribute an initial amount of US\$500,000 to cover the period up until the renewal date of the existing licence (due 30 April 2025), with the balance to be contributed following successful renewal.
- Following the US\$500,000 initial expenditure milestone, Power Metal will earn a 10% interest in Block 8 and a further 2.5% interest on expenditure of a further US\$240,000.
- Upon Power Metal completing US\$740,000 expenditure on the project, a joint funding program covering future expenditure and specifying Power Metal's ongoing percentage interest in the project will be negotiated.
- Awtad Copper is responsible to maintain the licence and must remain the holder of it throughout the period in which the above work is carried out. Power Metal has a first right of refusal to acquire Block 8 if Awtad Copper wishes to dispose of it.
- Awtad Copper is responsible to seek all required approvals for the exploration program.

The parties are to endeavour to negotiate a formal, legally binding agreement. Although there can be no certainty at this stage given the non-binding nature of the HoT, Alara is confident that an agreement will be entered into, subject to further discussions between the parties.

While maintaining its current interest in Block 8, Alara plans to increase its stake in future based on success of Power Metal exploration programs.

Block 8 exploration history and prospectivity

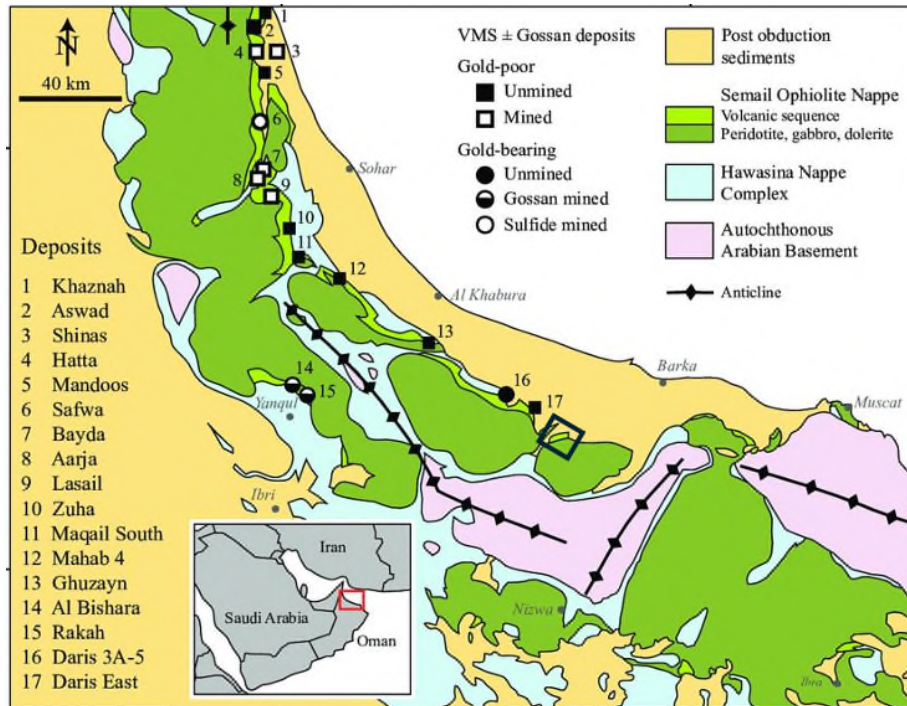


Location of Block 8, Oman

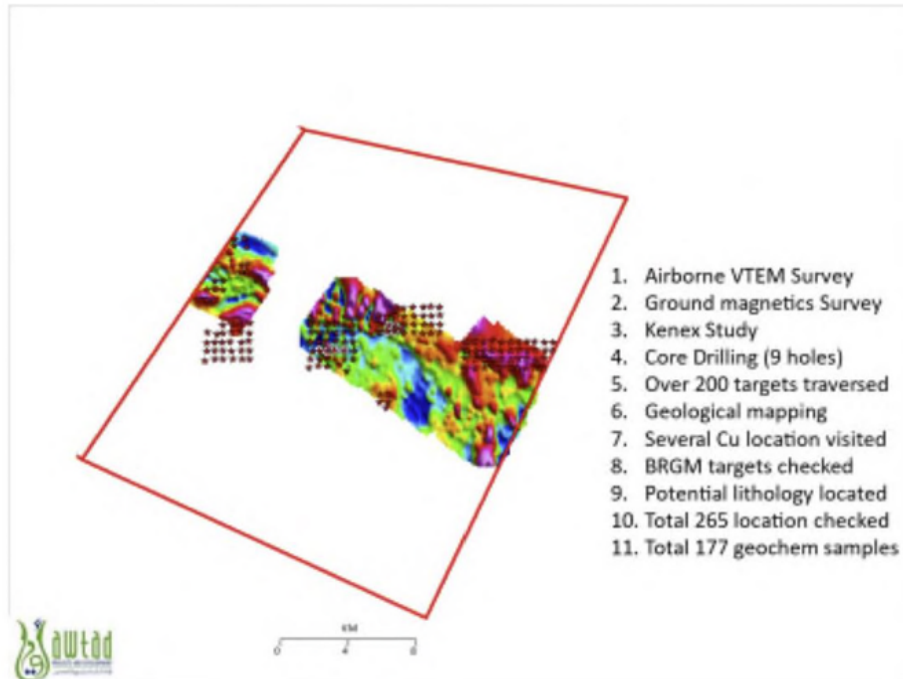
Block 8 covers approximately 496 km² in the Hazm area east of Daris in northwestern Oman and was first granted in 2009. In January 2011, Awtad Copper entered into a joint-venture (**JV**) agreement with Alara which had been carrying out exploration work in the adjoining Block 7 as part of another JV. Exploration work on Block 8 ceased in 2013 while the block's licence was being renewed, a process which was finalised in May 2024.

Further to detailed discussions, Power Metal has proposed a comprehensive exploration program for Block 8 to both develop existing copper prospects defined from a combination of historic surface work and drilling, as well as grass-roots exploration work on the remainder of the Block which, to date, has not been the subject of detailed exploration.

The historic exploration work, combined with the geological setting of the Block, are highly encouraging, with the Block hosting a section of the Semail ophiolite sequence which is a highly prospective geological unit that, to date, has yielded 150 known volcanic massive sulphide (VMS) prospects.



Northern Oman Semail ophiolite Simplified geologic map, showing main VMS & gossan deposits.⁴

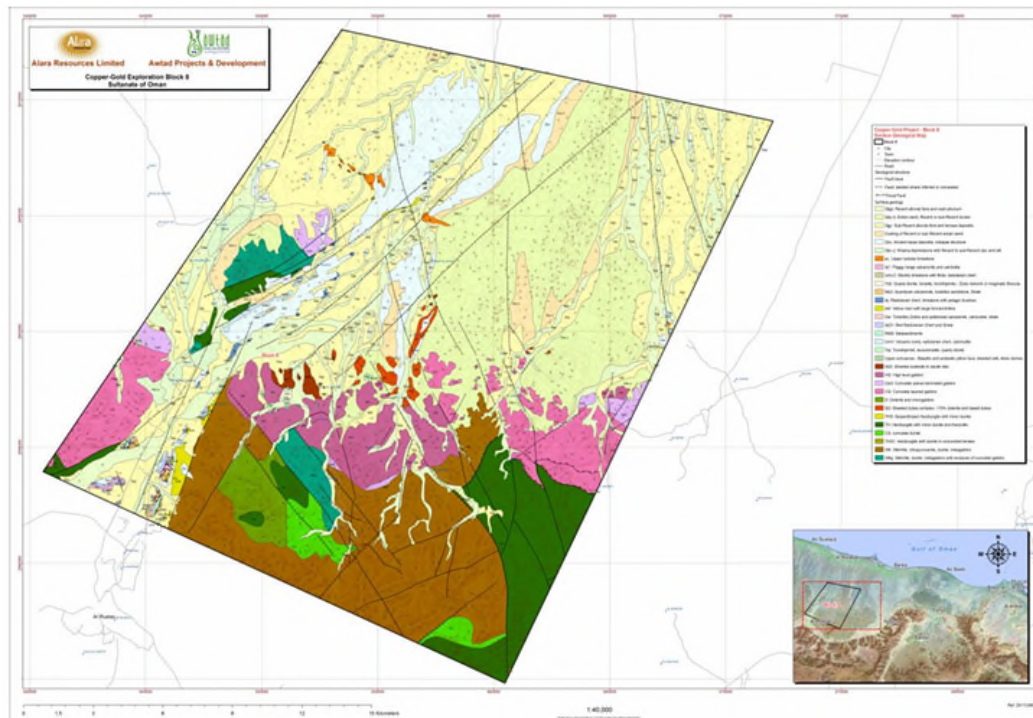


Summary of historical exploration work in relation to Block 8, Alara, 2013.

⁴ Taken from Gilgen et al. 2013 (modified from Calvez and Lescuyer, 1991). The black polygon marks the location of Block 8.

Power Metal will use industry-accepted exploration techniques to advance the licence, with technical work to be carried out at every stage to enable any new data to qualify for inclusion in an accredited MRE to 43-101 or JORC compliance should this be required.

Through historical work by Alara in 2013, there are several copper prospects already identified, which allows next stage exploration programmes to proceed efficiently while more early-stage work will be required on the remainder of the highly underexplored Block 8.



Geological Map of Block 8, Alara, 2013

Daris Copper-Gold Project

Oman

(Alara – 50% with option to increase to 70%: Al Tamman Trading Establishment LLC – 50%, of Daris Resources LLC (DRL))

The Daris project comprises two high-grade copper deposits within the 587km² exploration license, which includes two mining license applications covering 4.5km². This project fits well with Alara's preferred "hub and spoke" model, which provides for processing of Daris ore at the Wash-hi-Majaza copper concentration plant under construction.

The Daris East Mining License application, which covers an area that includes measured, indicated and inferred JORC copper resources, was opposed by the Ministry of Housing due to its proximity to recently allotted land. Negotiations with the MOEM progressed with the following representations made.

- Modifications to the mining licence area, if required
- Request submitted to stop future allotments of land in the area
- Offered to acquire (rent/lease) constructed houses for a short duration
- Promised minimal infrastructure build
- Proposed safe mining operation
- Committed to post mining rehabilitation.

Review of a petition supporting the application lodged by Daris is now underway at the Ministry of Energy and Minerals and survey work has been proposed to resolve the objection from the Ministry.

The Daris 3A5 Mining License application is progressing with the Government.

Material Business Risks

The Company's future revenue projections are strongly linked to the world copper price. The copper price is, in turn, dependent on demand for copper, particularly the extent to which that demand may increase in connection with the anticipated transition of the world's vehicle fleet to electric power. At the date of this report the LME spot copper price is USD 9982.50 per tonne, relatively close to its historic high of \$10,856.50 in May this year. Projections for copper demand are favourable to the Company. Demand is projected to significantly exceed supply for at least the next five years. The Company's mine has a life of 10 years.

The Company's copper-gold mine is in Oman. Oman has a history of political stability. No change to that state of affairs is anticipated in the foreseeable future.

The Company maintains good relations with landowners in the vicinity of its project. There are no indigenous landholdings in the area. Environmental risks in the Company's mine are modest and are being managed with appropriate systems and technology. The risk of an environmental incident are considered low and easily manageable. The Company considers that the risk to its social licence is low and manageable.

Mineral Tenements

The current status of all mineral tenements and applications for the Daris and Awtad Projects are presented in the table below.

Block Name	Licence Owner	Alara JV Interest	Area	Exploration Licence			Mining Licences within EL		
				Date of Grant	Date of Expiry	Status	Area	Date of Application	Status
Block 7	Al Tamman Trading and Est. LLC	50% (earn in to 70%)	587km ²	Nov 2009	Feb 2016	Pending*	Daris 3A5 & East	Resubmitted 2018	Pending
Block 8	Awtad Resources LLC	10% (earn in to 70%)	597km ²	Nov 2009	Oct 2013	Active	NA	NA	NA

Corporate Information

Alara is a company limited by shares incorporated in Western Australia.

Principal Activities

The principal activities of entities within the Consolidated Entity during the year were the exploration, evaluation and development of mineral exploration licenses in Oman.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Consolidated Entity save as otherwise disclosed in this Directors' Report or the financial statements and notes thereto.

Dividends

No dividends have been paid or declared during the financial year.

