

ASX / MEDIA RELEASE

8 November 2024

Rights Issue Prospectus and Acceptance Forms Dispatched to Shareholders

Perth, Australia: Alara Resources Limited (ASX: AUQ), a base and precious metals producer and explorer with projects in Oman (**Alara** or the **Company**), refers to its renounceable rights issue, announced to ASX on 4 November 2024 under a prospectus dated 1 November 2024 and lodged with ASIC that day (**Rights Issue**).

The Company confirms that the Prospectus and personalised Entitlement and Acceptance Forms have now been sent to Eligible Shareholders and the Rights Issue is now open.

Attached to this announcement is a letter sent to Ineligible Shareholders in accordance with Listing Rule 7.7.1 and the Company's Target Market Determination.

The Rights Issue closes on 19 November 2024, unless extended in accordance with the Corporations Act and ASX Listing Rules. The last day of trading in rights on ASX is 12 November 2024.

Shareholders should consider the Prospectus in deciding whether to acquire securities and will need to follow the instructions set out in the form that accompanies the Prospectus.

Shareholder Information Centre

If you have questions after reading the Renounceable Rights Offer, please contact the Information Centre either:

- *by phone on 1300 560 339 (or +61 2 8011 0354 from outside Australia), or*
- *through the live online chat facility, by scanning the QR Code below or going to chat2.shareholdersfirst.com.au.*

The Information Centre will be open 9:00am to 7:00pm (AEDT or Sydney, Australia time), Monday through Friday (excluding public holidays) during the offer period.



ENDS**This announcement is authorised by:**

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Dinesh Aggarwal	T +61 8 9240 4211
Company Secretary	E cosec@alararesources.com

About Alara Resources

Alara Resources Limited (ASX: AUQ) is an Australian headquartered base and precious metals producer and explorer with projects in Oman.

Alara is focused on operating its recently completed Al Wash-hi Majaza copper-gold mine and concentrate plant in Oman, in which it holds a 51% stake through its joint venture company Al Hadeetha Resources LLC. The Company is also continuing exploration activities at its other Omani projects, the Block 8 exploration license under the Awtad Copper-Power Metal JV, 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.

[] November 2024

[Name]

[Address]

Dear Shareholder

Renounceable Rights Issue – Letter to Ineligible Shareholders

On 4 November 2024 Alara Resources Limited (the **Company**) announced a renounceable pro rata offer of approximately 449 million fully paid ordinary shares (**New Shares**) at an issue price of \$0.034 per New Share to raise up to approximately \$15.26 million before costs (**Rights Issue**).

The Rights Issue is offered to holders of the Company's fully paid shares held as at 7pm (AEDT) on 7 November 2024 (**Record Date**) with a registered address in Australia or New Zealand, on the basis of 5 New Shares for every 8 shares held, with 1 attaching new Option for every 2 New Shares issued.

The Company has decided that it is impractical to make offers under the Rights Issue to shareholders with a registered address outside Australia or New Zealand (**Ineligible Shareholders**) having regard to the number of such shareholders, their holdings and the compliance costs required to offer the Shares under the Rights Issue to those shareholders.

Unfortunately, since you are an Ineligible Shareholder, no offer is being made to you and the offer document prepared by the Company in relation to the Rights Issue will not be sent to you. If you wish you may apply for shortfall shares, however, subject to applicable laws in Australia and your country of residence.

This letter is neither an offer to issue new shares to you, nor an invitation for you to apply for new shares, and you do not have to take any further action in relation to the Rights Issue.

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TARGET MARKET DETERMINATION

Made by: Alara Resources Limited (ACN 122 892 719) of Suite 1.02, 110 Erindale Road, Balcatta, Western Australia 6021 (**Company**)

Product: Attaching options issued in connection with the issue of fully paid ordinary shares in the capital of the Company (**Shares**) under a prospectus dated 1 November 2024 (**Options**)

Effective date: 8 November 2024

This target market determination (**TMD**) has been prepared by the Company in relation to an offer to issue the Options made by the Company under a rights issue of Shares and attaching Options (**Rights Issue**) under a prospectus dated 1 November 2024 (**Prospectus**). A copy of the Prospectus is available on the Company's website, www.alararesources.com.au.

The offer is made under, or accompanied by, a copy of the Prospectus. Any recipient of this TMD should carefully read and consider the Prospectus in full and consult their professional adviser if they have any questions regarding the contents of the Prospectus. Any recipient of this TMD who wants to acquire Options under the Rights Issue will need to complete the application form that will be in, or will accompany, the Prospectus. There is no cooling off period in respect of the issue of the Options. This TMD is not a disclosure document for the purposes of the Corporations Act 2001 (Cth), and therefore has not been lodged, and does not require lodgement, with the Australian Securities and Investments Commission (ASIC).

