



FULL YEAR REPORT

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

30 June 2025

TABLE OF CONTENTS

Section	Page No.
Corporate Directory	3
Directors' Report	5
Auditor's Independence Declaration	35
Consolidated Statement of Profit & Loss and Other Comprehensive Income	34
Consolidated Statement of Financial Position	36
Consolidated Statement of Changes in Equity	37
Consolidated Statement of Cash Flows	38
Notes to the Consolidated Financial Statements	39
Consolidated Entity Disclosure Statement	59
Directors' Declaration	60
Independent Auditor's Report	61

CORPORATE DIRECTORY

ABN: 27 122 892 719

Directors

John Shingleton	Non-Executive Chairman
Atmavireshwar Sthapak	Managing Director
Vikas Jain	Non-Executive Director
Sanjeev Kumar	Non-Executive Director
Devaki Khimji	Non-Executive Director
Farrokh Masani	Alternate Director ¹

Company Secretary

Dinesh Aggarwal

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Australian Securities Exchange

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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

DIRECTORS' REPORT

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 2025 (the **Consolidated Entity**).

Review of Operations

Al Wash-hi Majaza Copper-Gold Project

Oman

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

Ongoing Operations at Al Wash-hi Majaza Copper Mine & Production Plant

Alara has a controlling stake in the Al Wash-hi Majaza copper-gold mine in Oman (**Al Wash-hi Majaza Mine**) through its 51% shareholding in Al Hadeetha Resources LLC (**AHRL**). The reporting period was exciting for Alara, seeing the accelerated production of copper concentrate at AHRL's 1 MPTA² concentrator plant at the Al Wash-hi Majaza Mine.

The plant was commissioned in late 2023 and began commercial production in early 2024 with the first copper-gold concentrate shipped to China in June under an offtake agreement with Trafigura. During the reporting year 22,215.4 WMT of copper gold concentrate was dispatched in 18 shipments.

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 during the year. Engineers from the manufacturer have visited the site on two occasions to make improvements.

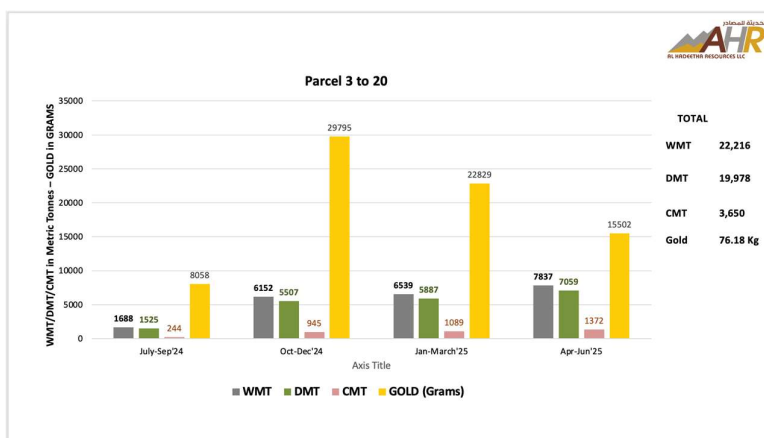
To resolve this issue, two TFPs with a combined processing capacity of 75 - 80 tons of concentrate per hour were procured from China and were installed and commissioned during the latter part of the financial year. At the time of writing this report both TFPs are now operating at desired capacity boosting the production of copper concentrate.

Extensive exploration and drilling campaigns in and around the Al Wash-hi Majaza mine also continued during the year with objective of resource additions, upgradation and efficient long-term mining planning. The chemical results from laboratory testing are still to be received.

Al Wash-hi Majaza Mine Copper Sales

AHRL has shipped twenty consignments of copper and gold concentrate from Sohar Port since the plant commenced operation. During FY 2024-25, 18 consignments have been shipped. Quarterly summaries of these 18 shipments for FY 2024-25 are set out in Chart 1 below.

Chart 1: Quarterly Sales Figures



Mining Operational Highlights

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.

Mining operations ran smoothly throughout the period and achieved the desired targets. Continued excavation and development activities was achieved with consistent output.

Excavation Metrics

Metric	Value
Ore Excavated	0.54 Million Tonnes (MT)
Average Copper Grade (Cu%)	0.8%
Waste Excavated	3.47 Million Tonnes (MT)
Stripping Ratio	6.44

Old Stack Yard Utilization Summary

A steady drawdown of stockpiled ore is underway to support blending strategies, ensuring consistent feed quality

A summary of the supply & inventory statistics has been given below:

- **Initial Quantity as on August 2024:** ~150,000 tonnes of low to medium grade ore
- **Supplied:** 33,320 tonnes
- **Remaining Balance:** ~117,000 tonnes

Chart 2: Monthly Production Quantity

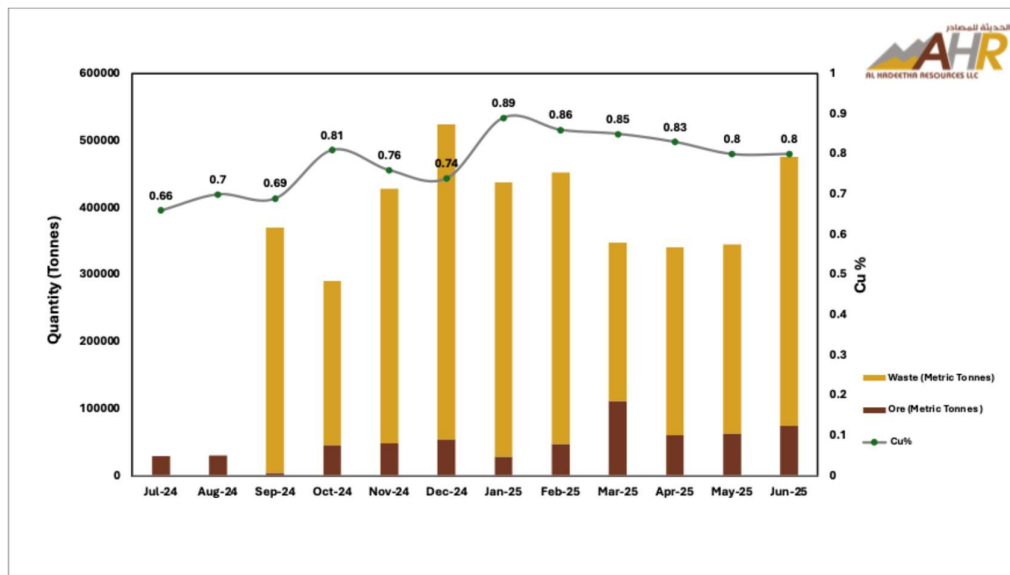
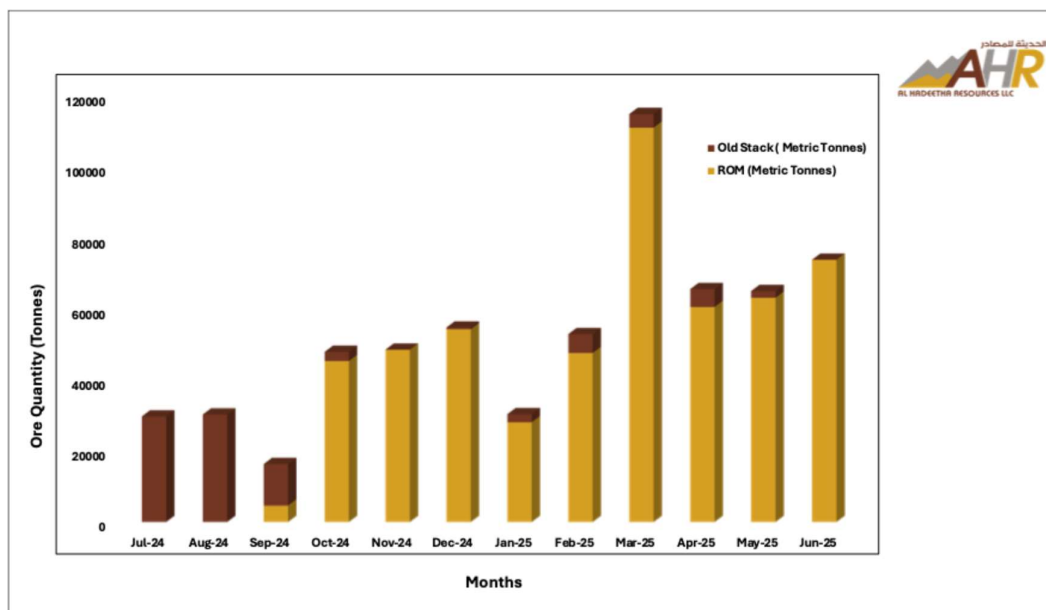


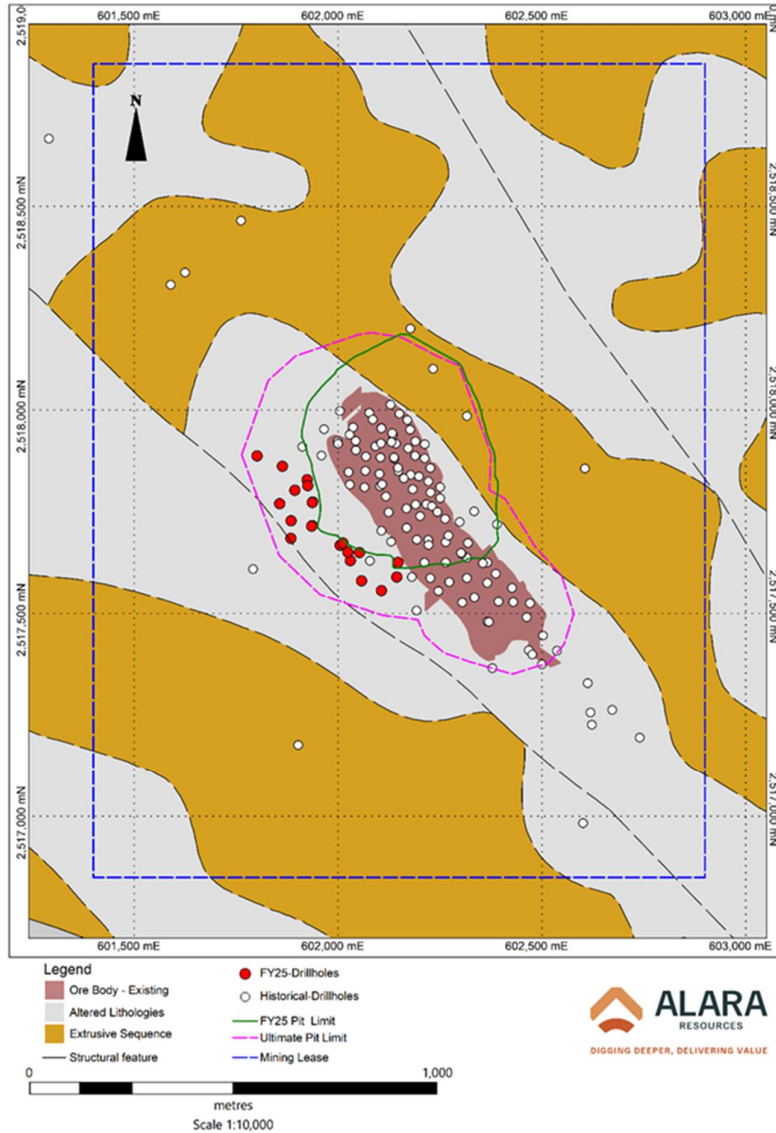
Chart 3: Feed 2024-25 (ROM & Old Stack)



Exploratory Drilling Program

During the reporting period, the Al Wash-hi Majaza mine successfully completed the scheduled Phase-1 infill drilling program, comprising approximately 8,700 metres. This program was designed with the primary objective of resource upgradation within the central and north-western zones of the orebody. In addition to infill drilling, step-out drilling was undertaken to test the north-western strike extensions and down-dip continuities, targeting potential expansion of known mineralization.

Preliminary geological observations from Phase-1 have been encouraging, with positive visual intersections encountered in several drill holes. All mineralized samples have been dispatched to accredited laboratories for assay, and results are currently awaited.