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Operating Results

	2024	2023
Consolidated	\$	\$
Total revenue	5,500,421	25,297
Total expenses	(16,125,650)	(2,757,689)
Profit/loss before tax	(10,625,229)	(2,732,392)
Income tax benefit	-	-
Profit/loss after tax	(10,625,229)	(2,732,392)

Profit/(Loss) per Share

Consolidated	2024	2023
Basic profit/(loss) per share (cents)	(0.81)	(0.27)
Diluted profit/(loss) per share (cents)	(0.81)	(0.27)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	718,087,541	715,810,289
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	718,920,791	718,015,877

Cash Flows

Consolidated	2024	2023
	\$	\$
Net cash flow used in operating activities	(12,000,778)	(1,554,524)
Net cash flow from investing activities	(19,088,862)	(51,981,341)
Net cash flow provided by financing activities	31,794,218	54,690,693
Net change in cash held	704,578	1,154,828
Effect of exchange rates on cash	(5,511)	52,126
Cash held at year end	4,355,812	3,656,745

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Financial Position

Outlined below is the Consolidated Entity's financial position and prior year comparison.

Consolidated Entity	2024 \$	2023 \$
Cash	4,355,812	3,656,745
Trade and other receivables	4,842,437	924,905
Exploration & evaluation	4,689,128	4,713,750
Mine properties & development assets	83,191,138	98,618,098
Investment in associates	354,716	151,558
Term deposits	329,963	802,710
Other current assets	141,742	142,440
Inventory	7,212,316	
Advance to Subcontractors	1,805,416	5,990,041
Non-Current assets	65,027,286	2,660,045
Total assets	171,949,954	117,660,291
Trade and other payables	53,797,327	21,566,739
Financial liabilities	97,183,638	66,837,435
Provisions	364,199	175,195
Total liabilities	151,345,164	88,579,369
Net assets	20,604,790	29,080,923
Issued capital	68,722,146	68,722,146
Reserves	15,061,404	14,254,956
Accumulated losses	(65,085,620)	(59,292,998)
Parent interest	18,697,930	23,684,104
Non-controlling interest	1,906,860	5,396,8159
Total equity	20,604,790	29,080,923

Issued Capital

Fully paid ordinary shares, listed options and unlisted options on issue in the Company as at the date of this report are as follows:

	Fully paid shares quoted on ASX	Listed options	Unlisted options	Securities
	718,087,541	-	182,854,885	
Total	718,087,541	-	182,854,885	900,942,426

Unlisted Options

No unlisted options were issued during the reporting period.

Likely Developments and Expected Results

During the 2024-25 financial year the Consolidated Entity intends to rectify the issue with the tailing filter press (discussed above) in the copper-gold processing plant at the Al Wash-hi Majaza mine to bring the plant up to full production capacity. The Company will continue the production and sale of copper and gold from the mine.

The Company intends to continue exploration, evaluation and development activities in relation to its other mineral exploration licences in Oman, and to apply for and participate in option processes for the award of further exploration licences in Oman and Saudi Arabia, in the 2024-25 financial year. The likely results of these activities will depend on a range of geological, technical and economic factors.

Environmental Regulation and Performance

The Consolidated Entity holds licences and abides by Acts and Regulations issued by the relevant mining and environmental protection authorities of the countries in which the Consolidated Entity operates. These licences, Acts and Regulations specify limits and regulate the management of discharges to the air, surface waters and groundwater associated with exploration and

mining operations as well as the storage and use of hazardous materials. There have been no significant breaches of the Consolidated Entity's licence conditions.

Board of Directors

The names and details of the directors of the Company in office during the financial year and until the date of this report are as follows.

Stephen Gethin

Non-Executive Chairman

Legal Practitioner admitted in various Australian States and the High Court of Australia
Appointed Non-Executive Chairman on 2 July 2020
Appointed Non-Executive Director on 28 June 2020
Non-Executive Director from 11 January to 22 November 2019

Experience

Stephen Gethin is a highly regarded Director and Company Secretary with over 25 years' experience in the provision of corporate legal advice and documentation and over 19 years' experience in the provision of ASX-listed secretarial services in a range of industries, including resources, technology and investments. Before founding a private legal practice in 2013, was General Counsel and Company Secretary of Strike Resources Limited (ASX:SRK) and, earlier, served as General Counsel and Company Secretary at ERG Limited (ASX:ERG). Mr Gethin also advises a number of other ASX-listed and large private companies.

Special Responsibilities

Chairman of the Remuneration and Nomination Committee and Member of the Audit Committee.

Other Directorships in Listed Companies in Past 3 Years

Nil

Atmavireshwar Sthapak

Managing Director

Bachelor of Applied Science and Master of Technology, Applied Geology
Appointed Managing Director on 28 July 2020
Appointed Executive Director on 3 February 2016
Previously Non-Executive Director (22 September 2015 to 3 February 2016)

Experience

Atmavireshwar Sthapak (MAusIMM) is a geologist specializing in mineral resource exploration and evaluation studies. He joined Alara in 2011, making valuable contributions to the Company as an Exploration Manager and a Study Manager based in Muscat; including discovery of large VMS copper mineralisation extensions at the Washi-hi project in Oman and recent resource upgrade at Washi-hi and Daris copper gold deposits. He played key roles in the Feasibility Study and grant of mining license over Washi-hi project. Prior to Alara, his career spanned 10 years with ACC / ACC-CRA Ltd and 10 years with Rio Tinto (Australasia) where he was awarded a Rio Tinto Discovery Award in 2009. He has worked on exploration around world-class deposits; including Mt. Isa type copper deposits in Australia, and copper, gold and diamond mines on four continents.

Other Directorships in Listed Companies in Past 3 Years

Nil

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Vikas Jain

Non-Executive Director

MBA

Appointed 6 April 2016

Experience

Vikas Jain holds an MBA from the USA and has vast experience of over 20 years in the fields of mineral exploration, mining, oil-field exploration and allied activities. He is currently Managing Director and CEO of the Indian Company South-West Pinnacle Exploration Limited (**SWPE**), which he founded in 2006 and listed on the National Stock Exchange of India. Under his leadership and able guidance, SWPE has enjoyed rapid growth and is a premier exploration company in India. Since its beginnings as a primarily a mineral exploration company, SWPE has progressively added Coal Bed Methane (**CBM**) exploration and production, aquifer mapping, HDD, geophysical logging, transportation and other geological activities to its range of operations. SWPE recently ventured into 2D and 3D seismic acquisition and processing for oil field exploration services. SWPE was awarded a contract for the first integrated 2D seismic acquisition, processing and exploration including drilling in coal block in India. Mr Jain also has extensive experience in open cut mining of various minerals and allied activities through his earlier involvement with other companies.

Special Responsibilities

Chairman of the Audit Committee and Member of the Remuneration and Nomination Committee.

Other Directorships in Listed Companies in Past 3 Years

South-West Pinnacle Exploration Limited, listed on the National Stock Exchange, India.

Sanjeev Kumar

Non-Executive Director

MBA (Finance & Marketing), IMT Ghaziabad, India; BE (Metallurgy), VNIT Nagpur, India

Appointed 23 October 2020

Experience

Mr Kumar has extensive Australian and international business experience, with a specialisation in high-value asset finance lending.

He is currently a director of Tradexcel Global Pty Ltd, an Australian company which he co-founded in 2017. Tradexcel assists Australian and NZ businesses to assess and expand into overseas markets; navigating entry barriers, providing regulatory clearance services, business strategy and planning and local partnerships. His previous roles include Vice President at India Factoring and Finance Solutions (a subsidiary of Fimbank), Associate Vice President at Tata Capital Financial Services, India, and Manager, Infrastructure Division at ICICI Bank Limited.

Other Directorships in Listed Companies in Past 3 Years

Nil

Devaki Khimji

Non-Executive Director

Appointed 2 February 2022

Experience

Devaki Khimji is Managing Director of Oman-based Al Tasnim Group (Al Tasnim). Previously, Mdme Devaki served as Founding Partner and Managing Director of India Circus Retail Pvt Ltd in India for 4 years. Her business acumen and foresight were essential to India Circus' launch and financial growth. She guided the brand through the market with her strong management skills.

Devaki combines her passion for fitness with a keen business sense, which has made her one of the most successful entrepreneurs in the Indian fitness industry. She is solely responsible for the smooth functioning of all K11 Fitness Management (India) projects. She also pioneered fitness club and gym management systems and ensured their successful implementation. K11 has grown from a 11 people to a company with almost 400 employees due to her vision and management skills.

Devaki joined Al Tasnim Group in 2012 and restructured it into streamlined divisions. As Managing Director, she manages and steers the Group and has also added value through the introduction of new product lines.

Other Directorships in Listed Companies in Past 3 Years

Nil

Farrokh Jimmy Masani

Alternate Director

Appointed 2 February 2022

Experience

Mr Masani is a seasoned entrepreneur in the Indian Construction Industry, with an excellent track record of creating and growing varied businesses in a competitive environment. His technical and commercial expertise encompass a wide range of specialisations such as civil, HVAC, plumbing, firefighting, electrical system design and project management.

His visionary leadership and zeal to create a progressive work environment has facilitated the steady growth and development of the Group.

Other Directorships in Listed Companies in Past 3 Years

Nil

Company Secretary

Dinesh Aggarwal

Company Secretary

FCCA, CA, CMA, FTI, DFP

Appointed 2 July 2020

Experience

Dinesh is a Chartered Accountant and CPA with over 20 years' experience in accounting and tax, finance, and business management in senior corporate positions, both in Australia and overseas. He is the Founder and Managing Director of Fortuna Advisory Group, an expanding, multi-disciplinary professional services group in Perth, Western Australia. He advises listed companies, Australian subsidiaries of major international groups, a large variety of SMEs and high net worth individuals.

Mr Aggarwal provides virtual CFO services to numerous corporate groups, self-managed superannuation advice and complex business structuring. He represents taxpayers in objections and AAT appeals against the ATO. Mr Aggarwal successfully represented a client in the landmark case Wong v. Commissioner of Taxation (AATA2011/3450) concerning the distinction between a share trader and an investor. A highly acknowledged professional, Dinesh has been Chairman of the CPA (WA) Public Practice Committee and a member of CPA Australia Public Practice Advisory Committee.

Among his various awards, he received the CPA 40 Under 40 Young Business Leaders' Award in 2012 and 2013 and was a finalist in the Tax Institute of Australia SME Tax Adviser of the Year Award 2015. Mr Aggarwal also serves on the boards of various companies and not-for-profit bodies.

Other Directorships in Listed Companies in Past 3 Years

Nil

Directors' Interests in Shares and Options

As at the end of the reporting period, the relevant interests of the Directors in shares and options held in the Company are:

Director	Fully Paid Ordinary Shares	Options
Stephen Gethin	1,500,000	-
Atmavireshwar Sthapak	3,862,051	3,333,000
Vikas Jain	37,745,930	-
Sanjeev Kumar	-	-
Devaki Khimji	-	-
Farrokh Masani	12,142,581	-

Directors' Meetings

The number of meetings and resolutions of directors (including meetings of committees of directors) held during the year and the number of meetings (or resolutions) attended by each director were as follows:

Name of Director	Appointment / Resignation	Board		Audit Committee		Remuneration and Nomination Committee	
		Meetings Attended	Maximum Possible	Meetings Attended	Maximum Possible	Meetings Attended	Maximum Possible
Stephen Gethin	Apptd. 28 June 2020	8	9	2	2	0	0
Atmavireshwar Sthapak	Apptd. 22 September 2015	9	9	2	2	-	-
Vikas Jain	Apptd. 6 April 2016	9	9	2	2	0	0
Sanjeev Kumar	Apptd. 23 October 2020	8	9	-	-	-	-
Devaki Khimji	Apptd. 2 February 2022	8	9	-	-	-	-
Farrokh Masani	Appts. 2 February 2022	6	9	-	-	-	-

Audit Committee

The Audit Committee currently comprises Non-Executive Directors Vikas Jain (Committee Chairman) (appointed 6 April 2016), Non-Executive Company Chairman Stephen Gethin (appointed 2 July 2020) and Managing Director Atmavireshwar Sthapak (appointed 28 September 2016).

The Audit Committee has a formal charter to prescribe its objectives, duties and responsibilities, access and authority, composition, membership requirements of the Committee and other administrative matters. Its function includes reviewing and approving the audited annual and reviewed half-yearly financial reports, ensuring a risk management framework is in place, reviewing and monitoring compliance issues, reviewing reports from management and matters related to the external auditor. The Audit Committee Charter may be viewed and downloaded from the Company's website.