This TMD does not take into account what you currently have, or what you want and need, for your financial future. It is important for you to consider these matters and read the Prospectus before you make an investment decision. The Company is not licensed to provide financial product advice in relation to the Options.

1 TARGET MARKET

Factor	Target market
Investment Objective	The Company expects that an investment in Options will be suitable to investors who wish to gain exposure to equities in a micro-cap exploration company listed on the Australian Securities Exchange (ASX). Particularly, it will be those investors that are allocated Shares pursuant to the offer made by the Company under the Prospectus.

Factor	Target market
Investment Timeframe	The target market of investors will take a short to medium term outlook on their investment. Investors with a short-term outlook for their investment will benefit from any ability to trade the Options on ASX and/or exercise Options and trade the underlying Shares issued on exercise should the Option exercise price of the Options be lower than the trading price of Shares. Investors with a medium-term outlook will benefit from an ability to exercise Options within the term of the Options and increase their shareholding and exposure to the potential upside in the Company's Shares into the future. Given the need to pay the exercise price in order to acquire Shares, Investors in the target market are in a financial position that is sufficient for them to invest their funds on exercise the Options over the term of the Options, during which their ability to liquidate their Options in the Company may be limited by a lack of liquidity in the Options and by the trading price of Shares.
Investment Metrics	While the Company does not have an established eligibility framework for investors based on metrics such as age, expected return or volatility, it is expected that the target market of investors will be able to withstand significant fluctuations in the value of their investment. The Options have no guaranteed income or capital protection.
Risk	The Company considers that an investment in the Options is highly speculative, such that an investment in the Company is not appropriate for an investor who would not be able to bear a loss of some or all of the investment. Investors should also have a sufficient level of financial literacy and resources (either alone or in conjunction with an appropriate adviser) to understand and appreciate the risks of investing in Options as an asset class generally and the more specific risks of investing in an Australian listed exploration company.

2 DISTRIBUTION CONDITIONS

The offer of Options under the Prospectus is being made to holders of Shares on the record date (7 November 2024) resident in Australia or New Zealand, and applicants identified by the Company in consultation with Mahe Capital Pty Limited (AFSL 517246).

The Prospectus will include jurisdictional conditions on eligibility. The Company will also include copy of this TMD on its website.

The Company considers that these distribution conditions will ensure that persons who invest in Options fall within the target market in circumstances where personal advice is not being provided to those persons by the Company.

3 REVIEW TRIGGERS

The Options are being offered for a limited offer period as set out in the Prospectus, after the conclusion of which the Options will no longer be available for investment by way of issue. It follows that the TMD will only apply in the period between the commencement of the offer of the Options and the issue of the Options shortly after the close of the offer of shortfall securities under the Prospectus (**Offer Period**).

To allow the Company to determine whether circumstances exist that indicate this TMD is no longer appropriate to the Options and should be reviewed, the following review triggers apply for the Offer Period:

- (a) a new offer of Options that requires preparation of a disclosure document is made after completion of the Offer Period;
- (b) any event or circumstance that would materially change a factor taken into account in making this TMD;
- (c) the existence of a significant dealing of the Options that is not consistent with this TMD. The Company does not consider that an on-sale of the Options on market is a significant dealing;
- (d) ASIC raises concerns with the Company regarding the adequacy of the design or distribution of the Options or this TMD; and
- (e) material changes to the regulatory environment that applies to an investment in the Options.

4 REVIEW PERIOD

If a review trigger occurs during the Offer Period, the Company will undertake a review of the TMD in light of the review trigger.

The Company will otherwise complete a review of the TMD immediately prior to the issue of Options under the offer.

5 INFORMATION REPORTING

The reporting requirements of all distributors is set out in the table below.

Reporting requirement	Period for reporting to the Company by the distributor	Information to be provided
Whether the distributor received complaints about the Options.	(a) For such time as the Offer Period remains open, within 10 business days after the end of each quarter. (b) Within 10 business days after the end of the Offer Period.	(a) The number of complaints received. (b) A summary of the nature of each complaint or a copy of each complaint.
A significant dealing of the Options that is not consistent with this TMD.	As soon as reasonably practicable after the significant dealing occurs, but in any event no later than 10 business days after the significant dealing occurs.	(a) Details of the significant dealing. (b) Reasons why the distributor considers that the significant dealing is not consistent with this TMD.
A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.	Within 10 business days after the end of the offer of Shares in accordance with the Prospectus.	A summary of the steps taken by the distributor to ensure that its conduct was consistent with this TMD.

6 CONTACT DETAILS

Contact details in respect of this TMD for the Company are:

Dinesh Aggarwal, Company Secretary

Email: cosec@alararesources.com