

# Alara

## Resources

**2021  
ANNUAL  
REPORT**





**Saudi Arabia**

**Oman**

**Alara Resources is transitioning from mineral explorer to mine development and copper concentrate producer, with construction of our first copper mining project well underway.**

# Alara Resources Limited

## Mission Statement

Our mission is to increase shareholder value as a leading developer of mineral deposits and a mineral producer on the Middle East region.

## Core Values



### Excellence

We will pursue excellence and will strive for relevant best practice combined with a fit-for-purpose approach through continuous improvement and teamwork in all aspects of our business. To achieve our goals, we will ensure our employees and business partners have the appropriate skills and resources to perform their work effectively and efficiently. We will foster an open and supportive environment in all activities and relationships.



### Respect

Alara values and shows consideration for its employees, business partners, customers, suppliers, governments, communities, and the social and physical environment in which it operates.



### Integrity

Alara and its employees are committed to fairness and honesty and operate with transparency and accountability across all levels of business.

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### Managing Director's Letter



Dear Shareholders,

Alara has made excellent progress towards developing its projects during the past year, with its planned transition from mineral explorer to copper producer now well underway. And all this despite difficult operating conditions due to an ongoing COVID-19 pandemic. Several waves of the virus hit the Middle East during the 2021 financial year, resulting in extended lockdowns and travel restrictions. Several staff from Alara and its joint-venture partners suffered COVID themselves or lost loved ones during the pandemic. My heart-felt condolences go out to everyone who was affected by this unprecedented crisis. Through all this, Alara's unwavering focus was to deliver the well-planned advancement of its projects in Oman, while at the same time safeguarding its employees and contractors by changing working styles and providing preventative inoculations for staff.

Despite these challenges, Alara achieved several critical milestones along its development journey. Our flagship Omani JV company Al Hadeetha Resources LLC (AHRL) commenced construction of the accommodation camp for its planned 1MTPA copper concentrator at the Al Washi-hi Majaza copper-gold project (Project) in August 2021, and placed purchase orders for the major copper concentrator plant and other equipment during September. Alara additionally completed a successful metallurgical test program and basic engineering design for the copper processing plant during the year. Detailed engineering designs are now nearing completion. In another key milestone achieved in 2021, the Omani Ministry of Housing granted approvals for AHRL to access land surrounding the mining licence area, allowing the construction of mine-related facilities including the accommodation village and the access road. It is very pleasing to see Project development work now progressing on multiple fronts. The Al Wash-hi Majaza Project is on track to produce its first copper concentrate by the fourth quarter of calendar year 2022. During the year we reported an upward revised Project financial outcome, with an increase in expected operational expenditure being more than offset by the improved copper price environment.

Positive developments were not just confined to our Al Washi-hi Majaza copper-gold project, with Alara making progress across other parts of the business as well. In Oman, negotiations



continued towards the potential consolidation of our other copper assets. The Company is now much closer to obtaining a mining license over the Daris Project (Block 7) and other exploration areas, including Mullaq and Al Ajal.

Alara Resources LLC (ARL), another Alara Omani JV company, executed a long-term mining contract with AHRL for the proposed Al Wash-hi Majaza mine. By virtue of the skills, reputation and experience of its shareholders, ARL gives AHRL a competitive advantage across a number of geological, mining and metallurgical project work streams.

In Saudi Arabia, hopes have risen that Alara will be able to re-activate the Khnaiguiyah zinc project, with promising meetings held with key Saudi Ministers and Government Agencies during the year. The mining outlook in the Kingdom has brightened, with the Government taking a new approach as part of its grand vision for 2030.

During the year Alara welcomed a new Non-Executive Director, Mr. Sajeev Kumar, to its Board. Mr Kumar holds a BE (Metallurgy) and an MBA and brings extensive Australian and international business experience to the Company.

The path ahead for AHRL involves continuing to meet the high expectations of supportive local authorities and communities in Oman, as it develops a new, sustainable copper mine in that country. As the world is putting the worst of the pandemic behind it, and with copper demand at an all-time high, I feel privileged to be leading Alara as the Company sets about achieving its goals. The strong support from our Board and Shareholders, the trust and commitment shown by Alara's JV partners, the talent and dedication of our employees and the quality of the Company's assets make me excited for our future in Oman.

I look forward to sharing with you the attainment of further key project development milestones during the coming year.

Yours sincerely



Atmavishwar Sthapak  
Managing Director

1 Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) 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.

2 Refer to Alara's ASX Announcement Project NPV Upgrade, released 29 March 2021.

## Oman

### Copper in the Sultanate of Oman

Since its discovery thousands of years ago, through the bronze age and beyond, copper has proven to be a most useful metal element, making a huge contribution to the development of communities, cities, and countries around the world.

Global copper consumption has increased significantly over the last century and has grown at an average rate of 3% p.a. over the last 20 years. With industrial change brought on by global climate change initiatives, demand for copper is set to continue rising, in line with projected growth in electricity infrastructure, digital communications, electric vehicles and other renewable energy technologies. A consensus of supply and demand forecasts demonstrate solid support for copper prices through to 2030.

A country with astonishing natural beauty, the Sultanate of Oman is a nation with great history and legends. As the oldest independent state in the Arab World, Oman has embraced modernization and progress while retaining the core aspects of its culture and heritage.