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Remuneration Report

The information in this Remuneration Report has been audited. This Remuneration Report details the nature and amount of remuneration for each Director and Company Executive (being a Company Secretary or senior manager with authority and responsibility for planning, directing and controlling the major activities of the Company or Consolidated entity, directly or indirectly) (**Key Management Personnel** or **KMP**) of the Consolidated Entity in respect of the financial year ended 30 June 2024.

Key Management Personnel

Directors

Stephen Gethin	Chairman
Atmavireshwar Sthapak	Managing Director
Vikas Jain	Non-Executive Director
Sanjeev Kumar	Non-Executive Director
Devaki Khimji	Non-Executive Director
Farrokh Masani	Alternate Director

Executives

Dinesh Aggarwal	Company Secretary
Avigyan Bera	CEO, AHRL Appointed 15 October 2020)
Mohammed Qamar	GM Plant Operations, AHRL
Mobashirul Hoda	HSC Head, AHRL
Mohammad Imroz Ahmad	Process Superintendent, AHRL
Nishith Chandra	Head of HR, AHRL
Gautam Jain	Financial Controller, AHRL

Remuneration and Nomination Committee

The Remuneration and Nomination Committee currently comprises Non-Executive Board Chairman, Stephen Gethin (Committee Chairman, appointed 2 July 2020), Non-Executive Director, Vikas Jain (appointed 6 April 2016) and Managing Director Atmavireshwar Sthapak appointed 28 June 2016).

The Remuneration and Nomination Committee has a formal charter to prescribe its purpose, key responsibilities, composition, membership requirements, powers and other administrative matters. The Committee has a remuneration function (with key responsibilities to make recommendations to the Board on policy governing the remuneration benefits of the Managing Director and Executive Directors, including equity-based remuneration and assist the Managing Director to determine the remuneration benefits of senior management and advise on those determinations) and a nomination function (with key responsibilities to make recommendations to the Board as to various Board matters including the necessary and desirable qualifications, experience and competencies of Directors and the extent to which these are reflected in the Board, the appointment of the Chairman and Managing Director, the development and review of Board succession plans and addressing Board diversity). The Remuneration and Nomination Committee Charter may be viewed and downloaded from the Company's website.

Remuneration Policy

The Board (with guidance from the Remuneration and Nomination Committee) determines the remuneration structure of all Key Management Personnel having regard to the Consolidated Entity's strategic objectives, scale and scope of operations and other relevant factors, including experience and qualifications, length of service, market practice, the duties and accountability of Key Management Personnel and the objective of maintaining a balanced Board which has appropriate expertise and experience, at a reasonable cost to the Company. The Board recognises that the performance of the Company depends upon the quality of its Directors and Executives. To achieve its financial and operating objectives, the Company must attract, motivate and retain highly skilled Directors and Executives.

The Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract and retain high calibre Executives.
- Structure remuneration at a level that reflects the Executive's duties and accountabilities and is competitive.

Remuneration Structure

The structure of Non-Executive Director and Executive Director remuneration is separate and distinct.

Director Remuneration

Objective

The Board seeks to set aggregate remuneration (for Directors) 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.

Structure

Each Non-Executive Director receives a fee for serving as a Director of the Company and on relevant Board Committees, if applicable. The level of each Non-Executive Director's fee is commensurate with the workload and responsibilities undertaken. According to the Company's Constitution and the ASX Listing Rules, the aggregate remuneration of Non-Executive Directors must not exceed an amount determined by the Shareholders from time to time at a General Meeting (**Non-Executive Fee Pool**). An amount up to the Non-Executive Fee Pool is then allocated among the Non-Executive Directors as Directors' fees, as determined by the Board on the recommendation of the Remuneration and Nomination Committee (**Remuneration Committee**). The Non-Executive Fee Pool, set by Shareholders at the Annual General Meeting held on 26 May 2011, is AUD 275,000 per annum. Shareholders determined the amount of the Non-Executive Fee Pool having regard to the recommendation of the Board. That recommendation was, in turn, based on the recommendation of the Remuneration Committee, made based on a consideration of fees paid to non-executive directors of comparable companies.

Managing Director and Senior Executive Remuneration

Objective

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to ensure total remuneration is competitive by market standards. Formal employment contracts are entered into with the Managing Director and senior executives. Details of these contracts are outlined later in this report.

Consequences of Company Performance on Shareholder Wealth

In considering the Company's performance and creation of value for shareholders, the Board had regard to the following information in relation to the current financial year and the previous four years:

Item	2024	2023	2022	2021	2010
Total Equity (AUD)	20.9m	29.1m	22.9m	21.5m	22.9m
Basic earnings/(loss) per share – (AUD)	(0.81)	(0.27)	(0.19)	(0.24)	0.04
Net Profit/(Loss) attributable to members (AUD)	(5,792,626)	(1,914,019)	(1,316,222)	(1,622,329)	273,985
Market Capitalisation (AUD)	35.9m	20.1m	31.0m	9.9m	8.3m

Fixed Remuneration

During the financial year, the Key Management Personnel of the Company are paid a fixed base salary/fee per annum plus applicable employer superannuation contributions, as detailed below (Details of Remuneration Provided to Key Management Personnel).

Performance Related Benefits/Variable Remuneration

Performance-related benefits/variable remuneration payable to Key Management Personnel is disclosed in the table *Details of Remuneration Provided to Key Management Personnel*. Current Managing Director Atmavireshwar Sthapak was paid allowances including housing and vehicle allowances and medical insurance.

Special Exertions and Reimbursements

Pursuant to the Company's Constitution, each:

- Non-Executive Director is entitled to receive payment for the performance of extra services, or the undertaking of special exertions, at the request of the Board for Company purposes.
- Each Director is entitled to reimbursement of all reasonable expenses (including traveling and accommodation) which they incur for the purpose of attending Board and Board Committee meetings, the business of the Company, or in performing their duties as a Director.

Post-Employment Benefits

Other than employer contributions to nominated complying superannuation funds (where applicable) and entitlements to accrued unused annual and long service leave (where applicable), the Company does not provide retirement benefits to Key Management Personnel.

The Company notes that Shareholders' approval is required where a Company proposes to make a "termination payment" (for example, a payment in lieu of notice, a payment for a post-employment restraint and payments made as a result of the automatic or accelerated vesting of share based payments) in excess of one year's "base salary" (defined as the average base salary over the previous 3 years) to a Director or any person who holds a managerial or executive office.

Long-Term Benefits

Other than early termination benefits disclosed in "Employment Contracts" below, Key Management Personnel have no right to termination payments, save for payment of accrued unused annual and long service and/or end of service leave (where applicable).

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Details of Remuneration Provided to Key Management Personnel.

Key Management Person	Perfor- mance based	Short-term benefits								Post-employment benefits	Other long- term benefits	Equity based benefits	Total	
		Fixed	At risk STI	Option related	Cash payments				Other ⁽ⁱⁱⁱ⁾	Super- annuation	Termi- nation	Other		Options
					Salary and fees	Allo- wances ⁽ⁱ⁾	Cash Bonus	Non- cash ⁽ⁱⁱ⁾						
2024	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Executive Director														
Atmavireshwar Sthapak	-	100%	-	-	372,743	27,840	-	-	-	-	-	31,062	-	431,645
Non-Executive Directors:														
Stephen Gethin	-	100%	-	-	82,500	-	-	-	-	-	-	-	-	82,500
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Sanjeev Kumar	-	100%	-	-	25,000	-	-	-	-	2,523	-	-	-	27,523
Devaki Khimji	-	100%	-	-	27,500	-	-	-	-	-	-	-	-	27,500
Farrokh Masani	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Company Secretary:														
Dinesh Aggarwal ^(iv)	-	100%	-	-	47,317	-	-	-	-	-	-	-	-	47,317
Chief Executive Officer – AHRL														
Avigyan Bera	-	100%	-	-	81,538	25,626	-	-	-	-	-	-	-	107,164
Mohammed Qamar	-	100%	-	-	81,538	34,945	-	-	-	-	-	-	-	116,483
Mobashirul Hoda	-	100%	-	-	60,571	23,296	-	-	-	-	-	-	-	83,867
MD Imroz Khan	-	100%	-	-	44,263	41,934	-	-	-	-	-	-	-	86,197
Nishith Chandra	-	100%	-	-	9,707	6,057	-	-	-	-	-	-	-	15,764
Gautam Jain	-	100%	-	-	11,648	6,212	-	-	-	-	-	-	-	17,860

Notes:

- (i) Allowances are based on the executive employment agreement and may include expat allowance, company car allowance, rent allowance and security bond and school-fee allowance received from subsidiaries and related joint venture entities.
- (ii) Non-cash benefits include net leave and/or end of service gratuity accrued or paid to relevant labour laws
- (iii) Other short-term benefits consist of exchange gain/(loss) due to foreign currency translation from Oman Riyal to Australia Dollars on Mr. Bera's salary.
- (iv) Remuneration, in his capacity as Company Secretary, paid to Fortuna Advisory Group.

Key Management Person	Performance based	Fixed	At risk STI	Option related	Short-term benefits					Post-employment benefits		Other long-term benefits	Equity based benefits	Total
					Cash payments			Non-cash ⁽ⁱⁱ⁾	Other ⁽ⁱⁱ⁾	Super-annuation	Termination			
					Salary, and fees	Allowances ⁽ⁱ⁾	Cash Bonus							
2023	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Executive Director														
Atmavireswar Sthapak	-	100%	-	-	355,718	27,740	-	-	-	-	-	31,293	-	414,751
Non-Executive Directors														
Stephen Gethin	-	100%	-	-	75,000	-	-	-	-	-	-	-	-	75,000
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Sanjeev Kumar	-	100%	-	-	23,935	-	-	-	-	2,523	-	-	-	26,458
Devaki Khimji	-	100%	-	-	16,042	-	-	-	-	-	-	-	-	16,042
Farrokh Masani	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Company Secretary														
Dinesh Aggarwal ^(iv)	-	100%	-	-	110,400	-	-	-	-	-	-	-	-	110,400
Chief Executive Officer - AHRL														
Avigyan Bera	-	100%	-	-	79,798	26,795	-	-	-	-	-	3,423	-	110,016

Notes:

- (i) Allowances are based on the executive employment agreement and may include expat allowance, company car allowance, rent allowance and security bond and school-fee allowance received from subsidiaries and related joint venture entities.
- (ii) Non-cash benefits include net leave and/or end of service gratuity accrued or paid to relevant labour laws
- (iii) Other short-term benefits consist of exchange gain/(loss) due to foreign currency translation from Oman Riyal to Australia Dollars on Mr Richard's salary and Mr. Bera's salaries.
- (iv) Appointed 2 July 2020. Remuneration, in his capacity as Company Secretary, paid to Fortuna Advisory Group.

Equity Based Benefits

The Company provided no equity based benefits (e.g. grant of shares or options) to Key Management Personnel during the financial year. No shares were issued as a result of the exercise of options held by Key Management Personnel during the financial year.

Options Lapsed During the Year

The following options lapsed or were cancelled during the reporting period.

1,666,000 options (issued to Managing Director Atmavireswar Sthapak on 23 December 2021 each exercisable over one fully paid, ordinary, share in the Company with an exercise price of AUD 0.03 per share) expired on 30 April 2024.

2,500,000 options (issued to Managing Director Atmavireswar Sthapak on 23 December 2021 each exercisable over one fully paid, ordinary, share in the Company with an exercise price of AUD 0.03 per share) expired on 30 June 2024.

Details of Shares Held by Key Management Personnel

Ordinary Fully Paid Shares					
2023-2024 Name of Director/KMP	Balance at 1 July 2023	Balance at appointment ¹	Net change	Balance at cessation ¹	Balance at 30 June 2024
Stephen Gethin	1,500,000		-		1,500,000
Atmavireswar Sthapak	3,862,051		-		3,862,051
Vikas Jain	37,745,930		-		37,745,930
Sanjeev Kumar	-		-		-
Dinesh Aggarwal	8,555,725		-		8,555,725
Devaki Khimji	-		-		-
Farrokh Masani	10,676,187		1,466,394		12,142,581

Note: 1 Applies where the Director was appointed, or ceased as a Director, during the reporting period.

Ordinary Fully Paid Shares					
2022-2023 Name of Director/KMP	Balance at 1 July 2022	Balance at appointment ¹	Net change	Balance at cessation ¹	Balance at 30 June 2023
Stephen Gethin	-		1,500,000		1,500,000
Atmavireswar Sthapak	3,862,051		-		3,862,051
Vikas Jain	37,745,930		-		37,745,930
Sanjeev Kumar	-		-		-
Dinesh Aggarwal	6,055,725		2,500,000		8,555,725
Devaki Khimji		-	-		-
Farrokh Masani	10,422,687	-	253,500		10,676,187

Note: 1 Applies where the Director was appointed, or ceased as a Director, during the reporting period.