Map 1 - Orebody, Ultimate Pit Limit and Drilling Completed in FY25 Along with Historical Drilling

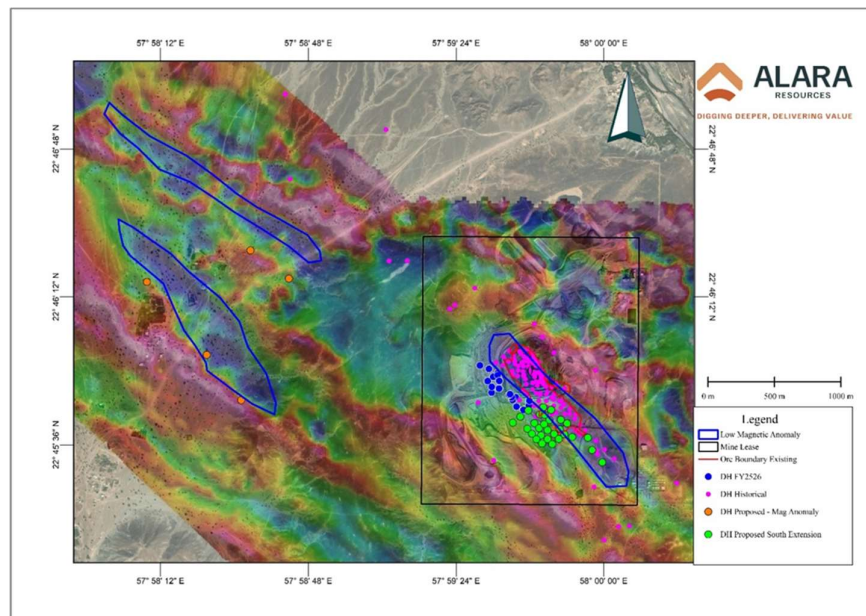
Phase-2 Drilling Update

Building on the momentum of Phase-I, a Phase-II drilling program has been proposed to ensure complete delineation of the orebody and to support strategic mine planning. This next phase will target the southern extension of the orebody, the northwestern continuity zones, and western low magnetic anomalies identified in previous airborne magnetic surveys conducted in the area. The program will comprise of a total of 10,000 meters of drilling over a six-month period, commencing in October 2025, with two diamond drill rigs deployed to maximize operational efficiency. The southern extension drilling is expected to upgrade the resource classification, thereby improving confidence in

the orebody's geometry and grade distribution. This will also facilitate pit expansion toward the south, enabling early production from the southern zone in the next operational year.

In addition to resource expansion, Phase-II drilling is strategically aligned with long-term mine optimization objectives. Enhanced geological data from this program will support more accurate mine planning, optimized pit design, and cost-effective extraction strategies. Furthermore, the investigation of magnetic anomalies in the western zone may reveal previously unidentified mineralized zones, potentially contributing to an extended Life of Mine (LOM) and increased project value, however, exploration in new zones—particularly magnetic anomalies—carries inherent geological risk, as mineralization is not yet confirmed. The program is designed to ensure that all MROR updates remain robust, auditable, and compliant with international standards, thereby reinforcing investor confidence and supporting transparent public reporting. By proactively addressing geological uncertainties and aligning exploration with operational goals, the company demonstrates a disciplined and forward-looking approach to resource development, which is expected to yield strong returns over the life of the project. Overall, the Phase-II exploration initiative is a critical step toward strengthening the project's economic viability, positioning it for future expansion, sustainable development, and long-term success.

Map 2 - Diamond Drilling Holes Planned for Phase-2 Covering South East, Extensions and Identified Low Mag Anomalies Targets in West of Existing Orebody

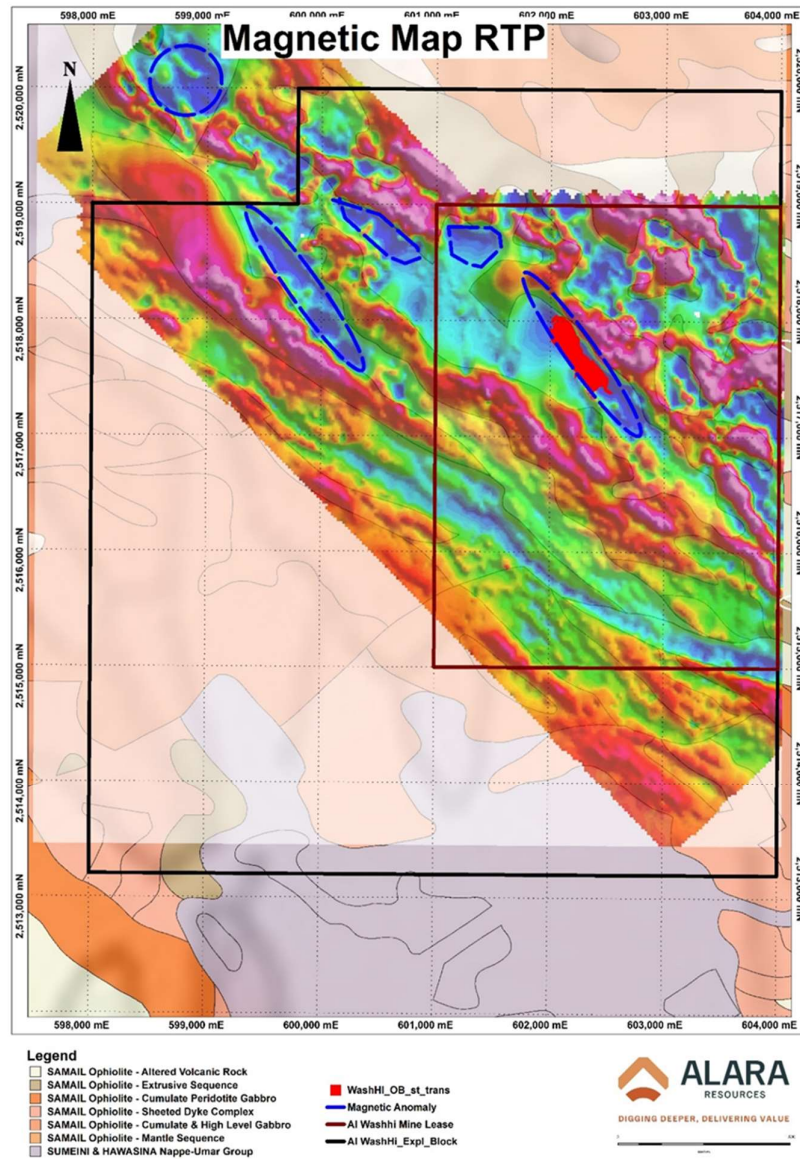


Greenfield Exploration Program

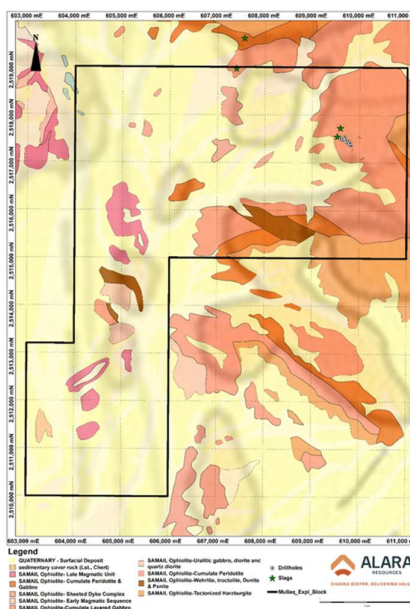
The greenfield exploration initiative is designed to evaluate previously untested low magnetic zones, which may represent concealed mineralised systems with significant resource potential. This program adopts a multi-disciplinary approach integrating geophysical, geochemical and drilling methodologies, and includes the following key components:

- **Airborne Magnetic Survey:** Airborne magnetics provide a cost-effective solution for surveying extensive and remote areas, enabling the identification of low-magnetic anomalies which may signal the presence of buried, mineralised systems. These surveys help delineate prospective zones for subsequent focused exploration.
- **Induced Polarization (IP) Survey:** High-resolution IP profiling will be conducted to detect chargeability anomalies typically associated with disseminated sulphide mineralisation. Survey lines will be strategically aligned with regional structural trends to maximise geological insight.
- **Mobile Metal Ion (MMI) Geochemical Sampling:** Surface geochemical sampling, guided by a preliminary orientation survey, will employ MMI techniques to detect subtle geochemical halos. MMI is particularly effective in identifying buried mineralisation in transported cover.
- **Exploration Target Generation:** The integration of IP and MMI data with results from magnetic surveys will be used to identify and rank exploration targets.
- **Test Drilling:** Selective diamond drilling will be undertaken to validate geophysical and geochemical anomalies.
- **Resource Drilling:** Contingent upon the outcomes of target validation and initial assay results, follow-up drilling campaigns will be planned to delineate and define mineral resources.

Map 3 - Geological Map Overlain with Potential RTP Magnetic Regional Exploration Targets in Al Wash-Hi Majaza Greenfield Block



Map 4 - Regional Geological Map of Mullaq Exploration Block Showing Potential RTP Magnetic Regional Exploration Targets in Mullaq Greenfield Block Demarcated Boundary



Mineral Tenements

The current status of all mineral tenements and applications associated with these projects is presented in the table below.

License Name	License Owner	Alara JV Interest	Exploration License				Mining License within EL		
			Area	Date of Grant	Date of Expiry	Status	Area	Date of Application	Status
Al Wash-hi Majaza ML 10003075.	Al Hadeetha Resources LLC	51%	39km ²	9 March 2025	8 March 2028	Active	3km ²	2013	Active
						Now part of 22B			
Mullaq	Al Hadeetha Resources LLC	51%	41km ²	9 March 2025	8 March 2028	Active	1km ²	Jan 2013	Pending
						Now part of 22B			
Al Ajal	Al Hadeetha Resources LLC	51%	25km ²	Jan 2008	Nov 2016	Pending	1.5km ²	Jan 2013	Pending

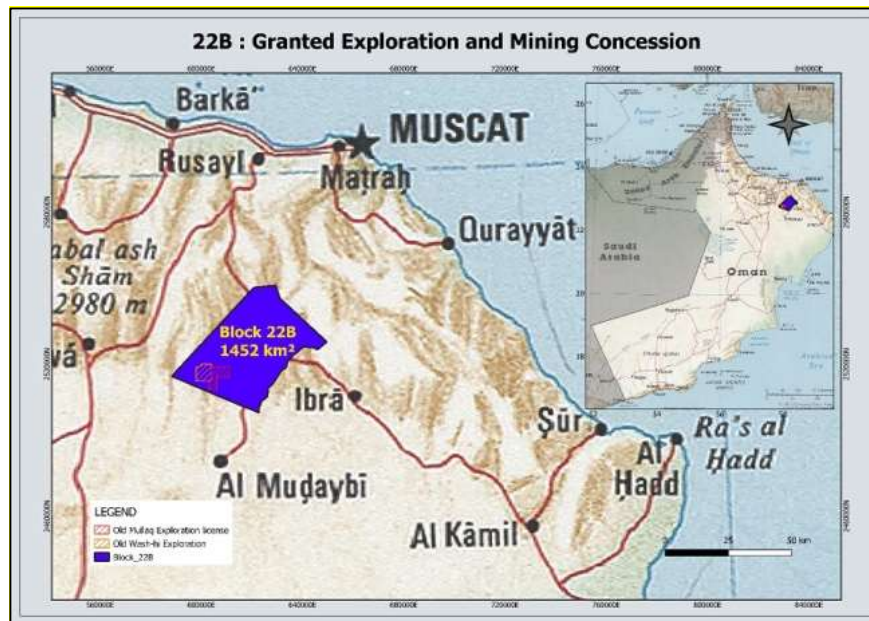
New Block 22B Exploration Permit

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 Al Wash-hi Majaza 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 the potential to significantly extend the economic life of the Al Wash-hi Majaza processing plant.

In 2025 the Omani Ministry of Energy and Minerals (**MEM**) granted Al Hadeetha Mining LLC (AHML) an additional 1448 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 Royal Decree of the grant was issued in March 2025. The map below shows the area of Block 22-B.