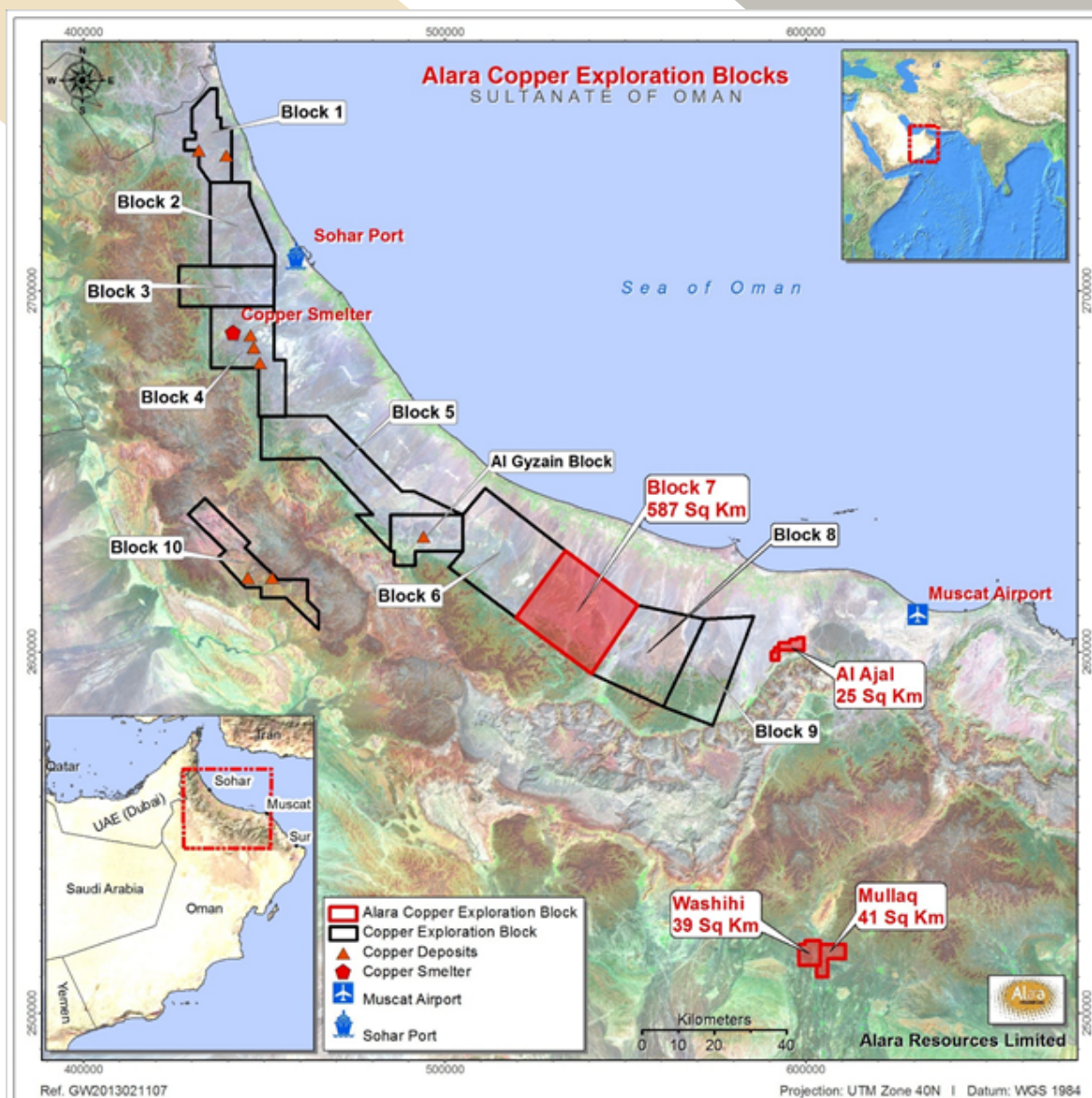
The Sultanate of Oman contains some of the most exciting geology anywhere on Earth, yet it is largely underexplored. Most of the country is covered by desert, while the northern Oman mountains expose some of the best-preserved ophiolitic rocks in the world. Oman's mining history dates back millennia, to a time when copper was mined there and traded throughout the known world. The country was then known as "Majan" or "the land of copper".

Copper production in Oman restarted in recent decades, however a temporary halt on new mining licences was imposed in 2014. With the Government now focused on economic diversification, the Ministry of Energy and Minerals is again issuing new mining licences, with AHRL being the first company to receive a copper mining licence since 2004. The Ministry continues to support the copper sector in Oman, with more copper projects set to follow.

Currently, Oman's main actively mined minerals include chromite, dolomite, limestone, gypsum, silicon and iron. Gold and copper will soon be added to this list, with attendant downstream industrial projects to further boost the mineral sector's contribution to the nation's GDP.

Recognizing its huge mineral wealth potential, the Sultanate is now actively promoting the development of its mining industry as one of its top four revenue generating sectors. Key developments include the merger of the Public Authority for Mining (PAM) into Ministry of Energy and Minerals. The inclusion of mining under Implementation Support and Follow-up Unit (ISFU) of Tanfeedh in 2017 and the promulgation of a new Mining Law in 2018. These developments demonstrate the country's commitment to assisting the mining sector become one of the major non-petroleum revenue sources for the nation.

AHRL LLC (AHRL) - a joint venture between Alara Resources (51%), and Omani conglomerates Al Hadeetha Investment Services LLC (AHIS) (30%) and Al Tasnim Infrastructure LLC (Al Tasnim, 19%) - is the first international JV company to be awarded a mining license for copper in Oman. Alara has joint venture interests in a total of five copper-gold exploration licenses in Oman, extending over 1,186km<sup>2</sup>. In addition, Alara has a 51% interest (via its shareholding in AHRL) in the Al Hadeetha Mining License at Wash-hi Majaza covering 3km<sup>2</sup>, within the Wash-hi Exploration License, and four other mining license applications pending for grant, totalling 7km<sup>2</sup>. The next figure shows the locations of all exploration licenses in Oman, including Alara's JV license areas. Alara also has another 10 (base and precious metals) exploration license applications, totalling 2,677km<sup>2</sup>, pending grant in Oman.