Details of Options Held by Key Management Personnel

The only options held by Key Management Personnel are those disclosed above under the heading "Equity Based Benefits"

Employment Contracts

(a) Managing Director – Atmavireswar Sthapak

Atmavireswar Sthapak was appointed Managing Director on 27 July 2020. The material terms of his contract in effect during the reporting period were as follows⁵:

- Annual base salary of AUD 324,278 per annum;
- Housing allowance of up to AUD 41,406 per annum;
- Vehicle allowance – up to AUD 77,637 per annum, plus pay the costs of keeping the vehicle fuelled, maintained and registered;
- Compulsory statutory "end of service" payments due under Oman Labour Law;
- Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus any additional entitlements prescribed under Oman Labour Law; and
- Either party may terminate the agreement by providing three months' notice.

⁵ Refer Alara's 3 February 2016 ASX Announcement: "Appointment of Executive Director".

- Long-term incentive: The Managing Director's Options, as detailed above formed part of his long-term incentive but since the end of the reporting period have now all expired.

(b) Other Executives

Details of the material terms of formal employment/consultancy agreements (as the case may be) between the Company and other Key Management Personnel during the period are as follows:

KMP Position(s) Held	Base Salary/Fees per annum	Other Key Terms
Stephen Gethin Chairman	AUD 75,000 plus GST per annum.	N/A
Dinesh Aggarwal Company Secretary	The Company pays Fortuna Advisory Group AUD 110,400 as a combined amount for Company Secretarial and Chief Financial Officer services. Mr Aggarwal is a consultant to Fortuna Advisory Group through Fortuna Accountants and Business Advisors, of which he is Managing Director.	N/A

Other Benefits Provided to Key Management Personnel

No Key Management Personnel has during or since the end of the financial year, received or become entitled to receive a benefit, other than a remuneration benefit as disclosed above, by reason of a contract made by the Company or a related entity with the Director or with a firm of which he is a member, or with a Company in which he has a substantial interest. There were no loans to directors or executives during the reporting period.

Employee Share Option Plan

The Company has an Employee Share Option Plan (the **ESOP**) which was most recently approved by shareholders at the 2017 Annual General Meeting. The ESOP was developed to assist in the recruitment, reward, retention and motivation of employees (excluding Directors) of Alara. Under the ESOP, the Board will nominate personnel to participate and will offer options to subscribe for shares to those personnel. A summary of the terms of ESOP is set out in Annexure A to Alara's Notice of Annual General Meeting and Explanatory Statement for its 2017 AGM.

Director's Loan Agreements

There were no loan agreements with the Directors during the year.

Securities Trading Policy

The Company has a Securities Trading Policy, a copy of which is available for viewing and downloading from the Company's website.

Voting and Comments on the Remuneration Report at the 2023 Annual General Meeting

At the Company's most recent Annual General Meeting (**AGM**), a resolution to adopt the Remuneration Report for the previous reporting period was put to a shareholders' vote and passed unanimously on a show of hands with the proxies received also indicating 99.31% support for adopting the Remuneration Report.⁶ No comments were made on the Remuneration Report at the AGM.

Engagement of Remuneration Consultants

The Company did not engage a remuneration consultant during the year.

The Board has established a policy for engaging external remuneration consultants. The policy includes a requirement for the Remuneration and Nomination Committee to:

- approve all engagements of remuneration consultants;
- receive remuneration recommendations from remuneration consultants (to the exclusion of persons not members of the Committee) regarding Key Management Personnel; and
- ensure that the making of remuneration recommendations is free from undue influence by the member or members of the Key Management Personnel to whom the recommendation relates.

This concludes the audited Remuneration Report.

⁶ Refer Alara's 17 November 2017 ASX Announcement: Results of Meeting.

Directors' and Officers' Insurance

The Company insures Directors and Officers against liability they may incur in respect of any wrongful acts or omissions made by them in such capacity (to the extent permitted by the Corporations Act 2001) (**D&O Policy**). Details of the amount of the premium paid in respect of the D&O Policy is not disclosed as such disclosure is prohibited under the terms of the policy.

Directors' Deeds

In addition to the rights of indemnity provided under the Company's Constitution (to the extent permitted by the Corporations Act), the Company has also entered into a deed with each of the Directors and the Secretary (each an **Officer**) to regulate certain matters between the Company and each Officer, both during the time the Officer holds office and after the Officer ceases to be an officer of the Company, including the following matters:

- The Company's obligation to indemnify an Officer for liabilities or legal costs incurred as an officer of the Company (to the extent permitted by the Corporations Act).
- Subject to the terms of the deed and the Corporations Act, the Company may advance monies to Officers to meet any costs or expenses of the Officer incurred in circumstances relating to the indemnities provided under the deed and before the outcome of legal proceedings brought against the Officer.

Legal Proceedings on Behalf of Consolidated Entity (Derivative Actions)

No person has applied for leave of a court to bring proceedings on behalf of the Consolidated Entity or intervene in any proceedings to which the Consolidated Entity is a party for the purpose of taking responsibility on behalf of the Consolidated Entity for all or any part of such proceedings and the Consolidated Entity was not a party to any such proceedings during and since the financial year.

Auditor

Details of the amounts paid or payable to the Company's auditors (In.Corp Audit & Assurance Pty Ltd for the year ended 30 June 2024 and RSM Chartered Accountants for the Oman entity audits) for audit and non-audit services provided during the financial year are set out below (refer to Note 5):

Audit and Review Fees \$	Fees for Other Non-Audit Services \$	Total \$
35,617	–	35,617

No non-audit services were provided by the Auditors during the year.

Auditor's Independence Declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the Corporations Act 2001 forms part of this Directors Report and is set out on page 24.

Events Subsequent to Reporting Date

The Directors are not aware of any matters or circumstances at the date of this Directors' Report, other than those referred to in this Directors' Report or the financial statements or notes thereto, that have significantly affected or may significantly affect the operations, the results of operations or the state of affairs of the Company and Consolidated Entity in subsequent financial years.

Signed for and on behalf of the Directors in accordance with a resolution of the Board:



Atmavireshwar Sthapak Managing Director
30 September 2024

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION
307C OF THE CORPORATIONS ACT 2001**

To the directors of Alara Resources Limited:

As lead auditor of the audit of Alara Resources Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Alara Resources Limited and the entities it controlled during the year.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

30 September 2024

In.Corp Audit & Assurance Pty Ltd
ABN 14 129 769 151

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue	3	5,462,901	-
Other income	3	37,520	25,297
Gain/(Loss) on forex	3	74,313	(72,793)
Production		(3,267,721)	
Personnel		(2,737,044)	(936,187)
Occupancy costs		(266,434)	(46,225)
Finance expense		(2,216,834)	(14,641)
Corporate expenses		(86,279)	(204,750)
Administration expenses		(1,396,991)	(771,907)
Share of profit/(losses) of associates	11	203,158	52,638
Depreciation		(6,431,684)	(763,824)
PROFIT/(LOSS) BEFORE INCOME TAX		(10,625,095)	(2,732,392)
Income tax benefit	4	-	-
PROFIT/(LOSS) FOR THE YEAR		(10,625,095)	(2,732,392)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		806,448	1,785,027
Total other comprehensive income/(loss)		806,448	1,785,027
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		(9,818,647)	(947,365)
Profit/(loss) attributable to:			
Owners of Alara Resources Limited		(5,792,626)	(1,914,019)
Non-controlling interest		(4,832,602)	(818,373)
		(10,625,228)	(2,732,392)
Total comprehensive income/(loss) for the year attributable to:			
Owners of Alara Resources Limited		(4,986,178)	(128,992)
Non-controlling interest		(4,832,602)	(818,373)
		(9,818,780)	(947,365)
Earnings/Loss per share:			
Basic earnings/(loss) per share cents	6	(0.81)	(0.27)
Diluted earnings/(loss) per share cents	6	(0.81)	(0.27)

The accompanying notes form part of this consolidated financial statement.

	Note	2024 \$	2023 \$
CURRENT ASSETS			
Cash and cash equivalents	7	4,355,812	3,656,745
Trade and other receivables	8	4,842,437	924,905
Other current assets	9	141,742	142,440
Inventory		7,212,316	-
Financial assets	10	329,963	802,710
TOTAL CURRENT ASSETS		16,882,270	5,526,800
NON-CURRENT ASSETS			
Financial assets	10	806,042	507,651
Investment in Associate	11	354,715	151,557
Borrowing cost	12	480	482
Property, plant and equipment	13	36,423,933	2,151,911
Mine properties	13	100,537,641	98,618,098
Development assets	13	10,450,327	-
Exploration and evaluation	14	4,689,128	4,713,750
Advance to Subcontractors		1,805,416	5,990,041
TOTAL NON-CURRENT ASSETS		155,067,684	112,133,492
TOTAL ASSETS		171,949,954	117,660,292
CURRENT LIABILITIES			
Trade and other payables	15	53,797,327	21,566,739
Provisions	16	364,199	175,195
Financial liability	17	19,099,990	19,791
TOTAL CURRENT LIABILITIES		73,261,516	21,761,725
NON CURRENT LIABILITIES			
Financial liabilities	17	78,083,648	66,817,644
TOTAL NON CURRENT LIABILITIES		78,083,648	66,817,644
TOTAL LIABILITIES		151,345,164	88,579,369
NET ASSETS		20,604,790	29,080,923
EQUITY			
Issued capital	18	68,722,146	68,722,146
Reserves	19	15,061,404	14,254,956
Accumulated losses		(65,085,620)	(59,292,994)
Parent interest		18,697,930	23,684,108
Non-controlling interest		1,906,860	5,396,815
TOTAL EQUITY		20,604,790	29,080,923

The accompanying notes form part of this consolidated financial statement.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2024

	Note	Issued Capital	Foreign Currency Translation Reserve	Accumulated Losses	Transactions with minority interests	Non- Controlling Interest	Total
		\$	\$	\$	\$	\$	\$
Balance as at 1 July 2022		68,233,860	3,876,076	(57,378,975)	8,593,853	(438,774)	22,886,040
Foreign currency translation reserve		-	1,785,027	-	-	-	1,785,027
Net income and expense recognised directly in equity		-	1,785,027	-	-	-	1,785,027
Transaction with Minority Interest		-	-	-	-	6,653,962	6,653,962
Profit/(Loss) for the year		-	-	(1,914,019)	-	(818,373)	(2,732,392)
Total comprehensive income/ (loss) for the year		-	1,785,027	(1,914,019)	-	5,835,589	5,706,597
Transactions with owners in their capacity as owners:							
Share placement		488,286	-	-	-	-	488,286
Balance as at 30 June 2023		68,722,146	5,661,103	(59,292,994)	8,593,853	5,396,815	29,080,923
Balance as at 1 July 2023		68,722,146	5,661,103	(59,292,994)	8,593,853	5,396,815	29,080,923
Options expired		-	-	-	-	-	-
Foreign currency translation reserve		-	806,448	-	-	-	806,448
Net income and expense recognised directly in equity		-	806,448	-	-	-	806,448
Transactions with minority interest		-	-	-	-	1,342,644	1,342,644
Profit/(Loss) for the year		-	-	(5,792,626)	-	(4,832,599)	(10,625,225)
Total comprehensive income/(loss) for the year		-	806,448	(5,792,626)	-	(3,489,955)	(8,476,133)
Transactions with owners in their capacity as owners		-	-	-	-	-	-
Share placement	19	-	-	-	-	-	-
Share placement costs	19	-	-	-	-	-	-
Balance as at 30 June 2024		68,722,146	6,467,551	(65,085,620)	8,593,853	1,906,860	20,604,790

The accompanying notes form part of this consolidated financial statement.