Map 5 – Block 22-B location



Under the Concession Agreement, the Omani Government allows the JV the exclusive right to explore, appraise, develop and mine designated minerals within Block 22-B.

Block 22B includes Block 22A, covering former Al Wash-hi Majaza 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 Al Hadeetha Mining LLC (AHML) in which Alara holds a 27.5% stake. Alara's other partners in the new JV are its two existing partners in AHRL – Al Hadeetha Investment Services LLC and Al Tasnim Mining LLC (each also holding 27.5%) with the remaining 17.5% held by South West Pinnacle Exploration Ltd, 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 22B 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 surrounds the existing Al Washi-hi Majaza Mine and includes the ancient Mullaq copper mine, is located in the south-western corner of Block 22B.

The geological characteristics of Block 22B overlaid with existing exploration licenses are shown in the diagram on the following page.

The Company's existing Al Wash-hi Majaza project (covering an area of 39km²) and Mullaq project (covering an area of 41km²) fall entirely within 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 22B include the Semail Nappe. The Semail Nappe is now recognised 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 22B (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 chromite 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 mineralisation.

Exploration Update on Block 22B

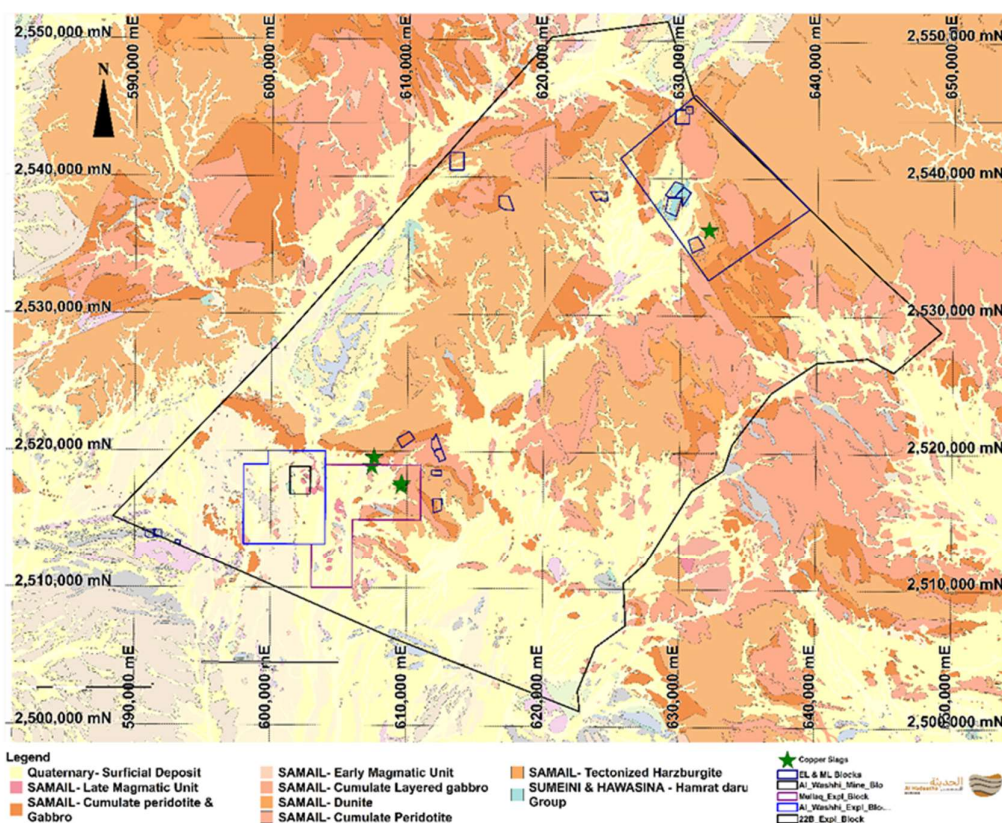
Following the issuance of a Royal Decree granting Al Hadeetha Mining LLC (AHML) the exploration concession for Block 22B, the company has initiated planning activities to define strategic work programs, allocate technical and financial resources, and establish a comprehensive budgetary framework. These efforts are aligned with the exploration obligations stipulated by the Government of Oman.

Block 22B encompasses a consolidated portfolio of previously individual Exploration Licenses (ELs), Prospecting Licenses (PLs) and Mining Licenses (MLs), formerly held by various entities. These have now been unified under a single concession (depicted in Figure 16), creating a large highly prospective exploration zone. The geological potential of Block 22B is underscored by the presence of numerous ancient workings and widespread copper slag deposits, particularly concentrated in the southwestern and northeastern regions. These old workings suggest historic extraction activities and highlight the area's mineralisation potential.

Alara, through its joint venture vehicle Al Hadeetha Mining LLC, has commenced the planning of exploration initiatives within Block 22B, targeting copper, gold, chromite and platinum group elements (PGEs). To support these objectives AHML has commenced operational groundwork, including the recruitment of junior and mid-level geologists, the engagement of experienced consultants and technical advisors and collaboration with remote-sensing and geophysical service providers. The initial phase of the work program will involve comprehensive desktop studies, integrating historical geological data, prior exploration results reviews and a regional mineralisation pattern study to delineate high-priority target zones. These studies will be augmented by remote sensing and GIS based analyses aimed at identifying structural controls and surface anomalies associated with mineralisation. Subsequent phases will comprise high-resolution airborne and ground geophysical surveys, systematic geological mapping, and targeted geochemical sampling to refine and prioritise drill targets. Follow-up drilling campaigns will be undertaken to validate subsurface mineral potential and delineate prospective resources.

The exploration program has been designed to leverage advanced technologies and in-country geological expertise, ensuring a data-driven, efficient, and environmentally responsible approach. This initiative is fully aligned with Alara's broader strategic growth agenda and underscores its commitment to delivering in-country value through sustainable development, local capacity building, and long-term economic contribution to the Sultanate of Oman.

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



Awtad Copper-Gold Project

Oman

(Awtad Copper LLC: Alara 10% with an earn-in right up to 57.5%; Power Metal with earn-in right of up to 12.5%; Local shareholders 90%, subject to dilution)

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 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.

The Block 8 exploration license in Oman (**Block 8** or the **Project**) is held by a Alara's joint venture entity Awtad Copper LLC (**Awtad Copper**) and is the subject of an agreement for AIM-listed Power Metal Resources plc (**Power Metal**) to earn a 12.5% stake in the Project. Power Metal's exploration work, undertaken by its Power Arabia technical team, commenced in October 2024 following the signing of a farm-in agreement on 25 October 2024 (**Farm-in Agreement**)³ entitling it to earn the above stake.¹ The location of Block 8 is shown in Map 7 below. Alara currently holds a 10% interest in the Awtad Copper LLC and has plans to invest more in exploration the block along with Power Metals.

Power Metal's expenditure commitment under the Farm-in Agreement to date (equal to or exceeding US\$500,000) has now reached the initial milestone entitling it to a 10% stake in the Project. It is currently planning expenditure of an additional US\$240,000 which will entitle it to earn its maximum 12.5% stake. Power Metal's maximum stake in the Project is a carve-out from Alara's previously available maximum

³ Please refer to ASX announcement dated 25 October 2024 "Block 8 Exploration Agreement Signed"

stake of 70%. Alara's maximum available share of the Project is now 60%, which will reduce to 57.5% if (as expected) Power Metal earns its remaining 2.5% stake.

Map 7 - Location of Block 8 License Area in Oman



Exploration Summary

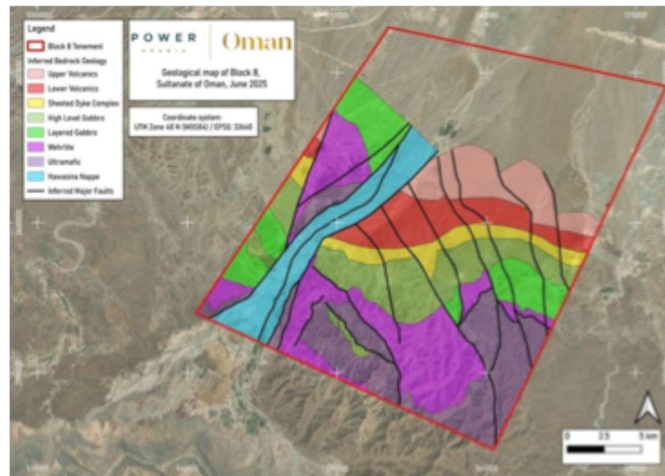
Further to the initial ground Gravity survey results, announced in April 2025, the work undertaken by Power Arabia during the year includes additional in-fill Gravity work and associated interpretation, geological mapping, surface sampling and check-sampling.

Project Scale Geological Mapping

The Power Arabia technical team have commenced the detailed geological mapping and interpretation of the entire Project area. This work will consolidate and cross-correlate at least five geologically significant areas historically mapped within the Project area and will provide more detailed mapping coverage for the southern region of the Project

– including the Al Maider and Al Mansur prospects. The mapping work will also involve the use of remote sensing imagery, the Gravity results and historical ground magnetic geophysical surveys. The resulting geological map (Map 8) will greatly aid ongoing exploration.

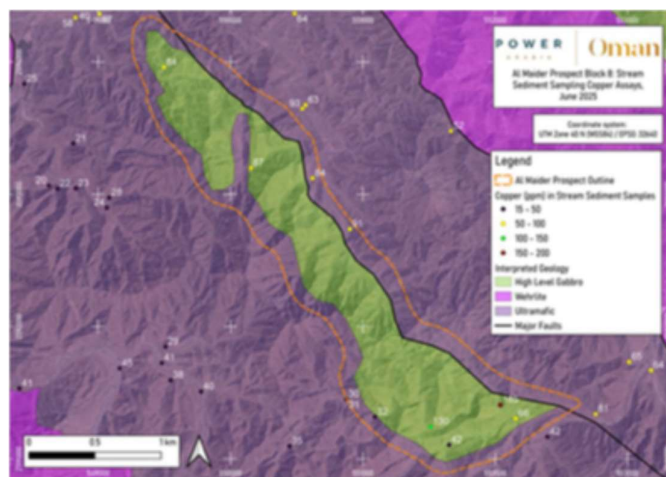
Map 8 - Geological Map, Block 8, Power Arabia, June 2025



Al Maider Prospect

The Al Maider Prospect was delineated from a stream-sediment sampling program in 2024 and early 2025, with copper-bearing float located in the area. This led to the discovery of the bedrock source of the copper deposits upstream at Al Maider. The geology of the Al Maider Prospect and the copper in stream sediment results are shown in Map 9 below.

Map 9 - Al Maider Prospect Copper in Stream Sediment Sample Results



Work to date on the Al Maider Prospect consists of a combination of geological mapping and rock chip sampling. The most recent sampling has yielded significant new copper results which, combined with previous results and geological and structural fault mapping, define a robust 4km copper target.

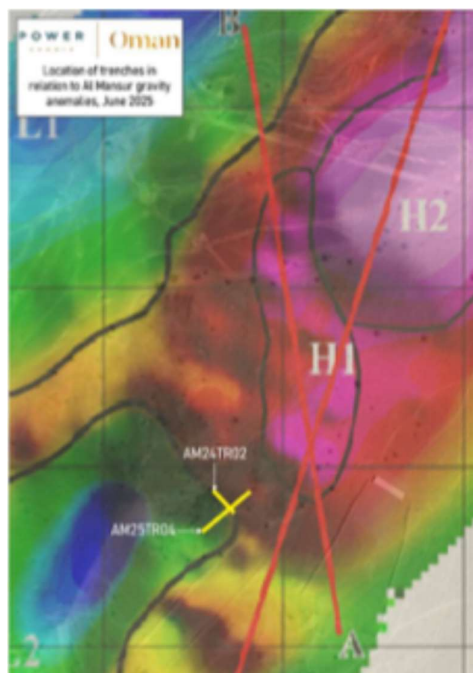
With recent work concentrating on the northern part of the Al Maider Prospect, Power Metal is investigating the potential for further mineralisation to the south, along strike of the Gabbro unit.