Oman Copper Block & Alara JV Exploration Licenses in Oman

### Alara Oman Copper Portfolio Al Hadeetha Resources LLC Projects

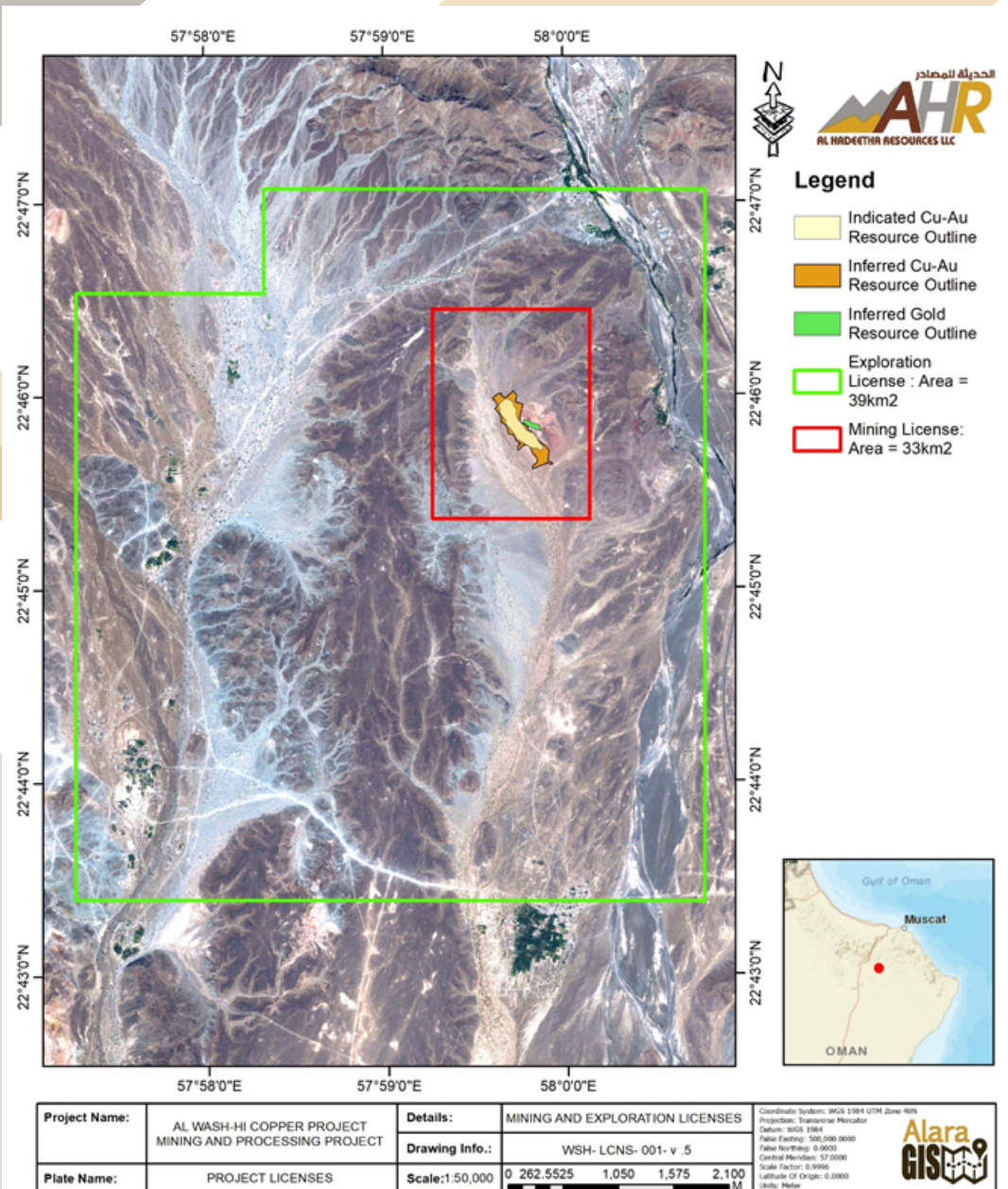
Al Hadeetha Resources LLC (AHRL) is Alara’s main JV vehicle in Oman, in which Alara owns a 51% stake. Alara’s partner in AHRL, AHIS, is part of the well-known Omani conglomerate Al Naba Services Group, owned by Sayyid Khalid bin Hamed Al Busaidi and his family. Alara’s other JV partner in AHRL, Al Tasnim, represent the Al Turki group, one of the largest construction and infrastructure companies in Oman. The AHRL JV was formed in 2011 by Alara and AHIS for the purpose of exploring and developing the Washhi, Mullaq and Al Ajal copper-gold concessions and the surrounding regions. Al Tasnim joined the JV in 2018. Since 2011, Alara-led exploration in these areas has identified copper resources. Mining license applications have been submitted within each exploration license area. The Al Washhi - Majaza mining licence was granted in 2018. The below table provides the status of all Al Hadeetha JV licenses, which together form the Al Hadeetha Copper Project (also known as the Washhi Project).



Name	Owner	Alara Share	Area	Exploration Licenses			Status	Mining License within ELs		
				Grant	Expiry	Renewal Applied		Area	Date Applied	Status
Wadi Andam	AHRL	51%	39km <sup>2</sup>	Jan '08	Jan '16	May '18	Granted	3km <sup>2</sup>	April '13	Granted '18
Mullaq	AHRL	51%	41km <sup>2</sup>	Oct '09	Oct '16	April '18	In process	1km <sup>2</sup>	Jan '13	In process
Al Ajal	AHRL	51%	25km <sup>2</sup>	Jan '08	Jan '16	April '18	In process	1.5km <sup>2</sup>	Jan '13	In process

### Al Hadeetha JV licenses

The Wash-hi Majaza copper deposit is in the Wash-hi Exploration License, approximately 160 km south-east of Muscat via sealed road. It is distinguished by a gossan, forming a hill in the centre of a gravel plain.



Wash-hi Exploration Licence and Washi-hi Majaza Mining Licence areas

AHRL has over time conducted extensive copper-gold exploration programs in the license area, resulting in the discovery of a large copper deposit at Wash-hi Majaza. A subsequent feasibility study supported development of an open mine pit and construction of a 1MTPA copper concentration plant<sup>3</sup>. In June 2018 AHRL secured its first Mining License and commenced the process of mine development. Resource and reserve statements are provided in the following two tables.

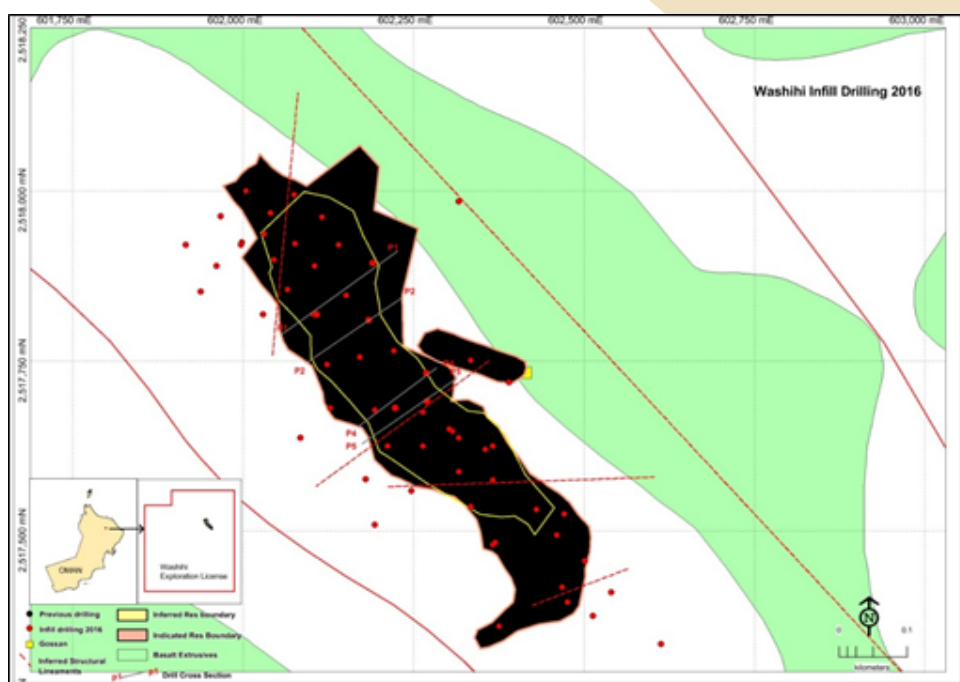
Mineralisation in the gossan was also identified (JORC Inferred Resource of 0.31MT @ 0.51g/t Au) outside the main ore body.