Consolidated Statement of Cash Flows

for the year ended 30 June 2024

	Note	2024 \$	2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customer/others		2,260,105	-
Interest received		25,170	24,667
Payments to suppliers and employees(Inclusive of GST)		(14,286,053)	(1,579,191)
NET CASHFLOWS USED IN OPERATING ACTIVITIES	7b	(12,000,778)	(1,554,524)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(191,829)	(3,020,712)
Payments for development and exploration expenditure		(19,090,594)	(49,188,469)
Payments towards term deposits		(193,753)	(22,160)
Loan to other entity (repayment)		(104,688)	-
Proceeds from disposal and redemption of financial assets		492,002	250,000
NET CASHFLOWS USED IN INVESTING ACTIVITIES		(19,088,862)	(51,981,341)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributed by non-controlling interests		1,342,644	6,653,964
Proceeds from issuing ordinary shares		-	120,000
Proceeds from borrowings		30,451,574	47,920,749
Cost of issuing ordinary shares		-	(4,020)
NET CASHFLOWS PROVIDED BY FINANCING ACTIVITIES		31,794,218	54,690,693
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS HELD		704,578	1,154,828
Cash and cash equivalents at beginning of the financial year		3,656,745	2,449,791
Effect of exchange rate changes on cash		(5,511)	52,126
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	4,355,812	3,656,745

The accompanying notes form part of this consolidated financial statement.

1. SUMMARY OF ACCOUNTING POLICIES

Material Accounting Policy

The principal accounting policies adopted in the preparation of these financial statements are set out below.

The financial report includes the financial statements for the Consolidated Entity consisting of Alara Resources Limited and its controlled and jointly controlled entities. Alara Resources Limited is a company limited by shares, incorporated in Western Australia, Australia and whose shares are publicly traded on the Australian Securities Exchange (**ASX**).

1.1. Basis of preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*. Alara Resources Limited is a for-profit entity for the purposes of preparing the financial statements.

Compliance with IFRS

The consolidated financial statements of the Consolidated Entity, Alara Resources Limited, also comply with International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**).

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Going Concern Assumption

The financial statements have been prepared on the going concern basis of accounting which assumes the continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business.

The Group has incurred a loss for the year ended 30 June 2024 of AUD 10,625,228 (2023: Loss AUD 2,732,392) and cash inflows/(outflows) from operating and investing activities of (AUD 31,089,640) (2023: (AUD 53,535,865)). As at 30 June 2024 the Group has a cash at bank balance of AUD 4,355,812 (2023: AUD 3,656,745), bank deposits of AUD 534,942 (2023: AUD 813,985) and working capital of AUD (56, 379,246) (2023: AUD 16,234,925).

Related-party creditors of Al Hadeetha Resources LLC (**AHRL**), including the other shareholders in that JV company, which have contracts for the provision of various mining and construction services to AHRL, agreed subsequent to the balance date to defer current liabilities owing to them of AUD 43,014,201.50.

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report. Based on the cash flow forecast, the directors are satisfied that the going concern basis of preparation is appropriate.

1.2. Foreign Currency Translation and Balances

Functional and presentation currency

The functional currency of each entity within the Consolidated Entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in profit or loss.

Consolidated entity

The financial results and position of foreign operations whose functional currency is different from the Consolidated Entity's presentation currency are translated as follows:

- (a) assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- (b) income and expenses are translated at average exchange rates for the period; and

(c) retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Consolidated Entity's foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

1.3. Joint Arrangements

Joint arrangements exist when two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control, in the event the Company does not share control the financials are consolidated (or deconsolidated in the event of loss of control) (refer to 1.2 for further information). The Consolidated Entity's joint arrangements are currently of one type:

Joint operations

Joint operations are joint arrangements in which the parties with joint control have rights to the assets and obligations for the liabilities relating to the arrangement. The activities of a joint operation are primarily designed for the provision of output to the parties to the arrangement, indicating that:

- the parties have the rights to substantially all the economic benefits of the assets of the arrangement; and
- all liabilities are satisfied by the joint participants through their purchases of that output. This indicates that, in substance, the joint participants have an obligation for the liabilities of the arrangement.

1.4. Comparative Figures

Certain comparative figures have been adjusted to confirm to changes in presentation for the current financial year.

1.5. Critical Accounting Judgements and Estimates

The preparation of the Consolidated Financial Statements requires Directors to make judgements and estimates and form assumptions that affect how certain assets, liabilities, revenue, expenses and equity are reported. At each reporting period, the Directors evaluate their judgements and estimates based on historical experience and on other various factors they believe to be reasonable under the circumstances, the results of which form the basis of the carrying values of assets and liabilities (that are not readily apparent from other sources, such as independent valuations). Actual results may differ from these estimates under different assumptions and conditions.

Exploration and evaluation expenditure

The Consolidated Entity's accounting policy for exploration and evaluation expenditure being capitalised include the Daris Project where these costs are expected to be recoverable through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves. In the case of the Al Hadeetha project, a maiden reserve announcement was issued in December 2016. This policy requires management to make certain estimates to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is not possible, the relevant capitalised amount will be written off to profit or loss.

Impairment of mine development expenditure

The future recoverability of capitalised mine development expenditure is dependent on a number of factors, including the level of proved and probable reserves and measured, indicated and inferred mineral resources, future technological changes which could impact the cost of mining, future legal changes and changes to commodity prices.

To the extent that capitalised mine development expenditure is determined not to be recoverable in the future, this will reduce profits and net assets in the period in which this determination is made.

1.6. New, Revised or Amending Accounting Standards and Interpretations Adopted

The Consolidated Entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated Entity during the financial year.

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

1.7. New Accounting Standards and Interpretations not yet Mandatory or Early Adopted

There are no forthcoming standards and amendments that are expected to have a material impact on the group in the current or future reporting periods, or on foreseeable future transactions.

2. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Alara Resources Limited, as at 30 June 2024.

	2024 \$	2023 \$
Statement of Financial Position		
Current assets	437,074	956,806
Non-current assets	14,519,762	9,497,133
Total assets	14,956,836	10,453,939
Current liabilities	28,526	27,751
Non-current liabilities	5,469,248	5,627
Total liabilities	5,497,774	33,378
Net assets	9,459,062	10,420,561
Issued capital	68,722,146	68,722,146
Accumulated losses	(59,263,084)	(58,301,585)
Total equity	9,459,062	10,420,561
Profit/(loss) for the year	(961,499)	(590,591)
Total comprehensive income /(loss) for the year	(961,499)	(590,591)

3. PROFIT/(LOSS) FOR THE YEAR

The operating profit before income tax includes the following items of revenue and expense:

	2024 \$	2023 \$
Revenue		
Interest	37,520	25,297
Sale of Copper	5,462,901	-
Unrealised forex gain/(loss)	74,313	(72,793)
	5,574,734	(47,496)

ACCOUNTING POLICY NOTE

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Consolidated Entity and the revenue can be reliably measured. All revenue is stated net of the amount of goods and services tax (GST) except where the amount of GST incurred is not recoverable from the Australian Tax Office. The following specific recognition criteria must also be met before revenue is recognised:

- Interest revenue – Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.
- Other revenues – Other revenues are recognised on a receipts basis.

Sale of Copper

Sales revenue is recognised when control transfers to the customers i.e. control passes and sales revenue is recognised when the product is delivered to the vessel or vehicle at port of loading for transportation of goods to the customers' destination. Sales of copper concentrate are recorded on a provisional basis as per standard parameters for want of actual specifications and differential sales value are recorded only on receipt of actual.

Final prices for copper concentrate are normally determined between 30 and 120 days after delivery to the customer. There are subsequent adjustments made to the initial transaction price for the difference in the LME rate considered during the initial transaction and the quotational price; and for any mismatch in the grade of copper concentrate and other parameters in it. Revenue from the sale of significant by-products, such as gold and silver, is included in the sales revenue.

Two shipments of copper-gold concentrate were made by AHRL during the reporting period, in May and June 2024, from which the Company was due AUD 4,813,520. This amount represented 90% of the provisional price payable for the consignments under the offtake agreement. The remaining part of the final price payable for the shipments is recognised when it has been determined, which occurs after the reporting period.

Copper sales are made under an offtake agreement with Trafigura Pte Ltd. Key terms of the offtake agreement are: Term - Eight years and two months from the commencement of copper concentrate production at the Project, which occurred in May 2024 (**Term**); Deliverable quantity – the full copper and gold concentrate production of the Washi-hi Project for the Term; Pricing - based on the official London Metal Exchange cash settlement quotation for Grade A copper at the time of delivery.

4. INCOME TAX EXPENSE

	2024 \$	2023 \$
The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate for the reporting period of 25% (prior period: 25%) and the reported tax expense in profit or loss are as follows:		
Tax expense comprises:		
(a) Current tax	272,663	206,768
Deferred income tax relating to origination and reversal of temporary differences		
- Origination and reversal of temporary differences	-	-
Deferred tax expense - temporary differences	(28,751)	-
Deferred tax expense - losses	28,751	-
- Utilisation of unused tax losses previously unrecognised	(272,663)	(206,768)
Under/(Over) provision in respect of prior years	-	-
Tax expense	-	-
Deferred tax expense (income), recognised directly in other comprehensive income		
(b) Accounting profit before tax	(10,285,682)	(2,732,391)
Income tax expense to accounting profit:		
Tax at the Australian tax rate of 25% (prior period: 25%)	(2,571,420)	(683,098)
Assessable amounts	335,787	579,557
Non-deductible expenses	342,828	68,922
Deferred tax asset losses not brought to account	1,212,296	23,769
Non-assessable income – other		
Non-deductible items		
Utilisation of unused tax losses previously unrecognised	(272,663)	(206,768)
Deferred Tax Asset Losses not previously brought to account, now brought to account	(28,751)	7,565
Deferred tax assets recognised/ (not recognised)		
Tax rate difference	981,924	217,998
Under Provision in respect of prior years	-	(7,945)
Income tax expenses (benefit)	-	-
(c) Recognised Deferred Tax Balances		
Deferred tax asset	7,738	13,798
Deferred tax asset (losses)	87,374	79,809
Set-off deferred tax liabilities	(95,112)	(93,607)
	-	-
(d) Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
Unrecognised deferred tax asset losses	1,292,096	1,089,449
Unrecognised deferred tax asset losses (capital)	409,991	409,991
Unrecognised deferred tax asset Oman losses	203,627	220,672
	1,905,714	1,720,112

The benefit of the deferred tax assets not recognised will only be obtained if:

- (i) The Consolidated Entity derives future income that is assessable for Australian income tax purposes and is of a type and an amount sufficient to enable the benefit of them to be realised;
- (ii) The Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and
- (iii) There are no changes in tax law which will adversely affect the Consolidated Entity in realising the benefit of them.

The Consolidated Entity has elected to consolidate for taxation purposes and has entered into a tax sharing and funding agreement in respect of such arrangements.

ACCOUNTING POLICY NOTE

Tax consolidation legislation

The Consolidated Entity implemented the tax consolidation legislation. The head entity, Alara Resources Limited, and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated group continues to be a stand-alone taxpayer in its own right. In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets (as appropriate) arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group. Assets or liabilities arising under tax funding agreements within the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the Consolidated Entity. Any differences between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly owned tax consolidated entities.

5. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditors to the Consolidated Entity, their related practices and non-audit related firms:

	2024 \$	2023 \$
In.Corp Audit & Assurance Pty Ltd – Auditors of the Consolidated Entity (Audit and review of financial reports)	32,300	29,000
RSM Chartered Accountants – Auditors of Oman-controlled entities (Audit and review of financial reports)	3,317	4,810
	<u>35,617</u>	<u>33,810</u>

6. EARNINGS/(LOSS) PER SHARE

	2024 \$	2023 \$
Basic earnings/(loss) per share cents	(0.81)	(0.27)
Diluted earnings/(loss) per share cents	(0.81)	(0.27)
Profit/(loss) \$ used to calculate earnings/(loss) per share	<u>(5,792,626)</u>	<u>(1,914,019)</u>
Weighted average number of ordinary shares during the period used in calculation of basic earnings/(loss) per share	<u>718,087,541</u>	<u>715,810,289</u>
Weighted average number of ordinary shares during the period used in calculation of diluted earnings/(loss) per share	<u>719,962,291</u>	<u>715,015,289</u>

Under AASB 133 "Earnings per share", potential ordinary shares such as options will only be treated as dilutive when their conversion to ordinary shares would increase loss per share from continuing operations.

7. CASH AND CASH EQUIVALENTS

	2024	2023
	\$	\$
Cash in hand	5,233	1,991
Cash at bank	4,238,757	3,548,310
Term deposits	111,822	106,444
	<u>4,355,812</u>	<u>3,656,745</u>

The effective interest rate on short-term bank deposits in the reporting period was 0.76% (prior period: 0.70%) with an average maturity of 90 days.