Follow-up work at Al Maider will include infill mapping and sampling along the prospect trend, trenching and a ground magnetic survey with a view to establishing targets for initial drill testing. Access to this prospect is quite challenging and therefore further non-invasive work will be carried out to add confidence prior to any drilling. The table ahead the page shows the rock-chip sample results from Al Maider.

Al Mansur Prospect

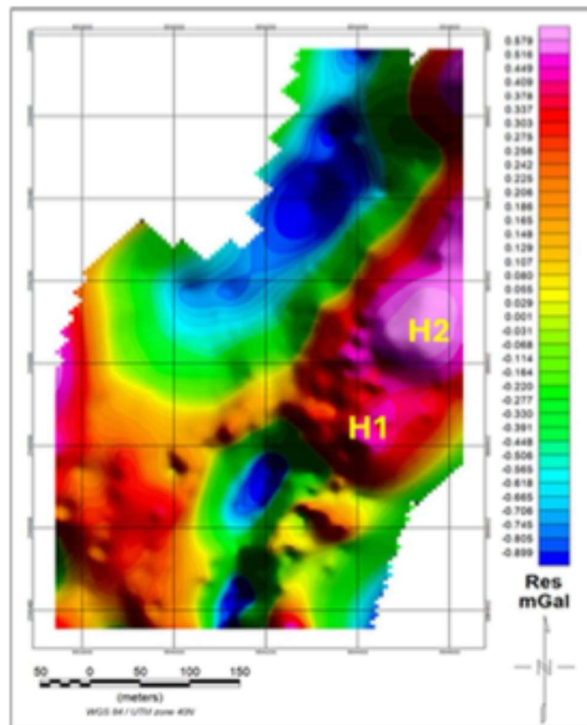
The Al Mansur Prospect is located in the centre of the Project area and has been defined on the basis of trench sampling undertaken in December 2024 (3 trenches, 150m total length) and gravity geophysics.

Map 10 - 24TR02 & AM24TR04 in relation to Gravity Anomalies H1 and H2, Al Mansur Prospect



A recent updated interpretation of the gravity survey, further to additional in-fill and extensional survey points over the Al Mansur target (see Company announcement 22 April 2025) has returned an additional 'H2 Target', located on strike from the previously identified H1 Target.

Map 10 - Updated Al Mansur Prospect Ground Gravity Results



A third-party re-interpretation is planned to ensure a comprehensive review is achieved to ensure maximum confidence for an initial drill program to test these targets.

With the historic sampling on strike to the south and the recent trenching by Power Arabia, this target represents the most advanced target on Block 8 with easy access for a drilling program.

Other Target Generation Results

Power Arabia is currently undertaking a review of the exploration results and interpretations in preparation for the next phase of exploration to meet its second milestone of 12.5% earn-in, having now met its initial milestone of 10%. The Project is proving highly prospective and, with the Block 8 license renewal now granted, the Power Arabia technical team is excited to continue the exploration with the objective of defining an initial drilling program.

Important Disclaimer Regarding Future Prospects at Block 8

The information in this announcement constitutes Exploration Results, as defined in the JORC Code. Exploration Results are uncertain by their nature. Nothing in this announcement should be taken to mean or imply that potentially economic copper or other mineralisation has been discovered.

Competent Person Statement

The information contained in this announcement concerning exploration results is based on, and fairly represents, information and supporting documentation prepared under the direction of Mr Nick O'Reilly (MSc, DIC, MIMMM QMR, MAusIMM, FGS), who is a qualified geologist, member of Member of the Australasian Institute of Mining and Metallurgy and acts as the Competent Person for this report under the JORC Code. Mr O'Reilly is a Principal consultant working for Mining Analyst Consulting Ltd, which has been retained by Power Metal Resources PLC to provide technical support. Mr O'Reilly is not employed by or a consultant to Alara Resources Limited and Alara has no other relationship with him. Mr O'Reilly

consents to the inclusion of matters in this report based on his documentation in the form and context in which it appears above.

Mineral Tenement Status

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

Table: Awtad Mineral Tenement									
Block Name	License Owner	Alara JV Interest	Exploration License				Mining License Within EL		
			Area	Grant Date	Expiry Date	Status	Area	Date of Application	Status
Block 8	Awtad Copper LLC	10% (earn into 57.5%)	497 km ²	Nov 2009	May 2026	Active	NA	NA	NA

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 a 587 km² exploration license (Block 7), which also includes two mining license applications covering a total area of 4.5 km². Located approximately 150 km west of Muscat and accessible via a high-quality bitumen road, the Daris Copper-Gold Project aligns well with Alara's preferred "hub and spoke" development model. Under this model, any economically mineable ore from Daris is intended to be processed at the Al Wash-hi Majaza–Majaza copper concentration plant.

Daris East Update

The Daris East Mining License application, covering an area with measured, indicated, and inferred copper resources⁴, faced opposition from the Ministry of Housing due to its proximity to recently allotted land to local communities. Negotiations with the Ministry of Housing on a proposal submitted 5 October 2024 continued during the reporting year.

Daris 3A5 Mining Licenses Update

The Daris 3A5 mining license application was reviewed by the Ministry of Energy and Minerals, which suggested modifications to the dimensions of the area applied for. A revised proposal with an adjusted mining license area measuring 0.653 km² was submitted for approval.

The grant of both Daris mining licenses are expected in the later half of 2025. The Company intends to raise money in future to progress evaluation and development of the Daris prospects.

Mineral Tenement Status

⁴ Please refer to Alara's March 2013 Quarterly Report for further details.

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

Table 4: Daris Mineral Tenements									
Block Name	License Owner	Alara JV Interest	Exploration License				Mining License Within EL		
			Area	Grant	Expiry Date	Status	Area	Date of Application	Status
Block 7	Al Tamman Trading and Est. LLC	50% (earn in to 70%)	587 km ²	Nov 2009	Feb 2016	Pending	0.653 km ² (Daris 3A5)	Resubmitted 2024	Granted
							3.2 km ² (Daris East)	Resubmitted 2024	Pending

Corporate Information

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

Principal Activities

The principal activities of entities of 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.

Operating Results

Consolidated	2025 \$	2024 \$
Total revenue	55,315,545	5,500,421
Total expenses	(74,342,673)	(16,125,516)
Loss before tax	(19,027,128)	(10,625,095)
Income tax benefit	-	-
Loss after tax	(19,027,128)	(10,625,095)

Profit/(Loss) per Share

Consolidated	2025	2024
Basic (loss) per share (cents)	(1.41)	(0.81)
Diluted (loss) per share (cents)	(1.41)	(0.81)

Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	718,087,541	718,087,541
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	718,087,541	718,920,791

Cash Flows

Consolidated	2025 \$	2024 \$
Net cash flow used in operating activities	8,620,828	(12,000,778)
Net cash flow from investing activities	(1,874,920)	(19,088,862)
Net cash flow provided by financing activities	1,260,308	31,794,218
Net change in cash held	8,006,216	704,578
Effect of exchange rates on cash	67,667	(5,511)
Cash held at year end	12,429,695	4,355,812

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Financial Position

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

Consolidated Entity	2025 \$	2024 \$
Total assets	181,037,079	171,949,954
Total liabilities	178,641,872	151,345,164
Total equity	2,395,207	20,604,790

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	-	185,354,885	
Total	718,087,541	-	185,354,885	903,442,426

Unlisted Options

No unlisted options were issued during the reporting period.

Likely Developments and Expected Results

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 auction processes for the award of further exploration licences in Oman and Saudi Arabia, in the 2025-26 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.

John Shingleton

Non-Executive Chairman

Appointed Non-Executive Chairman on 4 September 2025

Appointed Non-Executive Director on 4 September 2025

Holder of a Masters In European Law and French Public Law

Admitted as Barrister and Solicitor to the High Court of Christchurch New Zealand and as a Solicitor to the Supreme Court of Western Australia

Permitted by the Legal Practice Board of Australia to operate a Trust Account and manage a Law Firm.

Experience

27 years Commercial Lawyer in New Zealand and Western Australia

Chairman of the non-executive Advisory Board of Misco Joinery Limited In New Zealand

Past Chairman of the board of directors of Fit For Work (2016) Ltd
 Past Chairman of the Christchurch (NZ) Villa Maria College Board of Trustees.
 Past member of the Mary Potter Hospital Board of Trustees (Christchurch NZ)
 Past member of the Mary Potter Foundation and Finance Committee (Christchurch NZ)
 Past Chairman of the Malley and Co Lawyers Partnership of Lawyers(Christchurch NZ)
 Founder and former managing director of First Law Limited. (Christchurch NZ)
 Owner of specialist Consultancy Firm that advises boards of directors on governance and strategic planning

Special Responsibilities

Member of the Audit Committee and Member of the Remuneration and Nomination 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 Washihi project in Oman and recent resource upgrade at Washihi and Daris copper gold deposits. He played key roles in the Feasibility Study and grant of the mining license over Washihi 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

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). A modern architect of transformation and progress, Ms. Devaki has redefined leadership at Al Tasnim Group through a bold blend of innovation, purpose-driven strategy, and operational excellence. Since joining the Group in 2012, she has played a pivotal role in elevating its performance, expanding its footprint, and future-proofing its operations.

At the helm as Managing Director, Ms. Devaki has been instrumental in driving structural reforms across Al Tasnim Group — from streamlining business processes to enhancing administrative frameworks, with a strong focus on technology-driven transformation.

Ms. Devaki has championed programs that have fostered a nurturing ecosystem for talent development, employee wellbeing, and community upliftment — aligning business goals with social impact.

Other Directorships in Listed Companies in Past 3 Years

Nil

Farrokh Jimmy Masani

Alternate Director

Appointed 2 February 2022

Experience

Farrokh J. Masani is the driving force behind Al Tasnim Group's transformation into a diversified, multi-sector enterprise with both national and international presence. Through a rare combination of Technical Knowledge, Entrepreneurial Drive, Strategic foresight and backed by 30 years of experience in Construction, Mining, and Business Management, he has led the Group's strategic evolution — expanding its footprint across Oman and into global markets with a strong focus on sustainability, innovation, and long-term value creation.

Leveraging off this experience and an insatiable entrepreneurial spirit, Mr. Masani successfully steered Al Tasnim into the Mining sector and related Downstream Processing. An inherent ability to embrace change has also seen him being a strong proponent of Digital Transformation — taking efficiency to newer levels. He continues to be a key strategist and driver in Al Tasnim's journey towards a Resilient, Inclusive, and Globally Competitive Future.

Other Directorships in Listed Companies in Past 3 Years

Nil

Stephen Gethin

Past Non-Executive Chairman

Appointed Non-Executive Chairman on 2 July 2020 resigned on 4 September 2025

Appointed Non-Executive Director on 28 June 2020 resigned on 4 September 2025

Appointed Non-Executive Director on 28 June 2020 resigned on 4 September 2025

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

Other Directorships in Listed Companies in Past 3 Years

Nil

Company Secretary

Dinesh Aggarwal

Company Secretary

FCPA, 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. 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	-
Vikas Jain	37,745,930	-
Sanjeev Kumar	-	-
Devaki Khimji	-	-
Farrokh Masani	12,147,581	-

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. 2 July 2020	12	12	1	1	-	-
Atmavireshwar Sthapak	Apptd. 22 September 2015	12	12	1	1	-	-
Vikas Jain	Apptd. 6 April 2016	12	12	1	1	-	-
Sanjeev Kumar	Apptd. 23 October 2020	11	12	-	-	-	-
Devaki Khimji	Apptd. 2 February 2022	-	12	-	-	-	-
Farrokh Masani	Appts. 2 February 2022	10	12	-	-	-	-

Audit Committee

The Audit Committee currently comprises Non-Executive Directors Vikas Jain (Committee Chairman) (appointed 6 April 2016), Non-Executive Company Chairman John Shingleton (appointed 4 September 2025) 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 2025.