Resource	Tonnes (m)	Cu %
Indicated	12.4	0.89
Inferred	3.7	0.79
<b>Total</b>	<b>16.1</b>	<b>0.87</b>

*Mineral Resources summary – 0.25% Cu Cut-off*

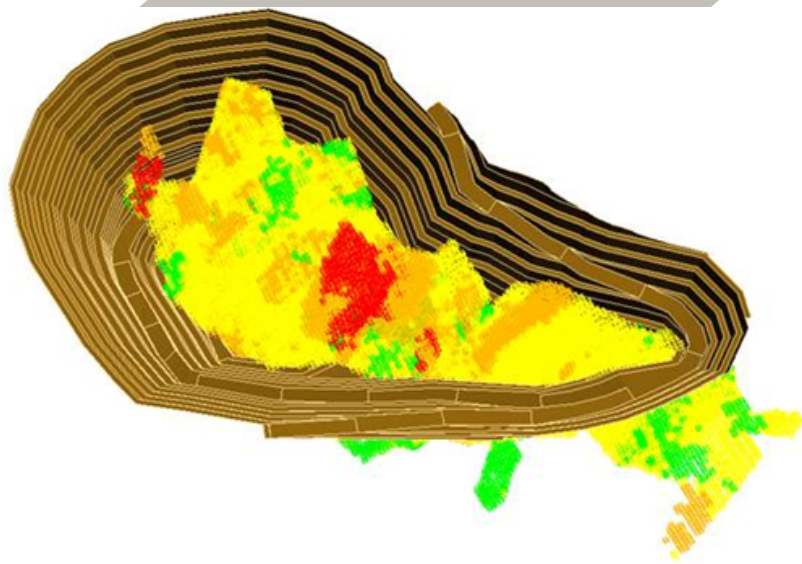
JORC Category	Tonnes (m)	Cu %	Au g/t
Probable Reserve	9.70	0.88	0.22

*Ore Reserve statement*



*Wash-hi Majaza copper deposit outline*

3 Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) 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.



*Wash-hi Majaza pit stages schematic*

### Wash-hi Majaza Copper Project Development

Alara is now developing a 1MTPA copper concentration plant<sup>4</sup> at the Wash-hi Majaza mining licence site.

### Copper Project Construction Commencement

Alara is currently developing the Al Wash-hi - Majaza copper-gold project in the Sultanate of Oman (Project). Project construction is scheduled for completion in November 2022. When complete, the Project will produce copper concentrate through a 1 MPTA plant<sup>5</sup>. The Project is owned by Alara's joint venture company Al Hadeetha Resources LLC (AHRL) in which the Company holds a 51% interest. Project construction commenced during the reporting period and has progressed as specified below until the date of this Report.

### Mining Accommodation Camp

After receiving required construction approvals from the local municipality, the mine-site camp construction contractor mobilised its team and equipment at the Wash-hi - Majaza mine site accommodation village for surface levelling and digging foundation trenches.

The accommodation village is designed to house 325 personnel from the construction, mining, and plant operation crews, and comprises a range of facilities including dining, prayer and recreation halls. Further details of the village are available in the Company's ASX announcement dated August 5, 2021.

<sup>4</sup> Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) 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.

<sup>5</sup> See previous footnote.



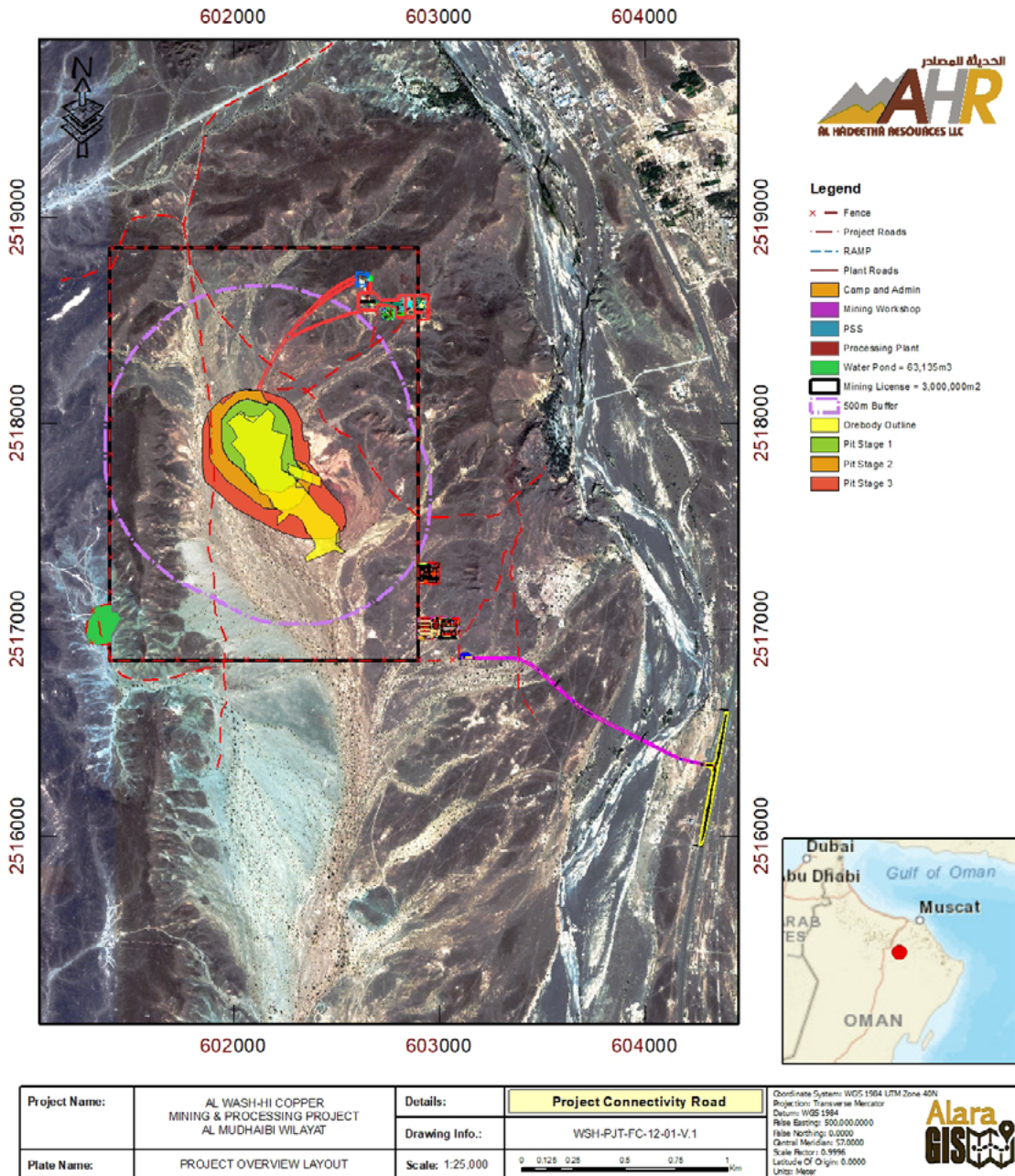


*AHRL CEO Avigyan Bera inspecting mining camp foundations*

### **Project Access Road**

Preparations for construction of the access road connecting the project site with a nearby state highway have also commenced. Designs for the two-kilometre-long access road were duly permitted by authorities. This road will provide a separate dedicated route to site avoiding populated parts in the area. A culvert shall be constructed over Wadi Andam.