(a) Risk exposure

The Consolidated Entity's exposure to interest rate and foreign exchange risk is discussed in Note 23. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

(b) Reconciliation of Net Profit/(Loss) after Tax to Net Cash Flow From Operations	2024	2023
	\$	\$
Profit/(Loss) after income tax	(10,625,095)	(2,732,393)
Gain/(loss) on forex (realised)	49,479	80,556
Share of (profits)/losses of associates and joint ventures	(203,158)	(52,637)
Foreign exchange movement	(265,898)	173,196
Depreciation	6,431,684	763,824
(Increase)/Decrease in Assets:		
Trade and other receivables	(2,844,336)	(7,224)
Other current assets	(38,466)	(19,377)
Borrowing cost	-	173
Stock in hand	(7,212,316)	-
Increase/(Decrease) in Liabilities:		
Insurance premium funding (other payables)	(11,718)	(738)
Trade and other payables	2,529,426	225,171
Provisions	189,753	14,925
Net cashflows from/ (used in) operating activities	<u>(12,000,645)</u>	<u>(1,554,524)</u>

8. TRADE AND OTHER RECEIVABLES

Current	2024	2023
	\$	\$
Amounts receivable from:		
Sundry debtors	4,199,514	321,200
Goods and services tax recoverable	16,792	7,139
VAT receivable	626,131	596,566
	<u>4,842,437</u>	<u>924,905</u>

(a) Risk exposure

Information about the Consolidated Entity's exposure to credit risk, foreign exchange risk and interest rate risk is in Note 22.

(b) Impaired receivables

None of the above receivables are impaired or past due.

ACCOUNTING POLICY NOTE

Trade and other receivables are recorded at amounts due less any provision for doubtful debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when considered non-recoverable.

9. OTHER CURRENT ASSETS

	2024 \$	2023 \$
Prepayments	140,340	133,845
Accrued interest	1,402	8,595
	<u>141,742</u>	<u>142,440</u>

10. FINANCIAL ASSETS

	2024 \$	2023 \$
Current		
Bank deposits	329,963	802,710
Non-Current		
Interest free loan to Alara Resources LLC	435,028	496,376
Loan to Other Entities – ARL	166,035	-
Bank deposits (more than one year)	204,979	11,275
	<u>1,136,005</u>	<u>1,310,361</u>

11. INVESTMENT IN ASSOCIATES

The movement for the year in the Group's investments accounted for using the equity method is as follows:

	2024 \$	2023 \$
Opening balance	151,557	98,920
Profit /(Loss) from equity accounted investments	203,158	52,637
Subtotal	<u>354,715</u>	<u>151,557</u>

ACCOUNTING POLICY NOTE

An associate is an entity over which the group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Under the equity method, an investment in an associate is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

12. BORROWING COST

	2024 \$	2023 \$
Borrowing cost	862	865
Less: Amortisation for the period	(382)	(383)
	<u>480</u>	<u>482</u>

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13. PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment \$	Mine Properties \$	Development assets \$	Total \$
Year ended 30 June 2023				
Carrying amount at beginning	138,400	-	25,213,324	25,351,724
Additions	2,785,002	-	72,425,882	75,210,884
Disposal	(2,479)	-	-	(2,479)
Depreciation expense	(763,824)	-	-	(763,824)
Exchange difference	(5,190)	-	978,892	973,703
Closing amount at reporting date	2,151,911	-	98,618,098	100,770,009
Year ended 30 June 2023				
Cost or fair value	3,148,475	-	98,618,098	101,766,573
Accumulated depreciation	(996,564)	-	-	(996,564)
Net carrying amount	2,151,911	-	98,618,098	100,770,009
Year ended 30 June 2024				
Carrying amount at beginning	2,151,911	-	98,618,098	100,770,009
Transfer from development	38,011,394	103,107,787	(141,119,181)	-
Additions	21,934	-	53,386,266	53,408,200
Disposal	-	-	-	-
Depreciation expense	(3,817,053)	(2,614,630)	-	(6,431,683)
Exchange difference	55,747	44,484	(434,856)	(334,625)
Closing amount at reporting date	36,423,933	100,537,641	10,450,327	147,411,901
Year ended 30 June 2024				
Cost or fair value	41,168,980	103,107,787	10,450,327	154,727,094
Accumulated depreciation	(4,745,047)	(2,570,146)	-	(7,315,193)
Net carrying amount	36,423,933	100,537,641	10,450,327	147,411,901

ACCOUNTING POLICY NOTE

All plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present value in determining recoverable amount. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Consolidated Entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred. The depreciable amount of all fixed assets is depreciated on a diminishing value basis over the asset's useful life to the Consolidated Entity commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Office Equipment	15 – 37.5%
Motor Vehicles	33.3%
Plant and Equipment	15 – 33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

Mine properties and development assets

Mine property and development assets include costs and developed assets in accessing the ore body and costs to develop the mine to the production phase, once the technical feasibility and commercial viability of a mining operation has been established. At this stage, exploration and evaluation assets are reclassified to mine properties and developed assets. Mine property and development assets are stated at historical cost less accumulated amortisation and any accumulated impairment losses recognised. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation. Any ongoing costs associated with mining which are considered to benefit mining operations in future periods are capitalised.

14. EXPLORATION AND EVALUATION

	2024	2023
	\$	\$
Opening balance	4,713,750	5,635,650
Reinstatement of Foreign Reserve balance relating to prior Years	9,213	(1,191,744)
- Exploration and evaluation expenditure	-	938
- Exchange differences	(33,835)	268,906
Closing balance	4,689,128	4,713,750

Alara Oman Operations Pty Limited (a wholly owned Australian subsidiary) gained a 50% shareholding interest in a jointly controlled company, Daris Resources LLC (Oman), on 1 December 2010. The principal activity of this company is exploration, evaluation and development of mineral licences in Oman. The Consolidated Entity has a valid and legally enforceable contractual right to commercially exploit the Daris Project held by Daris Resources LLC (in which the Consolidated Entity has a 50% shareholding interest) and does not hold the legal title to the mineral exploration licence (which is held by the other 50% shareholder of Daris Resources LLC). The financial statements have been prepared on this basis. Should these legal rights not be enforceable, the carrying value of Exploration and Evaluation Expenditure attributable to the Daris Project would be impaired.

The Consolidated Group has entered into a Heads of Agreement with Awtad Copper LLC, under which wholly owned subsidiary Alara Oman Operations Pty Ltd would become a 10% shareholder in the Awtad Block 8 Project. As part of the Heads of Agreement, Awtad acknowledges OMR 246,215 (AUD 812,316) previously spent on the project by Alara as the basis for Alara's interest in that project.

ACCOUNTING POLICY NOTE

Mineral Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated (i.e. capitalised) in respect of each identifiable area of interest. These costs are only carried forward where they are expected to be recovered through the successful development of the area or where activities in the area and includes areas that have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. Exploration and evaluation expenditure is written-off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the impairment loss will be measured in accordance with the Consolidated Entity's impairment policy. This policy requires management to make certain estimates to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is not possible, the relevant capitalised amount will be written off to the statement of profit or loss and other comprehensive income.

Impairment of Non-Financial Assets

At each reporting date, the Consolidated Entity reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the profit or loss. Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

15. TRADE AND OTHER PAYABLES

	2024 \$	2023 \$
Current		
Trade payables	51,384,719	19,402,062
Other payables	2,412,608	2,164,677
	<u>53,797,327</u>	<u>21,566,739</u>

Due to the short-term nature of the trade and other payables, their carrying value is assumed to approximate their fair value.

(a) Risk exposure

Details of the Consolidated Entity's exposure to risks arising from current payables are set out in Note 23.

16. PROVISIONS

	2024 \$	2023 \$
Current		
Employee benefits – annual leave	364,199	175,195
	<u>364,199</u>	<u>175,195</u>

Amounts not expected to be settled within the next 12 months

The entire annual leave obligation is presented as current as the Consolidated Entity does not have an unconditional right to defer settlement.

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17. FINANCIAL LIABILITIES

Financial liabilities	2024	2023
	\$	\$
Non-Current		
Loan – Sohar International Bank		
Opening balance	65,937,034	17,359,449
Add: Addition during the year	5,732,908	48,577,585
Closing balance	71,669,942	65,937,034
Loan – Trafigura PTE Ltd		
Opening balance	-	-
Add: Addition during the year	5,418,886	-
Closing balance	5,418,886	-
Loan From Associate – Alara Resources LLC		
Opening Balance	30,047	-
Add: Addition during the year	62,107	30,047
Closing balance	92,154	30,047
Loan with unrelated third party		
Opening balance	820,809	732,568
Add: Addition during the year	-	-
Add: Interest	64,230	60,523
Add/ Less: Foreign exchange differences	3,509	27,718
Closing balance	888,548	820,809
Vehicle Loan		
Opening balance	29,754	42,314
Add: Addition during the year	-	-
Less: Paid during the Year	(14,874)	(7,944)
Less: Unexpired Interest on vehicle loan	(623)	(2,783)
Add/less: Foreign exchange differences	(139)	(1,833)
Closing balance	14,118	29,754
Total Financial Liabilities – Non-Current	78,083,648	66,817,644
Current		
Current		
SIB Loan – STL		
Opening Balance	-	-
Add: Addition During the year	19,067,338	-
Closing Balance	19,067,338	-
Vehicle Loan		
Opening balance	14,164	12,425
Add: Addition during the year	3,569	5,954
Less: Unexpired Interest on Vehicle Loan	(2,149)	(3,569)
Add/ Less: Foreign exchange differences	(76)	(646)
Closing balance	15,508	14,164
Insurance Premium Funding		
Opening balance	5,627	4,793
Add: Addition during the year	55,915	56,271
Less: Payment during the year	(44,398)	(55,437)
Closing balance	17,144	5,627
Total Financial Liabilities – Current	19,099,990	19,791

- (i) On 16 April 2017, Al Hadeetha Resources LLC (**AHR**) (the joint venture company which conducts the Al Hadeetha Copper-Gold Project (Project), in which the Company is a 51% shareholder) entered into an unsecured loan agreement as borrower with Al Hadeetha Investments LLC (**Lender**) (an un-related company, which holds the remaining 30% of the shares in AHR). Under the agreement, AHR may draw down a maximum of (AUD 2,997,800; OMR 772,191) to assist with working capital for the Project (**AHI to AHR Loan**). The AHI to AHR Loan bears interest at LIBOR plus two percent per annum. The Loan will be in effect for the duration of the Project joint venture agreement, at which time AHR must repay any outstanding balance. AHR must make interim repayments equal to its available net cash profit (if any) at the end of each financial year. During the year AHR has not made any drawdowns under the Loan. The total amount drawn down (being the total amount owing by AHR under the Loan to the end of the year (after offsetting corresponding debit balance of OMR 18,095; AUD 70,246) OMR 228,878 (USD 592,788; AUD 888,548). If AHR determines at the end of any quarter or other period that it has a working capital shortfall it may draw down the whole or part of the shortfall, until the entire Loan amount is drawn down. The remaining, un-drawn balance of the Loan is OMR 525,218 (USD 1,360,332 ; AUD 2,039,001) (This is the undrawn balance based on the gross drawdown amount of loan without offsetting the corresponding debit balance of OMR 18,095; AUD 70,246).

Although the AHI to AHR Loan is shown as a liability in the consolidated financial statements, loans by entities within the Alara Consolidated Entity to AHR, which is also within that Consolidated Entity (**Consolidated Entity AHR Loans**) are not shown in the consolidated financial statements. The Consolidated Entity AHR Loans total AUD 19.5 million and are subject to the same loan terms as the AHI to AHR Loan. The Consolidated Entity AHR Loans are repayable on the same basis as the AHI to AHR Loan. Therefore, if AHR makes a loan repayment to AHI, AHR will also be required to make a loan repayment to its lenders within the Alara Consolidated Group on a pro-rata basis.