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
Gautam Jain	Financial Controller
Avigyan Bera	CEO
Mohammed Qamar	GM Plant Operations, AHRL
Mobashirul Huda	HSE Head, AHRL
Mohammad Imroz Ahmad	Process Superintendent, AHRL
Nishith Chandra	Head of HR, AHRL

Remuneration and Nomination Committee

The Remuneration and Nomination Committee currently comprises Non-Executive Board Chairman, John Shingleton (Committee Chairman, appointed 4 September 2025), 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	2025	2024	2023	2022	2021
Total Equity (AUD)	2.4m	20.9m	29.1m	22.9m	21.5m
Basic earnings/(loss) per share (AUD)	(1.41)	(0.81)	(0.27)	(0.19)	(0.24)
Net Profit/(Loss) attributable to members (AUD)	(10,149,002)	(5,792,626)	(1,914,019)	(1,316,222)	(1,622,329)
Market Capitalisation (AUD)	27.3m	35.9m	20.1m	31.0m	9.9m

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).

Details of Remuneration Provided to Key Management Personnel.

Key Management Person	Short-term benefits										Post-employment benefits		Other long-term benefits	Equity based benefits	Total	
	Performance based	Cash payments								Super-annuation	Termination	Other	Options			
		Fixed	At risk STI	Option related	Salary, and fees	Allowances ⁽ⁱ⁾	Cash Bonus	Non-cash ⁽ⁱⁱ⁾	Other ⁽ⁱⁱⁱ⁾							
														2025		
Executive Director																
Atmavireshwar Sthapak	-	100%	-	-	379,939	23,746	-	-	4,365	-	-	31,662	-	439,712		
Non-Executive Directors:																
Stephen Gethin	-	100%	-	-	75,000	-	-	-	-	-	-	-	-	75,000		
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000		
Sanjeev Kumar	-	100%	-	-	24,887	-	-	-	-	2,862	-	-	-	27,749		

Devaki Khimji	-	100%	-	-	27,500	-	-	-	-	-	-	-	-	27,500
Farrokh Masani	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Company Secretary:														
Dinesh Aggarwal ^(iv)	-	100%	-	-	52,049	-	-	-	-	-	-	-	-	52,049
Chief Executive Officer – AHRL														
Avigyan Bera	13%	100%	-	-	105,908	59,456	23,746	-	-	-	-	-	-	189,110
Mohammed Qamar	-	100%	-	-	88,178	52,828	-	-	-	-	-	-	-	141,006
Mobashirul Hoda	-	100%	-	-	41,033	27,984	-	-	-	-	-	-	-	69,017
Mohammad Imroz Ahamd	-	100%	-	-	45,118	41,883	-	-	-	-	-	-	-	87,001
Nishith Chandra	-	100%	-	-	43,376	26,884	-	-	-	-	-	-	-	70,260
Gautam Jain	-	100%	-	-	84,034	42,058	-	-	-	-	-	10,808	-	136,900
Total	-	-	-	-	1,017,022	274,839	23,746	-	4,365	2,862	-	42,470	-	1,365,304

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	Short-term benefits									Post-employment benefits	Other long-term benefits	Equity based benefits	Total	
	Performance based	Fixed	At risk STI	Option related	Cash payments				Super-annuation	Termination	Other	Options		
					Salary, and fees	Allowances ⁽ⁱ⁾	Cash Bonu s	Non-cash ⁽ⁱⁱ⁾						Other ⁽ⁱⁱⁱ⁾
2024	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Executive Director														
Atmavireswar 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
Mohammad Imroz Ahamd	-	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
Total	-	-	-	-	894,325	165,910	-	-	-	2,523	-	31,062	-	1,093,820

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.

3,333,000 options (issued to Managing Director Atmavireshwar 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 31 July 2024.

Details of Shares Held by Key Management Personnel

Ordinary Fully Paid Shares					
2024-2025 Name of Director/KMP	Balance at 1 July 2024	Balance at appointment ¹	Net change	Balance at cessation ¹	Balance at 30 June 2025
Stephen Gethin	1,500,000		-		1,500,000
Atmavireshwar Sthapak	3,862,051		-		3,862,051
Vikas Jain	37,745,930		24,199,497		61,945,367
Sanjeev Kumar	-		-		-
Dinesh Aggarwal	8,555,725		-		8,555,725
Devaki Khimji	-		-		-
Farrokh Masani	12,142,581		5,000		12,147,581

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

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
Atmavireshwar 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.

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 – Atmavireshwar Sthapak

Atmavireshwar 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 379,939 per annum;
- Housing allowance of up to AUD 23,746 per annum;
- Vehicle allowance – up to AUD 18,000 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.
- Long-term incentive: The Managing Director's Options, as detailed on page [15] form part of his long-term incentive.

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

(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. In current financial year, Fortuna Legal was paid additional \$126,400 towards capital raising support services provided by Stephen.	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 2024 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.

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

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

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 2025 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 \$
98,109	—	98,109

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 [22].

Events Subsequent to Reporting Date

On 8 July, 2025, shareholders approved the share placement whereby the Company entered into subscription agreements for a private placement of up to 85,000,000 fully paid ordinary shares. Shares were offered at an issue price of A\$0.04 per share, aiming to raise up to A\$3.4 million before costs. The Placement was subject to shareholder approval and is not underwritten.

Under these agreements, substantial shareholder Al Tasnim Infrastructure LLC (ATI), which currently holds 13.88% voting power, (or its nominee) had agreed to subscribe for 60,000,000 shares for a total consideration of A\$2.4 million. Director Mr. Vikas Jain, who holds 5.25% voting power (or his nominee(s)), had agreed to subscribe for 25,000,000 shares for a total consideration of A\$1 million. All shares were issued at A\$0.04 each, representing a 60% premium to the 30-day volume weighted average price (VWAP) of A\$0.025 prior to the Subscription Agreements.

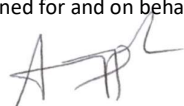
The premium reflects the ongoing support and commitment of ATI and Mr. Jain to Alara and its future prospects.

Proceeds from the Placement were intended to be used towards repayment of a portion of Alara's outstanding finance facility with Trafigura Pte Ltd, totalling US\$3.45 million (A\$5.31 million), as previously announced to the ASX on 26 July 2023. As per the 23 July 2023 announcement the full amount of the Trafigura Loan was drawn down and a payment of US\$1,591,735 (approximately A\$2.45 million), comprising principal and interest was then made towards the balance owing on 15 July 2025 as per the facility repayment obligations.

The Placement will also cover A\$856,618 (US\$556,463) for interest payments due through to 30 June 2026, withholding tax on interest payments under the Trafigura Loan, and associated bank fees. The aggregate amount due by Alara to Trafigura between 15 July 2025 and 26 July 2026, including taxes and bank fees, totals US\$2,148,198 (A\$3,306,935).

Other than the above, 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 2025

**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 2025, 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



Graham Webb
Director

30 September 2025

In.Corp Audit & Assurance Pty Ltd
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(for the year ended 30 June 2025)

	Note	2025 \$	2024 \$
Revenue	3	55,122,260	5,462,901
Other income	3	193,285	37,520
Share of profit of associates	11	321,403	203,158
(Loss)/gains on foreign exchange	3	(319,191)	74,313
Production expenses		(26,467,724)	(3,267,721)
Employee benefit expenses		(7,848,433)	(2,737,044)
Occupancy costs		(100,401)	(266,434)
Finance expenses		(7,140,199)	(2,216,834)
Corporate expenses		(172,845)	(86,279)
Administration expenses		(3,423,027)	(1,396,991)
Depreciation expense		(25,395,882)	(6,431,684)
Provision for Doubtful Debts		(3,796,374)	-
(LOSS) BEFORE INCOME TAX		(19,027,128)	(10,625,095)
Income tax benefit	4	-	-
(LOSS) FOR THE YEAR		(19,027,128)	(10,625,095)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		817,542	806,448
Total other comprehensive income		817,542	806,448
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(18,209,586)	(9,818,647)
(Loss) attributable to:			
Owners of Alara Resources Limited		(10,149,002)	(5,792,626)
Non-controlling interest		(8,878,126)	(4,832,602)
		(19,027,128)	(10,625,228)
Total comprehensive income for the year attributable to:			
Owners of Alara Resources Limited		(9,331,460)	(4,986,178)
Non-controlling interest		(8,878,126)	(4,832,602)
		(18,209,586)	(9,818,780)
Loss per share:			
Basic (loss) per share cents	6	(1.41)	(0.81)
Diluted (loss) per share cents	6	(1.41)	(0.81)

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(AS AT 30 June 2025)

	Note	2025	2024
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents	7	12,429,695	4,355,812
Trade and other receivables	8	5,474,978	4,842,437
Other current assets	9	172,935	141,742
Inventories	12	14,239,105	7,212,316
Advance to Subcontractors		2,143,062	1,805,416
Financial assets	10	49,575	329,963
TOTAL CURRENT ASSETS		34,509,350	16,882,270
NON-CURRENT ASSETS			
Financial assets	10	962,040	806,042
Investment in Associates	11	676,119	354,715
Borrowing costs	13	138	480
Property, plant and equipment	14	30,893,182	36,423,933
Mine properties	14	106,533,165	100,537,641
Development assets	14	2,578,190	10,450,327
Exploration and evaluation	15	4,884,895	4,689,128
TOTAL NON CURRENT ASSETS		146,527,729	155,067,684
TOTAL ASSETS		181,037,079	171,949,954
CURRENT LIABILITIES			
Trade and other payables	16	71,908,408	53,797,327
Provisions	17	4,411,887	364,199
Financial liabilities	18	28,096,277	19,099,990
TOTAL CURRENT LIABILITIES		104,416,572	73,261,516
NON CURRENT LIABILITIES			
Provisions	17	882,848	-
Financial liabilities	18	73,342,452	78,083,648
TOTAL NON CURRENT LIABILITIES		74,225,300	78,083,648
TOTAL LIABILITIES		178,641,872	151,345,164
NET ASSETS		2,395,207	20,604,790
EQUITY			
Issued capital	19	68,722,146	68,722,146
Reserves	20	15,878,946	15,061,404
Accumulated losses		(75,234,619)	(65,085,620)
Parent interest		9,366,473	18,697,930
Non-controlling interest		(6,971,266)	1,906,860
TOTAL EQUITY		2,395,207	20,604,790

The accompanying notes form part of the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (for the year ended 30 June 2025)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (for the year ended 30 June 2025)

	Issued Capital	Foreign Currency Translation Reserve	Accumulated Losses	Transactions with minority interests	Non-Controlling Interest	Total
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2023	68,722,146	5,661,103	(59,292,994)	8,593,853	5,396,815	29,080,923
Option expired	-	-	-	-	-	-
Foreign currency translation reserve	-	806,448	-	-	-	806,448
Transaction with Minority Interest	-	-	-	-	1,342,644	1,342,644
(Loss) for the year	-	-	(5,792,626)	-	(4,832,599)	(10,625,225)
Total comprehensive income for the year	-	806,448	(5,792,626)	-	(3,489,955)	(8,476,133)
Transactions with owners in their capacity as owners:						
Share placement	-	-	-	-	-	-
Balance as at 30 June 2024	68,722,146	6,467,551	(65,085,620)	8,593,853	1,906,860	20,604,790
Balance as at 1 July 2024	68,722,146	6,467,551	(65,085,620)	8,593,853	1,906,860	20,604,790
Options expired	-	-	-	-	-	-
Foreign currency translation reserve	-	817,542	-	-	-	817,542
(Loss) for the year	-	-	(10,148,999)	-	(8,878,126)	(19,027,125)
Total comprehensive income for the year	-	817,542	(10,148,999)	-	(8,878,126)	(18,209,583)
Transactions with owners in their capacity as owners:						
Share placement	-	-	-	-	-	-
Balance as at 30 June 2025	68,722,146	7,285,093	(75,234,619)	8,593,853	(6,971,266)	2,395,207

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

(for the year ended 30 June 2025)

	Note	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		52,223,309	2,260,105
Payments to suppliers and employees (Inclusive of GST)		(37,418,593)	25,170
Interest received		67,659	-
Interest & other finance costs paid		(6,251,547)	(14,286,053)
NET CASHFLOWS USED IN OPERATING ACTIVITIES	7b	8,620,828	(12,000,778)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(77,006)	(191,829)
Payments for development and exploration expenditure		(1,959,943)	(19,090,594)
Proceeds from disposal of plant and equipment		16,822	-
Payments towards term deposits		-	(193,753)
Loan to other entity (repayment)		-	(104,688)
Payments for other-current assets		(149,428)	-
Proceeds from disposal of financial assets		294,635	492,002
NET CASHFLOWS USED IN INVESTING ACTIVITIES		(1,874,920)	(19,088,862)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contributed by non-controlling interests		-	1,342,644
Proceeds from shareholders		622,994	-
Proceeds from borrowings		6,007,091	30,451,574
Repayment of borrowings		(5,369,777)	-
NET CASHFLOWS PROVIDED BY FINANCING ACTIVITIES		1,260,308	31,794,218
NET INCREASE IN CASH AND CASH EQUIVALENTS HELD		8,006,216	704,578
Cash and cash equivalents at beginning of the financial year		4,355,812	3,656,745
Effect of exchange rate changes on cash		67,664	(5,511)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	12,429,695	4,355,812

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(for the year ended 30 June 2025)

1. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The material 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 2025 of AUD 19,027,128 (2024: Loss AUD 10,625,228) and cash inflows/(outflows) from operating and investing activities of AUD 6,745,909 (2024: AUD (AUD 31,089,640)). As at 30 June 2025 the Group has a cash at bank balance of AUD 12,429,695 (2024: AUD 4,355,812) and bank deposits of AUD 258,541 (2024: AUD 534,942) and a working capital deficiency of AUD (69,907,222) (2024: AUD (44,133,741)).