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Access road route

Definitive Feasibility Study (DFS)

The Project’s DFS financial modelling was revised earlier in the year<sup>6</sup> to take account of a copper price rise since the prior revision in 2018. Revised DFS projected returns, based on a range of copper price scenarios as at 29 March 2021 are set out in the table below. As a comparison, the LME spot copper price on 23 September 2021 was USD 9,251 per tonne:

<sup>6</sup> See Alara’s ASX announcements dated 29 March and 7 April 2021. Alara’s ASX Announcements dated 1 April 2016 (initial Definitive Feasibility Study results announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) contain the assumptions and other information required by ASX Listing Rule 5.17 regarding the forecast financial information in this section of this Report. All material assumptions underpinning the forecast financial information 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 listed above has been updated by an assumption in a later of those announcements in that list.

Parameter	Value					
Copper Price (USD/tonne)	7,000	7,500	8,000	8,500	9,000	9,500
Revenue (USD m)	569	604	639	674	709	743
EBITDA (USD m)	208	241	273	306	338	370
Project NPV (USD m)	54	71	88	104	121	137
Project IRR (%)	24	29	33	36	40	43

### Key Project Parameters

Key Project parameters from the revised DFS are set out below:

Parameter	Value
Total pre-production capex	USD 60m <sup>7</sup>
Mining method	Open pit, 10.3 years
Project construction	15 months
First production	Q4 calendar 2022
Final production	2032
Processing rate	1 Mtpa
Average annual concentrate production	35,000 wmt
Total tonnes copper metal production	79,297 t
Total gold ounces	21,825 oz
Unit operating costs	USD 31.2/t of processed material

### Mining and processing infrastructure procurement

The Project is partially financed by an OMR 19m (USD 49.22m; AUD 65.56m) loan facility from Sohar International Bank (Facility). AHRL commenced draw-down on the Facility during the reporting period, placing the equipment and construction purchase orders listed below during September 2021. Procurement contracts were awarded, contractually committing a total capex of USD 17.8m (OMR 6.83m; AUD 23.71m) to date.

No	Package/Equipment details	Supply from
1	Ball Mill, SAG Mill, Crusher	China
2	Rock Breaker	Finland
3	Apron Feeder	India
4	Pan Feeders	India
5	Magnetic Separators	India
6	Accommodation Cabins Refurbished	Oman
7	Accommodation Camp Construction	Oman
8	New Cabins - Dining, Offices etc.	Oman
9	Fencing	Oman
10	Conveyors	Oman
11	Belt Weigher and Vibrating Screens	India
12	Hydro cyclones	UAE
13	Conveyor safety switches	India
14	Construction of Access Road	Oman
15	Pressure Filters	Italy
16	Regrinding Mill	USA
17	Electrical Packages - Transformers, Panels, Motors, Telecom	India

### Project Engineering and Construction

Progesys, as Project Management Consultant (PMC), is overseeing and directing the engineering, procurement and construction for the Project. Debisikha Associates, India (Debisikha) has been engaged to provide various services to the Project, including:

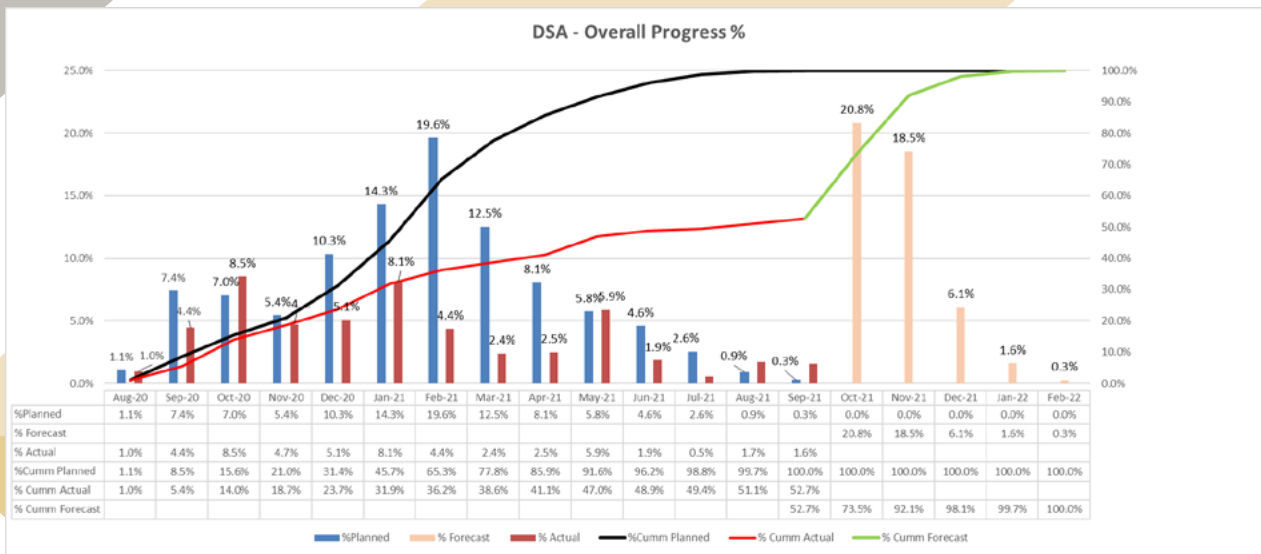
<sup>7</sup> Including EPC, project management, sewage treatment plant and pipeline, power, road and contingencies.



- Completion of front-end engineering design (FEED) and preparation of technical specifications for all bought-out items.
- Completion of detailed engineering for plant and infrastructure facilities (excluding geo-technical studies).
- Preparation of technical bid documents for the onsite construction work.
- Expediting the vendor manufacturing process and delivery schedule.
- Inspection and co-ordination of any items to be sourced from India.

## Project Engineering Progress

With commencement of procurement orders of major equipment, and therefore availability of OEM specification data plans are now in place to augment the detailed phase of engineering as shown below.