- (ii) The Company's 51% owned joint-venture vehicle Al Hadeetha Resource LLC (AHRL) has a finance facility of OMR 24.8 million (AUD 97.327 million) (**Facility**) from Sohar International Bank (Sohar) for construction of mining and processing infrastructure at AHRL's Wash-hi – Majaza copper-gold project. The Facility is secured over AHRL's mining property and mine development assets and by corporate guarantees by stakeholders of AHRL, including an Alara wholly owned subsidiary. The interest rate for the Facility is 6.5% per annum for amounts drawn in OMR and 5.15% per annum for amounts drawn in USD, reviewable annually. The Facility has a term of 9 years and 9 months, including a moratorium period of 2 years and 9 months in which only interest is payable. After the moratorium, the principal of the Facility is repayable in 28 equal quarterly instalments. Interest is payable monthly throughout the term. There have been no breaches of the covenants or other provisions of the Facility in the reporting period or subsequently to the date of this report. Sohar is a well-known and respected Bank in Oman. The Group's due diligence in connection with entering the Facility involved reviewing publicly available information regarding Sohar and making enquiries of other AHRL shareholders, which are large Omani conglomerates each with extensive knowledge of the Omani banking industry.
- (iii) In July 2023 the Company entered a loan agreement with Trafigura Pte Ltd for finance of USD 3.45 million (AUD 5.106 million, at a USD:AUD exchange rate of 1.48 at approximately the time of drawdown) (Trafigura Loan). The interest rate payable under the Trafigura Loan is SOFR +5.15% per annum. The Trafigura Loan has a maturity date of 30 June 2029 and a moratorium on principal payments until 30 September 2025. 179,521,885 options have been issued to Trafigura to secure a USD 3.45m loan, exercisable on default under the loan at 30 day VWAP minus 10%.

18. ISSUED CAPITAL

	2024 Nº	2023 Nº	2024 \$	2023 \$
Fully paid ordinary shares	718,087,541	718,087,541	68,722,146	68,722,146

2023	Nº	\$
Balance as at 1 July 2022	705,429,239	68,233,860
- Share movement during the 2023 financial year	12,658,302	492,306
- Share issue costs during the 2023 financial year	-	(4,020)
Balance as at 30 June 2023	718,087,541	68,722,146
2024	Nº	\$
Balance as at 1 July 2023	718,087,541	68,722,146
Balance as at 30 June 2024	718,087,541	68,722,146

Each fully paid ordinary share carries one vote per share and the right to participate in dividends. Ordinary shares have no par value and the Company does not have a limit on the amount of its capital.

Capital risk management

The Consolidated Entity's objective when managing its capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure balancing the interests of all shareholders. The Board will consider capital management initiatives as is appropriate and in the best interests of the Consolidated Entity and shareholders from time to time. The Consolidated Entity's financial liabilities as at 30 June 2024 are disclosed in Note 17. The Consolidated Entity's non-cash investments can be realised to meet accounts payable arising in the normal course of business.

19. RESERVES

	2024 \$	2023 \$
Foreign currency translation reserve	6,467,552	5,661,104
Transactions with minority interests	8,593,852	8,593,852
	<u>15,061,404</u>	<u>14,254,956</u>

Foreign currency translation reserve

Exchange differences arising on translation of a foreign controlled entity's financial results and position are taken to the foreign currency translation reserve. The reserve is de-recognised when the investment is disposed of.

Options reserve

The number of unlisted options outstanding over unissued ordinary shares at the reporting date is as follows:

	Grant date	Number of options	2024 \$	2023 \$
Employees' Options				
Listed options exercisable at \$0.03: expiring 31 July 2024 – Atmavireswar Sthapak	23 Dec 2021	3,333,000	99,990	99,990
		<u>3,333,000</u>	<u>99,990</u>	<u>99,990</u>

20. SHARE-BASED PAYMENTS

No shares were issued as a result of the exercise of any options during the year (2023: 4,000,000).

21. SEGMENT INFORMATION

The Board has considered the activities/operations and geographical perspective within the operating results and have determined that the Consolidated Entity operates in the resource exploration, evaluation and development sector within geographic segments - Australia, Saudi Arabia and Oman.

2024	Australia \$	Oman \$	Saudi Arabia \$	Total \$
Total segment revenues	36,214	5,464,073	-	5,500,287
Total segment loss/(profit) before tax	(809,065)	(9,815,068)	(1,095)	(10,625,228)
Total segment assets	2,663,704	169,286,250	-	171,949,954
Total segment liabilities	(5,936,609)	(145,408,555)	-	(151,345,164)

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2023	Australia	Oman	Saudi Arabia	Total
	\$	\$	\$	\$
Total segment revenues	24,546	751	-	25,297
Total segment loss/(profit)before tax	(522,407)	(2,218,931)	8,945	(2,732,393)
Total segment assets	2,884,506	114,775,786	-	117,660,292
Total segment liabilities	(445,794)	(88,133,575)	-	(88,579,369)
(a) Reconciliation of segment information			2024	2023
			\$	\$
(i) Total Segment Assets				
Total Assets as per Statement of Financial Position			171,949,954	117,660,292
(ii) Total Segment Revenues				
Total Revenue as per Statement of Profit or Loss and Other Comprehensive Income			5,500,421	25,297
(iii) Total Segment profit/(loss) before tax				
Total Consolidated Entity profit/(loss) before tax			(10,625,095)	(2,732,393)

ACCOUNTING POLICY NOTE

Operating Segments

The Consolidated Entity has applied AASB 8: Operating Segments which requires that segment information be presented on the same basis as that used for internal reporting purposes. An operating segment is a component of the Consolidated Entity that engages in business activities from which it may earn revenues and incur expenses. An operating segment's operating results are reviewed regularly by management to make decisions on allocation of resources to the relevant segments and assess performance. Unallocated items comprise mainly share investments, corporate and office expenses.

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22. FINANCIAL RISK MANAGEMENT

The Consolidated Entity's financial instruments mainly consist of deposits with banks, accounts receivable and payable, and investments. The principal activity of the Consolidated Entity is resource exploration, evaluation and development. The main risks arising from the Consolidated Entity's financial instruments are market (which includes price, interest rate and foreign exchange risks), credit and liquidity risks. Risk management is carried out by the Board of Directors. The Board evaluates, monitors and manages the Consolidated Entity's financial risk in close co-operation with its operating units. The financial receivables and payables of the Consolidated Entity in the table below are due or payable within 30 days. The financial investments are held for trading and are realised at the discretion of the Board.

The Consolidated Entity holds the following financial instruments:

	2024 \$	2023 \$
Financial assets		
Cash and cash equivalents	4,355,812	3,656,745
Financial instruments (term deposits)	534,942	813,985
Trade and other receivables	4,842,437	924,905
Financial asset	435,028	496,376
	<u>10,168,219</u>	<u>5,892,011</u>
Financial liabilities at amortised cost		
Trade and other payables	(53,797,327)	(21,566,739)
Financial liabilities	(97,183,638)	(66,837,435)
	<u>(150,980,965)</u>	<u>(88,404,174)</u>
Net Financial Assets	<u>(140,812,746)</u>	<u>(82,512,163)</u>

(a) Market Risk

(i) Price risk

The Consolidated Entity is exposed to equity securities price risk. This arises from investments held by the Consolidated Entity and classified in the statement of financial position at fair value through profit or loss. The Consolidated Entity is not directly exposed to commodity price risk. The value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments in the market. The Consolidated Entity does not manage this risk through entering into derivative contracts, futures, options or swaps. Market risk is minimised through ensuring that investment activities are undertaken in accordance with Board established mandate limits and investment strategies.

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest bearing instruments and its loan from third parties. The average interest rate applicable to funds held on deposit during the reporting period was 0.76 % (prior period: 0.70%).

	2024 \$	2023 \$
Cash at bank	4,238,757	3,548,380
Term deposits	111,822	106,444
Term deposits more than 90 days	534,944	813,985
Loan with unrelated third parties		
Current financial liabilities	(19,099,990)	(19,791)
Non-current financial liabilities	(78,083,650)	(66,817,644)
	<u>(92,296,165)</u>	<u>(62,368,626)</u>

The Consolidated Entity has borrowings subject to interest rate risk. The possible impact on profit or loss or total equity on this exposure is displayed below:

	2024 \$	2023 \$
Financial Liability		
Change in profit		
Increase by 1%	(971,836)	(668,374)
Decrease by 1%	971,836	668,374
Change in equity		
Increase by 1%	(971,836)	(668,374)
Decrease by 1%	971,836	668,374

	2024 \$	2023 \$
Revenue		
Change in profit		
Increase by 3%	163,887	109,702
Decrease by 3%	(163,887)	(109,702)
Change in equity		
Increase by 3%	163,887	109,702
Decrease by 3%	(163,887)	(109,702)

(iii) Foreign exchange risk

The Consolidated Entity is exposed to foreign currency risk in cash held in Omani Riyals (OMR) by the Consolidated Entity's foreign controlled entity, foreign resource project investment commitments and exploration and evaluation expenditure on foreign exploration and evaluation. The primary currency giving rise to this risk is Omani Riyals (OMR). The Consolidated Entity has not entered into any forward exchange contracts as at reporting date and is currently fully exposed to foreign exchange risk. The Consolidated Entity's exposure to foreign currency risk at reporting date was as follows:

	2024 OMR	2023 OMR
Cash and cash equivalents	898,725	705,902
Trade and other receivables	3,706,341	1,910,307
Trade and other payables	(13,849,944)	(5,523,174)
Financial liabilities	(23,380,408)	(17,133,708)
	<u>(32,625,286)</u>	<u>(20,040,673)</u>

	2024 US \$	2023 US \$
Cash and cash equivalents	9,787	9,589
	<u>9,787</u>	<u>9,589</u>

The Consolidated Entity's exposure to foreign exchange risk is mitigated by having comparable asset and liability balances in OMR and US dollars. Therefore, a sensitivity analysis has not been performed. The Consolidated Entity enters into forward exchange contracts with its Australian bank from time to time to hedge against foreign exchange risk.

(b) Credit risk

Credit risk refers to the risk that a counterparty under a financial instrument will default (in whole or in part) on its contractual obligations resulting in financial loss to the Consolidated Entity. Concentrations of credit risk are minimised primarily by undertaking appropriate due diligence on potential investments, carrying out all market transactions through approved brokers, settling non-market transactions with the involvement of suitably qualified legal and accounting personnel (both internal and external), and obtaining sufficient collateral or other security (where appropriate) as a means of mitigating the risk of financial loss from defaults. This financial year there was no necessity to obtain collateral.

The credit quality of the financial assets are neither past due nor impaired and can be assessed by reference to external credit ratings (if available with Standard & Poor's) or to historical information about counterparty default rates. The maximum exposure to credit risk at reporting date is the carrying amount of the financial assets as summarised below:

	2024 \$	2023 \$
Cash and cash equivalents		
BB-	4,350,580	3,654,824
No external credit rating available	5,233	1,921
	<u>4,355,813</u>	<u>3,656,745</u>
Trade and other receivables (due within 30 days)		
No external credit rating available	4,842,437	924,905
	<u>4,842,437</u>	<u>924,905</u>

The Consolidated Entity measures credit risk on a fair value basis. The carrying amount of financial assets recorded in the financial statements, net of any provision for losses, represents the Consolidated Entity's maximum exposure to credit risk. All receivables noted above are due within 30 days. None of the above receivables are past due.

(c) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will encounter difficulty in meeting obligations associated with financial liabilities. There is sufficient cash and cash equivalents and the non-cash investments can be realised to meet accounts payable arising in the normal course of business. The financial liabilities maturity obligation is disclosed below:

	Less than 6 months \$	6-12 months \$	1-5 years \$	Total \$
2024				
Financial assets				
Cash and cash equivalents	4,355,812	-	-	4,355,812
Financial instruments (term deposits)	294,635	35,328	204,979	534,942
Interest free loan to Alara Resources LLC	-	-	435,028	435,028
Trade and other receivables	4,842,437	-	-	4,842,437
	<u>9,492,884</u>	<u>35,328</u>	<u>640,007</u>	<u>10,168,219</u>
Financial liabilities				
Trade and other payables	(53,797,327)	-	-	(53,797,327)
Other financial liabilities	(24,712)	(19,074,510)	(97,151,752)	(97,183,636)
	<u>(53,822,039)</u>	<u>(19,074,510)</u>	<u>(97,151,752)</u>	<u>(150,980,963)</u>
Net inflow/(outflow)	<u>(44,329,155)</u>	<u>(19,039,182)</u>	<u>(96,511,745)</u>	<u>(140,812,744)</u>

	Less than 6 months \$	6-12 months \$	1-5 years \$	Total \$
2023				
Financial assets				
Cash and cash equivalents	3,656,745	-	-	3,656,745
Financial instruments (Term deposits)	767,231	35,479	11,275	813,985
Interest free loan to Alara Resources LLC	-	-	496,376	496,376
Trade and other receivables	6,914,946	-	-	6,914,946
	<u>11,338,922</u>	<u>35,479</u>	<u>507,651</u>	<u>11,882,052</u>
Financial liabilities				
Trade and other payables	(21,566,739)	-	-	(21,566,739)
Other financial liabilities	(12,541)	(7,249)	(66,817,643)	(66,837,433)
	<u>(21,579,280)</u>	<u>(7,249)</u>	<u>(66,817,643)</u>	<u>(88,404,172)</u>
Net inflow/(outflow)	<u>(10,240,358)</u>	<u>28,230</u>	<u>(66,309,992)</u>	<u>(76,522,120)</u>

(d) Fair Value of Financial Assets and Liabilities

The carrying amount of financial instruments recorded in the financial statements represents their fair value determined in accordance with the accounting policies disclosed in Note 1. The aggregate fair value and carrying amount of financial assets at reporting date are set out in Notes 7,8 and 10. The financial liabilities at reporting date are set out in Note 15 and 17.