Related-party creditors of Al Hadeetha Resources LLC (AHRL), including the other shareholders in that company, which have contracts for the provision of various mining and construction services to AHRL, have agreed to defer current liabilities owing to them of AUD 66,526,206. Amounts deferred bear interest at 10% per annum. These creditors agreed to waive interest payable until 30 June 2025. Informal discussions have taken place with these creditors to waive interest for a further 6 months to 31 December 2025.

The Group entered into an unsecured loan agreement with Al Hadeetha Investments LLC on 16 April 2017 for a maximum of USD 2 million to assist in the working capital funding requirements. As at balance date, the Consolidated Entity has drawn down OMR 266,743 (USD 691,693). The balance of USD 1,308,307 it is not practical for AHR to draw further on this facility at this time. AHR owes AHI and/or its related parties (together referred to as AHI) amounts which exceed the undrawn balance under this loan facility, as payables for services provided by AHI, payment of which AHI has deferred. On a review of this facility AHR determined that were it to seek to draw further on it, it is reasonable to expect that AHI would require it to apply the amount drawn in paying down the trade payables. Accordingly, the total available amount of this loan is and will be reported as equal to the amount currently drawn down.

The Company raised AUD 3.4 million through a Direct Placement in July 2025. Directors considered a cash flow forecast for the 12 months from the date of this report which indicates that the Consolidated Entity will have a shortfall of cash required to meet its commitments of approximately AUD 5.9 million over that period. To enable the Consolidated Entity to meet the projected cash shortfall it is anticipated Alara will be required to raise funds from the issue of equity anticipated to be in Q1 2026. Directors have received commitments from major shareholders to contribute to a proposed capital raising sufficient to fully meet any projected shortfall. In addition, plant capacity at AHRL has increased following the installation of a new filter press, which is expected to generate higher revenues and cash inflows to support the Group's operations.

Accordingly, the Directors consider the basis of going concern to be appropriate given their view that the Company has reasonable prospects of raising capital to meet its projected cash deficiency for the next 12 months.

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 consolidated 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 plant and equipment, mine properties and development assets

The future recoverability of plant and equipment, mine properties and development assets 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 plant and equipment, mine properties and development assets are 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 2025.

	2025 \$	2024 \$
Statement of Financial Position		
Current assets	81,135	437,074
Non-current assets	14,469,120	14,519,762
Total assets	14,550,255	14,956,836
Current liabilities	2,097,926	28,526
Non-current liabilities	5,346,952	5,469,248
Total liabilities	7,444,878	5,497,774
Net assets	7,105,377	9,459,062
Issued capital	68,722,146	68,722,146
Accumulated losses	(61,616,769)	(59,263,084)
Total equity	7,105,377	9,459,062
(Loss) for the year	(2,353,685)	(961,499)
Total comprehensive income /(loss) for the year	(2,353,685)	(961,499)

3. (LOSS) FOR THE YEAR

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

	2025 \$	2024 \$
Revenue		
Interest	82,897	37,520
Sale of Copper	55,122,260	5,462,901
Unrealised forex (losses)/gains	(319,191)	74,313
Other Income	110,388	-

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

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 180 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. The revenue recorded represents 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. 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

	2025 \$	2024 \$
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	279,179	272,663
Deferred income tax relating to 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	(279,179)	(272,663)
Under/(Over) provision in respect of prior years	-	-
Tax expense	-	-
Deferred tax expense (income), recognised directly in other comprehensive income		
(b) Accounting loss before tax	(19,027,129)	(10,285,682)
Income tax expense to accounting loss:		
Tax at the Australian tax rate of 25% (prior period: 25%)	(4,756,782)	(2,571,420)
Assessable amounts	438,660	335,787
Non-deductible expenses	155,680	342,828
Deferred tax asset not brought to account	2,738,890	1,212,296
Utilisation of unused tax losses previously unrecognised	(279,179)	(272,663)
Deferred Tax Asset Losses not previously brought to account, now brought to account	-	(28,751)
Tax rate difference	1,702,731	981,924
Income tax expenses (benefit)	-	-
(c) Recognised Deferred Tax Balances		
Deferred tax asset temporary differences	119,685	7,738
Deferred tax asset (losses)	-	87,374
Set-off deferred tax liabilities	(119,685)	(95,112)
	-	-
(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 assets temporary differences	268,256	-
Unrecognised deferred tax assets losses	621,052	1,292,096
Unrecognised deferred tax assets losses (capital)	409,991	409,991
Unrecognised deferred tax assets Oman losses	3,537,983	203,627
	4,837,283	1,905,714

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

- 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;
- The Consolidated Entity continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and
- 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:

	2025 \$	2024 \$
In.Corp Audit & Assurance Pty Ltd – Auditors of the Consolidated Entity (Audit and review of financial reports)	47,275	32,300
RSM Chartered Accountants – Auditors of Oman-controlled entities (Audit and review of financial reports)	50,834	3,317
	<u>98,109</u>	<u>35,617</u>

6. EARNINGS/(LOSS) PER SHARE

	2025 \$	2024 \$
Basic (loss) per share cents	(1.41)	(0.81)
Diluted (loss) per share cents	(1.41)	(0.81)
(loss) \$ used to calculate earnings/(loss) per share	<u>(10,149,002)</u>	<u>(5,792,626)</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>718,087,541</u>
Weighted average number of ordinary shares during the period used in calculation of diluted earnings/(loss) per share	<u>718,087,541</u>	<u>719,962,291</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

	2025 \$	2024 \$
Cash in hand	1,227	5,233
Cash at bank	12,428,468	4,238,757
Term deposits	-	111,822
	<u>12,429,695</u>	<u>4,355,812</u>

The effective interest rate on short-term bank deposits in the reporting period was 0.75% (2024: 0.76%) 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 (Loss) after Tax to Net Cash Flow From Operations	2025 \$	2024 \$
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(Loss) after income tax	(19,027,128)	(10,625,095)
Gain/(loss) on forex (realised)	-	49,479
Share of (profits) of associates	(321,403)	(203,158)
Foreign exchange movement	(93,620)	(265,898)
Depreciation	25,395,882	6,431,684
(Increase)/Decrease in Assets:		
Trade and other receivables	(4,291,258)	(2,844,336)
Other current assets	(28,809)	(38,466)
Inventories	(6,886,488)	(7,212,316)
Increase/(Decrease) in Liabilities:		
Insurance premium funding (other payables)	(6,168)	(11,718)
Trade and other payables	6,475,192	2,529,426
Provisions	7,404,628	189,753
Net cashflows from/ (used in) operating activities	8,620,828	(12,000,645)

8. TRADE AND OTHER RECEIVABLES

Current	2025	2024
	\$	\$
Amounts receivable from:		
Sundry debtors	7,137,172	4,199,514
Less: Provision for doubtful debts	(3,753,404)	-
	3,383,768	4,199,514
Goods and services tax recoverable	31,330	16,792
VAT receivable	2,059,880	626,131
	5,474,978	4,842,437

(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

Receivables have been impaired relating to pending shipment settlements based on settled shipments to date.

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

	2025	2024
	\$	\$
Prepayments	172,421	140,340
Accrued interest	514	1,402
	172,935	141,742

10. FINANCIAL ASSETS

	2025	2024
	\$	\$
Current		
Bank deposits	49,575	329,963
Non-Current		
Interest free loan to Alara Resources LLC	435,028	435,028
Loan to Other Entities – ARL	182,178	166,035
Advance to AHML	135,868	-
Security deposits MOE (More than one year)	208,966	204,979
	1,011,615	1,136,005

11. INVESTMENT IN ASSOCIATE

	2025	2024
	\$	\$
Opening Balance	354,716	151,558
Profit from equity accounted investments	321,403	203,158
Subtotal	676,119	354,716

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. INVENTORIES

	2025	2024
	\$	\$
Raw materials, at cost	7,927,899	3,188,446
Finished goods, at cost	895,868	801,228
Spare parts, at cost	5,415,338	3,222,643
Subtotal	14,239,105	7,212,316

ACCOUNTING POLICY NOTE

Inventories are measured at the lower of cost or net realizable value. The cost of raw materials, purchased components, and consumable stores is recorded at the purchase price. Copper ore is valued at cost (weighted average cost), as its net realizable value cannot be reasonably determined. For raw materials, chemical, and stores and spares, cost is determined using first-in, first-out (FIFO) method.

Finished goods and work-in-progress are valued at the lower of net realizable value and weighted average cost to the unit. The cost is calculated as material cost plus direct expenses and appropriate value of overheads.

13. BORROWING COSTS

	2025	2024
	\$	\$
Borrowing costs	879	862
Less: Amortisation	(741)	(382)
	138	480

14. PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment	Mine Properties	Development assets	Total
	\$	\$	\$	\$
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
Disposals	-	-	-	-
Depreciation expense	(3,817,053)	(2,614,630)	-	(6,431,683)
Exchange differences	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
Year ended 30 June 2025				
Carrying amount at beginning	36,423,933	100,537,641	10,450,327	147,411,901
Transfer from development	6,675,217	15,372,755	(22,047,972)	-
Additions	907,986	-	13,882,118	14,790,104
Disposals	(38,847)	-	-	(38,847)
Depreciation expense	(13,939,089)	(11,456,792)	-	(25,395,882)
Exchange differences	863,984	2,079,559	293,716	3,237,259
Closing amount at reporting date	30,893,182	106,533,165	2,578,190	140,004,536
Year ended 30 June 2025				
Cost or fair value	49,470,203	120,480,421	2,578,190	172,528,814
Accumulated depreciation	(18,577,021)	(13,947,256)	-	(32,524,278)
Net carrying amount	30,893,182	106,533,165	2,578,190	140,004,536

ACCOUNTING POLICY NOTE

All plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost comprises the purchase price plus all costs directly attributable to bringing the asset to its intended location and condition for use. The directors review the carrying amount of plant and equipment annually to ensure it does not exceed the recoverable amount of the 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	10 – 37.5%
Motor Vehicles	33.3%
Plant and Equipment	10 – 33.3%
Mine Properties	10 year life

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.

15. EXPLORATION AND EVALUATION

	2025 \$	2024 \$
Opening balance	4,689,128	4,713,750
Reinstatement of Foreign Reserve balance relating to prior Years	29,980	9,213
- Additions	-	-
- Exchange differences	165,787	(33,835)
Closing balance	4,884,895	4,689,128

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 its wholly owned subsidiary, Alara Oman Operations Pty Ltd, will become a 10% shareholder in the Awtad Block 8 Project. As part of the agreement, Awtad acknowledges that OMR 246,215 (AUD 812,316) previously spent by Alara on the project forms the basis for Alara's interest

ACCOUNTING POLICY NOTE

Mineral Exploration and Evaluation Expenditure

Exploration, evaluation, and development expenditures are accumulated (capitalised) for each identifiable area of interest. These costs are carried forward only if they are expected to be recovered through successful development or sale of the area, or if the area has not yet reached a stage where economically recoverable reserves can be reasonably assessed but exploration activities are ongoing. If an area is abandoned, any accumulated costs related to it are fully written off against profit in the year the abandonment decision is made. Exploration and evaluation expenditure is also written off if it no longer meets these conditions or if the area of interest is abandoned.