## Engineering design progress

### Project Water Supply

1,200m<sup>3</sup> of process water per day will be supplied by tankers sourced from sewage water treatment plants at Mudhaibi and Nizwa. An 18,000m<sup>3</sup> water storage reservoir will be constructed on site. Potable water will be sourced from bores on site and treated appropriately. Project water supply requirements have been reduced from the level specified in the DFS by the adoption of a dry tailings system.

### Project Power Supply

The power supply will be sourced from two feeders from Omani electricity company MZEC, approximately 2 km from the project site. A local contractor has been appointed to design, supply and construct overhead power lines and the primary substation at the Project site.

### Mining Contractor

Al Hadeetha Resources LLC (AHRL) entered contract with Alara Resources LLC (ARL) for ARL to perform mining services for AHRL over ten years at a cost of approximately USD 126m (AUD 167.83m).

### Metallurgical Drilling and Tests

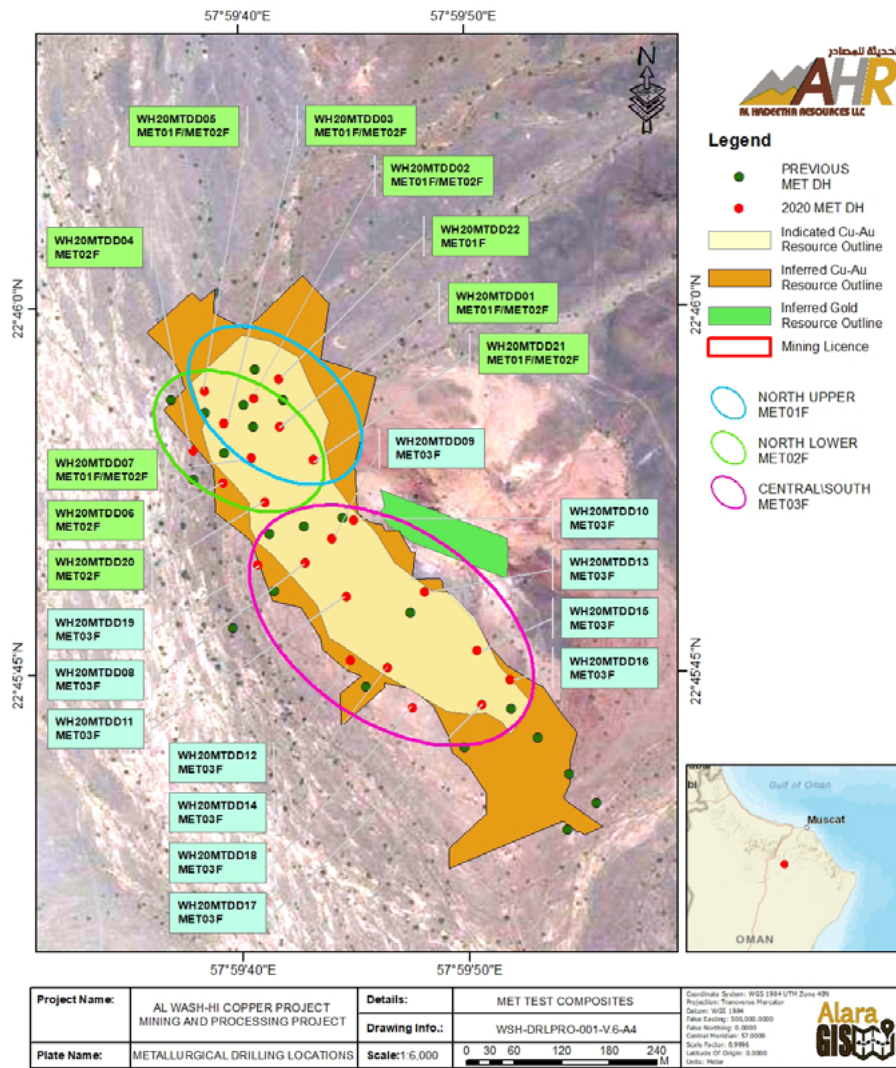
The ARL drilling team completed metallurgical test work program in the year. The drilling campaign consisted of 22 inclined core drill holes distributed over the known extremity of the ore body area, totalling 3434.70m. It was aimed at obtaining core samples required for the Geochemical Assays and Metallurgical test works. A total of 1,862 half core sample intervals (inclusive of QA/QC samples) were analyzed at ALS Arabia, Jeddah after sample preparations at ALS, Arabia-Biyaq in Oman. As of now, all the assays have been received. They have been reviewed and validated by the Bedrock Mineral Resource Consultancy (BMRC).

Metallurgical drilling was completed at the Wash-hi deposit. A total of 3,434.7 metres were drilled in 22 holes. The table below shows drillhole details, while the figure following shows the drillhole locations.

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Hole ID NO	East	North	RL	Type	Core	EOH	Azimuth	Inclination
WH20MTDD01	602138.071	2517880.078	456.343	MET	HQ	144.00	48	-70
WH20MTDD02	602105.110	2517918.042	456.306	MET	HQ/NQ	159.00	48	-70
WH20MTDD03	602068.292	2517885.426	456.091	MET	HQ	225.00	48.7	-69.5
WH20MTDD04	602025.902	2517847.181	455.989	MET	HQ/NQ	249.00	48.7	-70
WH20MTDD05	602043.341	2517923.759	456.282	MET	HQ/NQ	191.75	48.7	-69.4
WH20MTDD06	602064.951	2517809.851	455.884	MET	HQ	258.00	48.7	-69.9
WH20MTDD07	602101.556	2517842.886	456.082	MET	HQ	199.10	48.7	-69.6
WH20MTDD08	602168.266	2517710.372	455.729	MET	HQ	170.45	48.6	-70.3
WH20MTDD09	602201.528	2517739.164	456.980	MET	HQ	123.00	48.7	-69
WH20MTDD10	602230.256	2517763.804	458.589	MET	HQ	75.60	48.6	-67.6
WH20MTDD11	602222.174	2517668.314	456.570	MET	HQ	150.00	48.7	-69.3
WH20MTDD12	602226.171	2517586.889	454.792	MET	HQ	187.50	47.4	-70.3
WH20MTDD13	602318.794	2517672.811	465.209	MET	HQ	103.30	47.4	-69.6
WH20MTDD14	602272.989	2517577.296	455.213	MET	HQ	144.00	48.5	-69.4
WH20MTDD15	602387.123	2517597.715	457.943	MET	HQ	72.00	48.7	-70
WH20MTDD16	602426.596	2517562.716	455.872	MET	HQ	84.00	48.7	-71.6
WH20MTDD17	602393.604	2517529.295	454.825	MET	HQ	114.00	48.7	-69.6
WH20MTDD18	602304.736	2517527.227	454.535	MET	HQ	141.00	48.7	-69.8
WH20MTDD19	602106.259	2517703.053	455.380	MET	HQ	255.00	48.7	-69.7
WH20MTDD20	602117.609	2517787.414	455.830	MET	HQ	181.00	48.7	-69.8
WH20MTDD21	602178.182	2517840.214	456.416	MET	HQ	106.00	48.7	-70.3
WH20MTDD22	602134.521	2517939.017	456.452	MET	HQ	102.00	49	-68.3

*Metallurgical drill-hole results from Wash-hi Majaza copper deposit*



Metallurgical drill holes at Wash-hi Majaza copper deposit

**Metallurgical Testwork**

Mr Gary Patrick, MAusIMM, CP (Met) was appointed to oversee the metallurgical testwork program being carried out by Wardell Armstrong International, UK.