(e) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The Consolidated Entity's financial assets and liabilities approximate their fair values.

23. COMMITMENTS

	2024 \$	2023 \$
(a) Lease Commitments		
Non-cancellable operating lease commitments:		
Within 1 year	26,108	14,073
1-5 years	-	-
After 5 years	-	-
Total	26,108	14,073

The Group leases office space under a non-cancellable operating lease. On renewal, the terms of the lease are renegotiated. The Group does not have an option to purchase the leased asset at the expiry of the lease period. During the year the Group has signed a sub-lease for the office space hence mitigating the outstanding lease commitments remaining on the lease.

24. CONTROLLED ENTITIES

Investment in Controlled Entities	Controlle d entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-24	Jun-23
Alara Resources Limited (AUQ)	Parent	Exploration	Australia	6-Dec-06	100%	100%
Alara Peru Operations Pty Ltd (APO)	AUQ	Inactive	Australia	9-Mar-07	100%	100%
Alara Saudi Operations Pty Ltd (ASO)	AUQ	Management	Australia	4-Aug-10	100%	100%
Saudi Investments Pty Limited (SIV)	AUQ	Development	Australia	14-Feb-11	100%	100%
Alara Oman Operations Pty Limited (AOO)	AUQ	Management	Australia	28-Jun-10	100%	100%
Alara Kingdom Operations Pty Limited (AKO)	AUQ	Management	Australia	5-Sep-11	100%	100%
Alara Saudi Holdings Pty Limited (ASH)	AUQ	Inactive	Australia	5-Jun-13	100%	100%
Al Hadeetha Resources LLC	AOO	Exploration / Development	Oman	6-Feb-07	51%	51%
Alara Resource Ghana Limited	AUQ	Inactive	Ghana	8-Dec-09	100%	100%
Alara Peru S.A.C	APO	Inactive	Peru	1-Mar-07	100%	100%
Alara Operations LLC	AOO	Administration	Oman	01-Feb-20	100%	100%
Sita Mining Company LLC	ASO	Inactive	Saudi Arabia		70%	70%
Khnaiguiyah Mining Company LLC	AKO	Inactive	Saudi Arabia		50%	50%
Alara Saudi Ventures Pty Ltd	AUQ	Administration	Australia	1 March 2022	100%	100%

25. JOINTLY CONTROLLED ENTITIES & INVESTMENTS IN ASSOCIATES

Investment in Jointly Controlled Entities	Controlle d entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-22	Jun-21
Daris Resources LLC	AOO	Exploration	Oman	1-Dec-10	50%	50%
Alara Resources LLC	AOO	Mining Services	Oman	2-Oct-10	35%	35%

26. RELATED-PARTY TRANSACTIONS

Controlled and Jointly Controlled Entities

Details of the interest in controlled entities and jointly controlled entities are set out in Notes 24 and 25.

Transactions with other related parties

The following transactions occurred with related parties during the year ending 30 June 2024: Nil.

Director loan agreements

There was no outstanding Directors' loan during the year.

TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Key Management of the Consolidated Entity are each Director and Company Executive being a company secretary or senior managers with authority and responsibility for planning, directing and controlling the major activities of the Company or

Consolidated entity. Details of key management personnel individual remuneration are disclosed in the remuneration report section of the directors' report.

Key Management Personnel remuneration includes the following expenses:

	2024 \$	2023 \$
Short term employee benefits:		
Remuneration including bonuses and allowances	1,060,235	698,044
Total short term employee benefits	1,060,235	698,044
Long term benefits	31,062	34,716
Total other long-term benefits	31,062	34,716
Post-employment benefits:		
Defined contribution pension plans	2,523	2,523
Total post-employment benefits	2,523	2,523
Total remuneration	1,093,820	735,283

27. CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities exist in relation to certain exploration and evaluation of the Consolidated Entity subject to the continued development and advancement of the same, as described below.

- (a) **Directors' Deeds** – The Company has entered into deeds of indemnity with each of its Directors indemnifying them against liability incurred in discharging their duties as directors/officers of the Consolidated Entity. As at the reporting date, no claims have been made under any such indemnities and accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.
- (b) **Loan to unrelated party (AHI) (Oman)** – On 26 October 2017 Al Hadeetha Investments LLC (AHI) gave a bank guarantee of OMR 30,000 to the Omani Ministry of the Environment as security for performance of the environmental obligations of AHRL in connection with the Al Wash-hi Majaza Project mining licence. AHI was required to deposit the amount of the face value of the bank guarantee with its bank as security in the event that the bank guarantee is called upon. Pursuant to an agreement between the Consolidated Entity and AHI, the Consolidated Entity paid OMR 20,000 to AHI on or about that date, representing an approximation of its share of liability to contribute to the costs of remediating any unmet environmental obligations of AHR. This amount will be returned to the Consolidated Entity in the event that AHRL performs its environmental obligations in relation to that mining licence.
- (c) Alara Oman Operations Pty Limited, a wholly owned subsidiary of Alara Resources Ltd has provided a guarantee to Sohar International SAOG (Sohar) for the full liability of Al Hadeetha Resources LLC (AHRL – Alara, 51%) under a loan of OMR 24.8 million (AUD 97.327 million) from Sohar International to AHRL (Sohar Loan), the proceeds of which AHRL is using to finance construction of the Al Wash-hi Majaza copper-gold project in Oman.
- (d) Principals (Guarantors) of shareholders in AHRL which hold 30% and 19% of the shares in AHRL respectively have provided personal guarantees to Sohar in respect of the Sohar Loan (Guarantees) which correspond to the guarantee referred to in note (c). Alara Resources Limited has provided an indemnity to the Guarantors in respect of their liability under the Guarantee, limited to 49% of the amounts paid by the Guarantors to Sohar under the Guarantees.

28. SUBSEQUENT EVENTS

Events occurring after the balance date are set out as below:

- (a) In September 2024 Alara entered a non-binding heads of terms (**HoT**) with AIM-listed Power Metal plc for it to explore the Block 8 concession in Oman. The HoT requires the parties to negotiate an agreement the following key terms: Power Metal will manage the Block 8 exploration program for one year. Power Metal will provide all management, planning, execution, interpretation and reporting on exploration activities and will consult with Awtad and Alara during development and implementation of the program. Power Metal will provide funding of up to US\$740,000 for exploration activities. It will contribute an initial amount of US\$500,000 to cover the period up until the renewal date of the existing licence (due 30 April 2025), with the balance to be contributed following successful renewal. Following the US\$500,000 initial expenditure milestone, Power Metal will earn a 10% interest in Block 8 and a further 2.5% interest on expenditure

of a further US\$240,000. Upon Power Metal completing US\$740,000 expenditure on the project, a joint funding program covering future expenditure and specifying Power Metal's ongoing percentage interest in the project will be negotiated. Awtad Copper is responsible to maintain the licence and must remain the holder of it throughout the period in which the above work is carried out. Power Metal has a first right of refusal to acquire Block 8 if Awtad Copper wishes to dispose of it. Awtad Copper is responsible to seek all required approvals for the exploration program.

(b) AHRL made the following shipments of copper-gold concentrate after the end of the reporting period:

	18 Jul 2024	16 Aug 2024
Copper Concentrate WMT (approx.)	821 WMT	855 WMT
Copper Concentrate DMT (approx.)	751 DMT	762.18 DMT
Copper (approx.)	119 MT	123.7 MT
Gold (approx.)	4.0 Kg	4.0 Kg

Al Wash-hi Majaza Project ("Project") development

The Company continued to develop the Project after the end of the reporting period, as detailed in the section of this report titled "Review of Operations".

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Consolidated Entity Disclosure Statement

30 June 2024

Basis of preparation

The Consolidated Entity Disclosure Statement (**CEDS**) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of tax residency

Section 295(3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

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 and ensure compliance with applicable foreign tax legislation.

Entity Name	Entity Type	Place formed/Country of incorporation	Ownership Interest	Tax Residency
Alara Resources Limited (AUQ)	Body corporate	Australia	100%	Australia
Alara Peru Operations Pty Ltd (APO)	Body corporate	Australia	100%	Australia
Alara Saudi Operations Pty Ltd (ASO)	Body corporate	Australia	100%	Australia
Saudi Investments Pty Limited (SIV)	Body corporate	Australia	100%	Australia
Alara Oman Operations Pty Limited (AOO)	Body corporate	Australia	100%	Australia
Alara Kingdom Operations Pty Limited (AKO)	Body corporate	Australia	100%	Australia
Alara Saudi Holdings Pty Limited (ASH)	Body corporate	Australia	100%	Australia
Al Hadeetha Resources LLC	Body corporate	Oman	51%	Australia, Oman
Alara Resources Ghana Limited	Body corporate	Ghana	100%	Australia, Ghana
Alara Peru S.A.C	Body corporate	Peru	100%	Australia, Peru
Alara Operations LLC	Body corporate	Oman	100%	Australia, Oman
Sita Mining Company LLC	Body corporate	Saudi Arabia	70%	Australia, Saudi Arabia
Khnaiguiyah Mining Company LLC	Body corporate	Saudi Arabia	50%	Australia, Saudi Arabia
Alara Saudi Ventures Pty Ltd	Body corporate	Australia	100%	Australia

There are no trusts, partnerships or joint ventures within the consolidated entity. Accordingly, none of the above entities was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity, or a participant in a joint venture within the consolidated entity..

In the Directors' opinion:

- *the attached financial statements and notes comply with the Corporations Act 2001, the Australian 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 consolidated entity's financial position as at 30 June 2024 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



Atmavireshwar Sthapak
Managing Director
30 September 2024

ALARA RESOURCES LIMITED
INDEPENDENT AUDITOR'S REPORT

To the members of Alara Resources Limited

Opinion

We have audited the financial report of Alara Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration of the company.

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

- a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
- b) 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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of this report. We are independent of the Group in accordance with the auditor independence requirements of 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.

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ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

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 year. 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.

Key Audit Matter - Financial Liabilities	How our Audit Addressed the Key Audit Matter
The Group has significant financial liabilities as disclosed in Note 17 to the financial statements. This was considered to be a key audit matter due to its importance in financing future activities of the Group and complexities in determining whether financial covenants have been complied with, ensuring that the classification between current and non-current is accurate and in valuing the financial liabilities denominated in foreign currencies.	Our procedures over the Group's financial liabilities included but were not limited to: • Reviewing financing agreements; • Agreeing significant financial liabilities to third-party supporting documentation; • Reviewing management's assessment of compliance with financial covenants related to the financial liabilities; and • We assessed the appropriateness of the disclosures included in the financial report.
Key Audit Matter - Capitalised Mine Properties Asset	How our Audit Addressed the Key Audit Matter
As disclosed in Note 13 to the financial statements, the Group's has capitalised mine properties and development assets of \$100,537,641. The recognition and recoverability of mine development was considered a key audit matter as: • the carrying value represents a significant asset to the Group; and • significant management judgement is involved in determining whether impairment indicators exist.	Our procedures in assessing mine development expenditure included but were not limited to the following: • We reviewed the ownership rights to the tenements, against which the expenditure is capitalised and their expiry dates; • We assessed the reasonableness of capitalising mine development expenditure in accordance with Australian Accounting Standards; • We tested a sample of mine development expenditure items to supporting documentation to ensure they were bona fide payments; • We assessed the reasonableness of the management's assessment for the existence of impairment indicators; and • We reviewed the appropriateness of the related disclosures included in the financial report.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 (other than consolidated entity disclosure statement) 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:

- ii) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- iii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability 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 have no realistic alternative but to do so.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion the remuneration report of Alara Resources Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities for the Remuneration Report

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.

In.Corp Audit & Assurance Pty Ltd



Daniel Dalla
Director

30 September 2024

Forward-Looking Statements

This report contains “forward-looking statements” and “forward-looking information”, including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Alara, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Alara and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of gold and silver, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Alara believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Alara does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.