Exploration and evaluation assets are assessed for impairment when indicators suggest their carrying amount may exceed recoverable amount. Impairment losses are measured following the Consolidated Entity's impairment policy, which involves management judgments about future events, including whether a viable extraction operation can be established. These estimates may change as new information becomes available. If it is later determined that recovery of capitalised expenditure is not possible, the amount will be written off to the profit or loss statement..

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.

16. TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
Current		
Trade payables	71,241,445	51,384,719
Other payables	666,963	2,412,608
	<u>71,908,408</u>	<u>53,797,327</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.

17. PROVISIONS

	2025 \$	2024 \$
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Current		
Employee benefits – annual leave	617,137	364,199
Provision for royalty	3,794,750	-
	<u>4,411,887</u>	<u>364,199</u>
Non-current		
Provision for restoration and rehabilitation	882,848	-
	<u>882,848</u>	<u>-</u>

ACCOUNTING POLICY NOTE

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.

Provision for royalty

The company recognizes a royalty expense calculated based on percentage of revenue (inclusive of CSR) in accordance with Omani law. The provision is recorded in the same period as the related revenue. Any subsequent adjustments are recognized in the period of determination.

Provision for restoration and rehabilitation

The company recognizes a provision for site restoration and rehabilitation obligations. The provision is measured at the present value of expected costs and capitalized as part of the related asset. Adjustments for changes in estimates or discount rates are recognized prospectively.

18. FINANCIAL LIABILITIES

Financial liabilities	2025	2024
	\$	\$
Non-Current		
Loan – Sohar International Bank		
Opening balance	71,669,942	65,937,034
Add: Additions during the year	3,105,227	5,732,908
Less: Transferred to current	(4,610,755)	-
Add: Interest	4,854,824	-
Less : Repayments	(8,350,265)	-
Add/ (Less): Foreign exchange differences	1,576,489	-
Closing balance	<u>68,245,462</u>	<u>71,669,942</u>
Loan – Trafigura PTE Ltd		
Opening balance	5,418,886	-
Add: Interest	888,302	348,989
Less: Reclassify to current	(2,553,673)	5,069,897
Add/less: Foreign exchange differences	195,631	-
Closing balance	<u>3,949,146</u>	<u>5,418,886</u>
Loan From Associate – Alara Resources LLC		
Opening Balance	92,154	30,047
Add: Additions during the year	-	62,107
Closing balance	<u>92,154</u>	<u>92,154</u>
Loan with unrelated third party		
Opening balance	888,548	820,809
Add: Addition during the year	71,613	-
Add: Interest	78,244	64,230
Add/ Less: Foreign exchange differences	17,285	3,509

Closing balance	1,055,690	888,548
Vehicle Loan		
Opening balance	14,118	29,754
Add: Additions during the year	-	-
Less: Deletion during the Year	(14,392)	(14,874)
Less: Unexpired Interest on vehicle loan	-	(623)
Add/less: Foreign exchange differences	274	(139)
Closing balance	-	14,118
Total Financial Liabilities – Non-Current	73,342,452	78,083,648
Current		
Loan – Trafigura PTE Ltd		
Opening balance	-	-
Add: Reclassify from non current	2,553,673	-
Closing balance	2,553,673	-
Advance from shareholders		
Opening balance	-	-
Add: Addition during the year	622,994	-
Closing balance	622,994	-
Loan – Sohar International Bank		
Opening Balance	19,067,338	-
Add : Transferred from non current	4,610,755	-
Add: Additions during the year	2,901,864	19,067,338
Less: Repayments	(1,874,337)	-
Add/less: Foreign exchange differences	188,623	-
Closing Balance	24,894,243	19,067,338
Vehicle Loan		
Opening balance	15,508	14,164
Add: Additions during the year	15,027	3,569
Less: Repayments	(15,856)	-
Less: Unexpired Interest on Vehicle Loan	(636)	(2,149)
Add/ Less: Foreign exchange differences	348	(76)
Closing balance	14,391	15,508
Insurance Premium Funding		
Opening balance	17,144	5,627
Add: Addition during the year	52,606	55,915
Less: Payment	(58,774)	(44,398)
Closing balance	10,976	17,144
Total Financial Liabilities – Current	28,096,277	19,099,990

- (i) On 16 April 2017, Al Hadeetha Resources LLC (AHRL) (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 Investment Services 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 USD 2 million (AUD 3,052,480; OMR 771,277) 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 OMR 266,743 (USD 691,693; AUD 1,055,689). Balance OMR 504,533, (USD 1,308,307; AUD 1,996,790) it is not practical for AHR to draw further on this facility at this time. AHR owes AHI and/or its related parties (together referred to as AHI) amounts which exceed the undrawn balance under this loan facility,

as payables for services provided by AHI, payment of which AHI has deferred. On a review of this facility AHR determined that were it to seek to draw further on it, it is reasonable to expect that AHI would require it to apply the amount drawn in paying down the trade payables. Accordingly, the total available amount of this loan is and will be reported as equal to the amount currently drawn down

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 22.47 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% subsidiary Al Hadeetha Resource LLC (AHRL) has a finance facility of OMR 24.8 million (AUD 98.15 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 6.25% 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 year and 9 months, including a moratorium period of 2 years and 9 months in which only interest is payable. Bank has agreed to defer three quarters EMI. After the moratorium and agreed deferred period, the principal of the Facility is repayable in 25 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. 71,808,754 Options have been issued to secure USD 3.45m loan, exercisable on default under the loan at 30 day VWAP minus 10%.

As part of the terms and conditions of the loan with Sohar Bank, the company is required to meet a number of financial covenants. These covenants include: (a) no dilution of the shareholding or change in shareholding pattern during the tenor of the facility without NOC from the Bank; (b) maintenance of a Debt Service Coverage Ratio of 1.20x times through the life of the loan after the first year of operation; (c) subordination of any member's funds/account, if applicable, to Sohar International Bank facilities; and (d) in the event the Debt Service Coverage Ratio exceeds 1.25x for the respective year, 50% of the excess free cash available must be utilized for the mandatory accelerated prepayment of the facilities. We confirm there were no breaches of these covenants during the year.

19. ISSUED CAPITAL

	2025 No	2024 No	2025 \$	2024 \$
Fully paid ordinary shares	718,087,541	718,087,541	68,722,146	68,722,146

2024	No	\$
Balance as at 1 July 2023	718,087,541	68,722,146
- Share movement during the 2024 financial year	-	-
Balance as at 30 June 2024	718,087,541	68,722,146
2025	No	\$
Balance as at 1 July 2024	718,087,541	68,722,146
- Share movement during the 2025 financial year	-	-
Balance as at 30 June 2025	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 in managing capital is to safeguard its ability to continue as a going concern, enabling it to provide returns to shareholders and benefits to other stakeholders while maintaining a capital structure that balances the interests of all

shareholders. The Board reviews capital management initiatives periodically and implements measures it deems appropriate and in the best interests of the Consolidated Entity and its shareholders. Financial liabilities as at 30 June 2024 are disclosed in Note 17. The Consolidated Entity's non-cash investments can be realised as necessary to meet accounts payable arising in the normal course of business

20. RESERVES

	2025	2024
	\$	\$
Foreign currency translation reserve	7,285,094	6,467,552
Transactions with minority interests	8,593,852	8,593,852
	<u>15,878,946</u>	<u>15,061,404</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	2025	2024
			\$	\$
Employees' Options				
Listed options exercisable at \$0.03: expiring 31 July 2024 – Atmavireshwar Sthapak	23 Dec 2021	-	-	99,990
		-	-	
		-	-	99,990

21. SHARE-BASED PAYMENTS

There were no share based arrangements entered during the year.

22. 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.

	Australia	Oman	Saudi Arabia	Total
2025	\$	\$	\$	\$
Total segment revenues	20,381	55,295,165	-	55,315,545
Total segment loss/(profit)before tax	(1,999,814)	(17,031,356)	4,042	(19,027,128)
Total segment assets	2,703,181	178,333,898	-	181,037,079
Total segment liabilities	(7,756,832)	(170,885,040)	-	(178,641,872)

	Australia	Oman	Saudi Arabia	Total
2024	\$	\$	\$	\$
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)

(a) Reconciliation of segment information	2025	2024
	\$	\$
(i) Total Segment Assets		
Total Assets as per Statement of Financial Position	<u>181,037,079</u>	<u>171,949,954</u>

(ii) Total Segment Revenues		
Total Revenue as per Statement of Profit or Loss and Other Comprehensive Income	55,315,545	5,500,421
(iii) Total Segment profit/(loss) before tax		
Total Consolidated Entity (loss) before tax	(19,027,128)	(10,625,095)

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.

23. 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 Consolidated Entity holds the following financial instruments:

	2025 \$	2024 \$
Financial assets		
Cash and cash equivalents	12,429,695	4,355,812
Financial instruments (term deposits)	258,541	534,942
Trade and other receivables	5,474,978	4,842,437
Financial assets	753,074	435,028
	<u>18,916,288</u>	<u>10,168,219</u>
Financial liabilities at amortised cost		
Trade and other payables	(72,791,255)	(53,797,327)
Financial liabilities	(101,438,728)	(97,183,638)
	<u>(173,347,136)</u>	<u>(150,980,965)</u>
Net Financial Assets	<u>(154,430,848)</u>	<u>(140,812,746)</u>

(a) Market Risk

(i) Price risk

The Consolidated Entity is exposed to equity securities price risk. The Consolidated Entity is directly and/or indirectly exposed to commodity price risk primarily from changes in international copper prices. 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 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 % (2024: 0.70%).

	2025 \$	2024 \$
Cash at bank	12,428,468	4,238,757
Term deposits	-	111,822
Term deposits more than 90 days	258,541	534,944
Loan with unrelated third parties	-	-

Current financial liabilities	(28,096,276)	(19,099,990)
Non-current financial liabilities	(73,342,452)	(78,083,650)
	(88,751,719)	(92,298,117)

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:

Financial Liability	2025 \$	2024 \$
Change in profit		
Increase by 1%	(1,014,387)	(971,836)
Decrease by 1%	1,014,387	971,836
Change in equity		
Increase by 1%	(1,014,387)	(971,836)
Decrease by 1%	1,014,387	971,836

Revenue	2025 \$	2024 \$
Change in profit		
Increase by 3%	1,658,855	163,887
Decrease by 3%	(1,658,855)	(163,887)
Change in equity		
Increase by 3%	1,658,855	163,887
Decrease by 3%	(1,658,855)	(163,887)

(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:

	2025 OMR	2024 OMR
Cash and cash equivalents	2,958,464	898,725
Trade and other receivables	6,668,709	3,706,341
Trade and other payables	(25,705,987)	(13,849,944)
Financial liabilities	(21,046,898)	(23,380,408)
	(37,125,712)	(32,625,286)

	2025 US \$	2024 US \$
Cash and cash equivalents	3,573,724	9,787
	3,573,724	9,787

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.