**Sample Selection**

A total of 1,862 core samples including QC samples were analysed by ALS Jeddah for geochemical analysis.

Comminution samples were selected to represent the three main host rock types, namely MET001C, MET002C and MET003C. Drillhole intervals were selected to prepare Master Composites for ore characterisation testing.

Sample intervals for flotation verification tests were selected to represent the:

- Starter pit shell - North Deposit (MET001C)
- Final pit shell - North Deposit (MET002C)
- Central/South Deposits (MET003C)

**Comminution Tests Results**

A full suite of ore characterisation tests was carried out on each of the main host rock types



including:

- SMC tests
- Abrasion tests
- Crushing Work Index tests
- Bond rod mill Work Index tests
- Bond ball mill Work Index tests

Results of the ore characterisation tests are summarised in this table.

Test Description	MET ID Lithology ID Units	MET001C BAS/ BAS + MST	MET002C MM/SMS + MNBST	MET003C MNBST
Ai	grams	0.0374	0.5903	0.2171
CWi	kWh/t	6.76	7.13	5.57
BRWi	kWh/t	14.92	13.12	13.40
BBWi	kWh/t	14.06	14.42	14.96

#### Ore characterisation test results

#### Major observations

The testing showed the average Bond Crusher Work Index values to range from 5.57kWh/t for the MET003C Composite to 7.13kWh/t for the MET002C Composite. Based on the classification criteria provided, the MET001C and MET003C Composites were determined to be “very easy” with respect to crushability, whilst the MET002C Composite was identified as being “easy”.

The results of the SMC testing showed the Axb values to range from 41.81 for the MET001C Composite to 53.52 for the MET004C Composite. The SCSE values ranged from 8.54 kWh/t for the MET004C Composite to 10.39 kWh/t for the MET002C Composite.

The results showed the Abrasion Index values range from 0.0374 for the MET001C Composite to 0.5903 for the MET002C Composite. Based on the standard classification criteria, the MET001C Composite was classified as being “non-abrasive”, the MET002C Composite was classified as being “slightly abrasive” and the MET003C Composite was classified as being “medium abrasive”. The results of the Bond Rod Mill Work Index tests showed the Work Index values to range from 13.12kWh/t for the MET002C Composite to 14.92kWh/t for the MET001C Composite. On this basis, the MET002C and MET003C Composites were classified as being “medium” with respect to ore hardness/grindability. The MET001C was classified as being “hard” with respect to ore hardness/grindability.

The results showed that the Bond Ball Mill Work Index values range from 14.06kWh/t for the MET001C Composite to 14.96kWh/t for the MET003C Composite. The three samples were classified as “hard” with respect to fine ore grindability.

#### Heavy Medium Separation (HMS)

To verify HMS tests conducted in 2013, fresh float-sink tests were carried out on the lower-grade Central-South Composite (MET03F). The Composite sample was initially screened into the optimum size fraction of -3.35mm+500µm, and the test carried out at a specific gravity of 2.8. Results of the float-sink analysis are summarised in the table below.

Size Fraction	Spec. Grav. Separation	Mass			Assay		Distribution (%)		
		Grams	%	Cu%	Au ppm	TS%	Cu	Au	TS
-3.35 mm	-2.8 / Floats	13,878	60.95	0.16	0.08	3.49	15.91	11.00	17.52
+ 500µm	+2.8 / Sinks	8,890	39.05	1.32	1.01	25.65	84.09	89.00	82.48
<b>Feed Testwork</b>	<b>DMS Feed</b>	<b>22,768</b>	<b>100.00</b>	<b>0.61</b>	<b>0.44</b>	<b>12.14</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

#### HMS test results

Results show that 61% of the feed reported to the floats (rejects) fraction. However copper and gold losses to the rejects fraction were high at 16% and 11% respectively.

As a result of these high metal losses to the rejects fraction it was decided not to progress with any further evaluation of HMS technology.

## Flotation

Flotation testing was being carried out during the reporting period on the three (3) main composites. Flotation test parameters were taken from the previous testing undertaken by ALS. The ALS flotation circuit was also used as the base case for testing and the results were found to be in close proximity only.

Batch rougher optimisation tests were carried out investigating float residence times, reagent addition rates and alternate collectors. Open cycle cleaner tests were carried out with and without a regrinds stage and varying 1st cleaner float times.

A single locked cycle test was carried out on each of the master composites to determine the final metallurgical performance. Results of the locked cycle tests are summarised in the two following tables. The following figure shows composite sample zones within the orebody.

The final metallurgical performance for the different metallurgical composites is:

- North Upper: copper recovery of 85% at a final concentrate grade of 28.4%Cu
- North Lower: copper recovery of 92% at a final concentrate grade of 25.1%Cu
- Central-South: copper recovery of 87% at a final concentrate grade of 20.1%Cu

The results show high copper recoveries can be achieved to a saleable concentrate grade of >20%Cu.

A trade-off between copper grade and recovery can be made to optimise copper recovery to a fixed copper concentrate grade based on discussions with metal traders.

Test work carried out at Wardell Armstrong has confirmed:

- The Wash-hi Majaza ores exhibit low abrasiveness and moderate grinding characteristics
- Flotation tests confirm the optimum primary grind size as a P80 of 75µm
- The flotation circuit is fairly conventional with a rougher/scavenger circuit, followed by regrinding of the rougher/scavenger concentrates, and two-stage cleaning to produce a saleable copper concentrate, with minor gold credits
- An optimum regrind size of P80 of 25µm is required to ensure selectivity between chalcopyrite and pyrite

At the time of writing this Annual Report, dewatering testing (thickening and filtration) was still ongoing at Wardell Armstrong.

Testing at Wardell Armstrong confirmed that the overall metallurgical performance is dependent on the copper head grade to the plant, i.e. a higher copper grade results in a higher copper recovery to the final copper concentrate. The process plant is designed to treat a head grade of 1.3%Cu, for which a copper recovery of 92.1% at a concentrate grade of 24.6% Cu, and mass pull of 4% by weight is obtained. Latest process technologies will be investigated to further improve the metallurgical performance of Cu and Au.