(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:

	2025 \$	2024 \$
Cash and cash equivalents		
BB-	12,428,468	4,350,580
No external credit rating available	1,227	5,233
	12,429,695	4,355,813
Trade and other receivables (due within 30 days)		
No external credit rating available	5,474,978	4,842,437
	5,474,978	4,842,437

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 \$
2025				
Financial assets				
Cash and cash equivalents	12,429,695	-	-	12,429,695
Financial assets (term deposits)	-	49,575	208,966	258,541
Interest free loan to Alara Resources LLC	-	-	435,028	435,028
Loan to other entities - interest loan	-	-	182,178	182,178
Advance to AHML	-	-	135,868	135,868
Trade and other receivables	5,474,978	-	-	5,474,978
	17,904,673	49,575	962,040	18,916,288
Financial liabilities				
Trade and other payables	(71,908,408)	-	-	(71,908,408)
Borrowings	-	(28,096,276)	(73,342,452)	(101,438,728)
	(71,908,408)	(28,096,276)	(73,342,452)	(173,347,136)
Net inflow/(outflow)	(54,003,735)	(28,046,701)	(72,380,412)	(154,430,848)

	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 assets	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
	9,492,884	35,328	640,007	10,168,219
Financial liabilities				
Trade and other payables	(53,797,327)			(53,797,327)
Borrowings	(24,712)	(19,074,510)	(78,084,415)	(97,183,636)
	(53,822,039)	(19,074,510)	(78,084,415)	(150,980,963)
Net inflow/(outflow)	(44,329,155)	(19,039,182)	(77,444,408)	(140,812,744)

(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.

24. COMMITMENTS

	2025 \$	2024 \$
(a) Lease Commitments		
Non-cancellable operating lease commitments:		
Within 1 year	1,049	26,108
1-5 years		
After 5 years	-	-
Total	1,049	26,108
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.		

25. CONTROLLED ENTITIES

Investment in Controlled Entities	Controlled Entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-25	Jun-24
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	13-Jun-10	70%	70%
Khnaiguiyah Mining Company LLC	AKO	Inactive	Saudi Arabia	10-Jan-2011	50%	50%
Alara Saudi Ventures Pty Ltd	AUQ	Administration	Australia	1 March 2022	100%	100%
Daris Resources LLC	AOO	Exploration	Oman	1-Dec-10	50%	50%

26. JOINTLY CONTROLLED ENTITIES & INVESTMENTS IN ASSOCIATES

Investment in Jointly Controlled Entities	Controlled entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-25	Jun-24
Alara Resources LLC	AOO	Mining Services	Oman	2-Oct-10	35%	35%

Al Hadeetha Mining LLC

AOO

Exploration

Oman

18-Sep-24

27.5%

-

27. 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 2025:

Related parties	Relationship	Purchase of goods and services (AUD)	Management fee, rent and salaries (AUD)	Balance outstanding (AUD)
Alara Resources LLC	Associate	15,131,799	30,546	30,266,325
Al Naba Infrastructure LLC	Entity controlled by director of subsidiary	57,933	-	1,753,142
Al Naba Supplies and Catering Services LLC	Entity controlled by director of subsidiary	1,492,120	-	1,869,021
Al Tasnim Enterprises LLC	Entity controlled by director of subsidiary	10,560,442	-	14,271,079
Al Tasnim Manufacturing LLC	Entity controlled by director of subsidiary	7,561,538	-	15,580,570
Al Naba Services LLC	Entity controlled by director of subsidiary	328,643	-	-
Al Naba Shipping LLC	Entity controlled by director of subsidiary	1,722,070	-	1,043,422
Al Naba Group LLC	Entity controlled by director of subsidiary	29,758	-	11,085
Al Hadeetha Investment Services LLC (Note 1)	Associate	47,504	-	11,873
Al Ariq Equipment LLC	Entity controlled by director of subsidiary	12,677	-	-
Gulf Testing Solutions Enterprise	Entity controlled by director of subsidiary	834,774	-	1,004,414
Khalid Hamed Saif Al Busaidi	Entity controlled by director of subsidiary	-	55,400	23,410
Al Tasnim Cement Products LLC	Entity controlled by director of subsidiary	-	-	-
Al Naba Automobile LLC	Entity controlled by director of subsidiary	23,707	-	7,112

Note 1: Al Hadeetha Investment Services LLC holds a 30% interest in Al Hadeetha Resources LLC.

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:

	2025 \$	2024 \$
Short term employee benefits:		
Remuneration including bonuses and allowances	1,319,972	1,060,235
Total short term employee benefits	1,319,972	1,060,235
Long term benefits	42,470	31,062
Total other long-term benefits	42,470	31,062
Post-employment benefits:		

Defined contribution pension plans	2,862	2,523
Total post-employment benefits	2,862	2,523
Total remuneration	1,365,305	1,093,820

28. CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities arise from the Consolidated Entity's exploration and evaluation activities, which remain subject to ongoing development, as described below:

(a) Directors' Deeds – The Company has entered into deeds of indemnity with its Directors, indemnifying them against liabilities incurred in their roles as directors or officers of the Consolidated Entity. As of the reporting date, no claims have been made under these indemnities. Consequently, it is not possible to reliably estimate any potential financial obligation arising from these indemnities.

(b) Loan to Unrelated Party (AHI) (Oman) – On 26 October 2017, Al Hadeetha Investments LLC (AHI) provided a bank guarantee of OMR 30,000 to the Omani Ministry of the Environment as security for the performance of environmental obligations by Al Hadeetha Resources LLC (AHRL) regarding the Al Al Wash-hi Majaza Majaza Project mining licence. AHI was required to deposit an amount equal to the guarantee with its bank as security. The Consolidated Entity paid AHI approximately OMR 20,000, representing its share of the potential liability. This amount will be refunded to the Consolidated Entity if AHRL fulfills its environmental obligations.

(c) Guarantee on Sohar Loan – Alara Oman Operations Pty Limited, a wholly owned subsidiary, has provided a guarantee to Sohar International SAOG for the full liability of AHRL (51% owned by Alara) under a loan of OMR 24.8 million (AUD 97.327 million) used to finance the construction of the Al Al Wash-hi Majaza Majaza copper-gold project.

(d) Personal Guarantees and Indemnity – Shareholders holding 30% and 19% stakes in AHRL have provided personal guarantees to Sohar International SAOG corresponding to the above loan guarantee. Alara Resources Limited has indemnified these shareholders for their liabilities under the guarantees, limited to 49% of any amounts paid by them.

29. SUBSEQUENT EVENTS

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

On 8 July, 2025, shareholders approved the share placement whereby the Company entered into subscription agreements for a private placement of up to 85,000,000 fully paid ordinary shares. Shares were offered at an issue price of A\$0.04 per share, aiming to raise up to A\$3.4 million before costs. The Placement was subject to shareholder approval and is not underwritten.

Under these agreements, substantial shareholder Al Tasnim Infrastructure LLC (ATI), which currently holds 13.88% voting power, (or its nominee) had agreed to subscribe for 60,000,000 shares for a total consideration of A\$2.4 million. Director Mr. Vikas Jain, who holds 5.25% voting power (or his nominee(s)), had agreed to subscribe for 25,000,000 shares for a total consideration of A\$1 million. All shares were issued at A\$0.04 each, representing a 60% premium to the 30-day volume weighted average price (VWAP) of A\$0.025 prior to the Subscription Agreements.

The premium reflects the ongoing support and commitment of ATI and Mr. Jain to Alara and its future prospects.

Proceeds from the Placement were intended to be used towards repayment of a portion of Alara's outstanding finance facility with Trafigura Pte Ltd, totalling US\$3.45 million (A\$5.31 million), as previously announced to the ASX on 26 July 2023. As per the 23 July 2023 announcement the full amount of the Trafigura Loan was drawn down and a payment of US\$1,591,735 (approximately A\$2.45 million), comprising principal and interest was then made towards the balance owing on 15 July 2025 as per the facility repayment obligations.

The Placement will also cover A\$856,618 (US\$556,463) for interest payments due through to 30 June 2026, withholding tax on interest payments under the Trafigura Loan, and associated bank fees. The aggregate amount due by Alara to Trafigura between 15 July 2025 and 26 July 2026, including taxes and bank fees, totals US\$2,148,198 (A\$3,306,935).

Other than the above, 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.

Consolidated Entity Disclosure Statement

30 June 2025

Basis of Preparation

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

Determination of Tax Residency

Section 295(3A) of the Corporations Act 2001 defines tax residency by reference to 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 assessing tax residency, the Consolidated Entity has applied the following interpretations:

(a) Australian Tax Residency

The consolidated entity has applied relevant legislation, judicial precedents, and the Australian Taxation Office's guidance, including Taxation Ruling TR 2018/5.

(b) Foreign Tax Residency

Where applicable, independent tax advisers in foreign jurisdictions have been engaged to assist in determining tax residency and ensuring compliance with local tax laws.

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%	Oman
Alara Resources Ghana Limited	Body corporate	Ghana	100%	Ghana
Alara Peru S.A.C	Body corporate	Peru	100%	Peru
Alara Operations LLC	Body corporate	Oman	100%	Oman
Sita Mining Company LLC	Body corporate	Saudi Arabia	70%	Saudi Arabia
Khnaiguiyah Mining Company LLC	Body corporate	Saudi Arabia	50%	Saudi Arabia
Alara Saudi Ventures Pty Ltd	Body corporate	Australia	100%	Australia
Daris Resources LLC	Body corporate	Oman	50%	Oman

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.

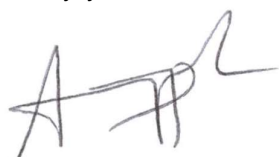
In the Directors' opinion:

- *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 2025

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 2025, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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 2025 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)

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of \$19,027,128 for the year and as at that date the Group's current liabilities exceeded its current assets by \$69,907,222. As stated in Note 1, these events or conditions along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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 - Mine Properties, Plant and Equipment, and Development Assets	How our Audit Addressed the Key Audit Matter
As disclosed in Note 14 to the financial statements, the carrying value of mine properties, plant and equipment and development assets amounted to \$140,004,536 as at 30 June 2025. The recognition and recoverability of these assets was considered a key audit matter due to: - the carrying value represents a significant portion of the Group's total assets; and - the significant management judgement required in assessing whether impairment indicators exist, including assumptions about future commodity prices, production volumes, operating costs, and discount rates.	Our procedures in assessing the carrying value of mine properties, plant and equipment, and development assets included, but were not limited to: - Attending the mine site to view the mine operations and sight the major assets; - Reviewing the mining licences; - Assessing the basis of capitalising costs in accordance with AASB 116 <i>Property, Plant and Equipment</i>; - Testing a sample of additions to supporting documentation to ensure they were bona fide payments and were accurately accounted for; - Assessing the updated NPV model provided by management to support the carrying value of mine properties, plant and equipment and development assets; - Assessing the reasonableness of management's assessment for the existence of impairment indicators; and - Reviewing the appropriateness of the related disclosures included in the financial report.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matter - Revenue recognition	How our Audit Addressed the Key Audit Matter
As disclosed in Note 3 to the financial statements, the Group's revenue from the sale of copper concentrate amounted to \$55,122,260. This was considered to be a key audit matter due to: - the significance of revenue to the Group's results and performance; and - judgement required in estimating final settlement amounts for shipments of copper concentrate not yet finalised	Our procedures in assessing the accounting treatment of the Group's revenue included but were not limited to: - Reviewing the Group's sale contract with its customer to understand the terms of upfront and contingent payments; - Documenting and assessing the processes and controls in place to recognise revenue - Verifying all shipments to associated invoices and receipts, to the extent of completed shipments - Reviewing the accounting policy for revenue recognition and ensuring it was in accordance with <i>AASB 15 Revenue</i>; - Assessing expected credit losses on amounts receivable at balance date; and - Assessing the appropriateness of the disclosures included in the financial report.
Key Audit Matter - Financial Liabilities	How our Audit Addressed the Key Audit Matter
As disclosed in Note 18 to the financial statements, the Group has significant borrowing arrangements. The recognition, measurement, and classification of these arrangements was considered a key audit matter due to: - their importance of financing to the Group's current and future activities; - Assessing the group's compliance with financial covenants; and - ensuring accurate classification between current and non-current liabilities.	Our procedures in assessing financial liabilities included, but were not limited to: - Reviewing the terms and conditions of the various financing agreements; - Agreeing material financial liabilities to independent third-party confirmations and other supporting documentation; - Reviewing management's assessment of compliance with financial covenants; and - Assessing the appropriateness of the disclosures included in the financial report.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Information Other than the Financial Report and Auditor's Report Thereon

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 2025, 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 2025.

In our opinion the remuneration report of Alara Resources Limited for the year ended 30 June 2025 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



Graham Webb
Director

30 September 2025

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.