Product	Cycle	Weight (g)	Weight (%)	Assay (%)			Distribution (%)		
				Cu	Au	S <sub>(TOT)</sub>	Cu	Au	S <sub>(TOT)</sub>
<b>Cleaner 2 Conc</b>	5+6	126.71	3.17	28.42	3.77	38.34	84.59	19.33	6.03
<b>Cl 1 Tailings</b>	5+6	483.34	12.09	0.78	1.09	27.74	8.83	21.32	16.64
<b>Rougher Tailings</b>	5+6	3388.24	84.74	0.08	0.43	18.39	6.59	59.35	77.33
<b>Feed</b>		<b>3998.29</b>	<b>100.00</b>	<b>1.06</b>	<b>0.62</b>	<b>20.15</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

North Upper Ore Zone - LCT 1

Product	Cycle	Weight (g)	Weight (%)	Assay (%)			Distribution (%)		
				Cu	Au	S <sub>(TOT)</sub>	Cu	Au	S <sub>(TOT)</sub>
Cleaner 2 Conc	5+6	156.80	3.96	25.11	1.36	39.87	92.21	33.49	13.27
Cl 1 Tailings	5+6	649.03	16.37	0.31	0.28	28.98	4.78	28.82	39.93
Rougher Tailings	5+6	3157.94	79.67	0.04	0.08	6.98	3.01	37.69	46.80
<b>Feed</b>		<b>3963.77</b>	<b>100.00</b>	<b>1.08</b>	<b>0.16</b>	<b>11.88</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

North Lower Ore Zone - LCT 1

Product	Cycle	Weight (g)	Weight (%)	Assay (%)			Distribution (%)		
				Cu	Au	S <sub>(TOT)</sub>	Cu	Au	S <sub>(TOT)</sub>
Cleaner 2 Conc	5+6	125.72	3.16	20.11	2.00	36.93	86.62	15.06	9.16
Cl 1 Tailings	5+6	507.30	12.74	0.41	0.72	18.21	7.16	21.87	18.22
Rougher Tailings	5+6	3348.85	84.10	0.05	0.32	10.99	6.22	63.07	72.62
<b>Feed</b>		<b>3981.87</b>	<b>100.00</b>	<b>0.73</b>	<b>0.42</b>	<b>12.73</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Central-South Ore Zone - LCT 1

## Project Development - Next Stages

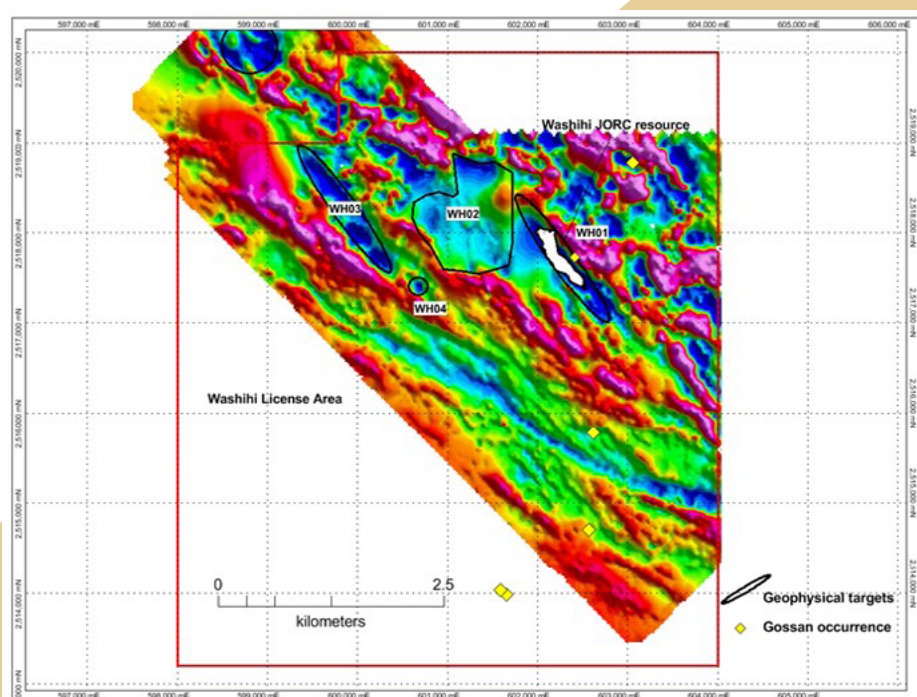
The next stage of Project development involves

- completion of project engineering and plant and equipment procurement
- Construction of plant and associated infrastructure
- Mobilisation of Mining Contractor and commencement of pre-stripping activities
- Plant commissioning and production of copper concentrates

## Future Growth Opportunities

### Additional Copper Potential

The Wash-hi exploration license has significant potential for the discovery of additional copper deposits. Most of the area around Wash-hi Majaza is covered by ancient and recent alluvial fans. Based on the premise that sulfide mineralization in the area is coincident with a distinct reduction in the magnetic susceptibility values of basaltic rocks, four other targets have been identified for further follow-up, as shown in the next figure. It is proposed to follow-up these areas with electrical geophysical methods (EM or IP) to confirm the target potential followed by drilling.



Potential RTP magnetic regional exploration targets in Wash-hi licenses



## Mullaq Exploration License

The Mullaq Exploration License area is adjacent to Wash-hi Exploration License. The Mullaq prospect lies within the Oman Mountains, approximately 160 kilometres south-east of Muscat via sealed road.

Previous explorers in the Mullaq License area discovered copper mineralization in layered gabbro sequence, yet a large part of the tenement still remains unexplored. So far, no resource modelling has been conducted at Mullaq, however geophysical surveys and drilling campaigns by Alara have identified the presence of potential mineral deposits in the area.

### Exploration Targets - Mineralisation

Exploration Targets at Mullaq are estimated purely based on the size, geological perception and structural interpretation of the geophysical target, and without any other obvious geochemical or lithological or geo-statistical support. Anticipated (conceptual) copper and gold mineralization targets in the Mullaq license area are shown in the following table.

License area	Target No	Target Type	Tonnage (Range)	Grade Cu%	Au (g/t)
Mullaq 41km <sup>2</sup>	MQT-1	Extensions of non JORC resources at Daris 3A5	0.25 – 1 MT	1 – 3%	0.09 – 1.2
	MQT-2	Untested geophysical targets	3 – 4 MT	0.9 – 2%	0.09 – 0.3

*Mullaq exploration targets (grades are approximations)*

(Note: The potential quantity and grade of the above exploration targets are conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that the production target itself will be realised.)

### Mullaq Mining License Application in Progress

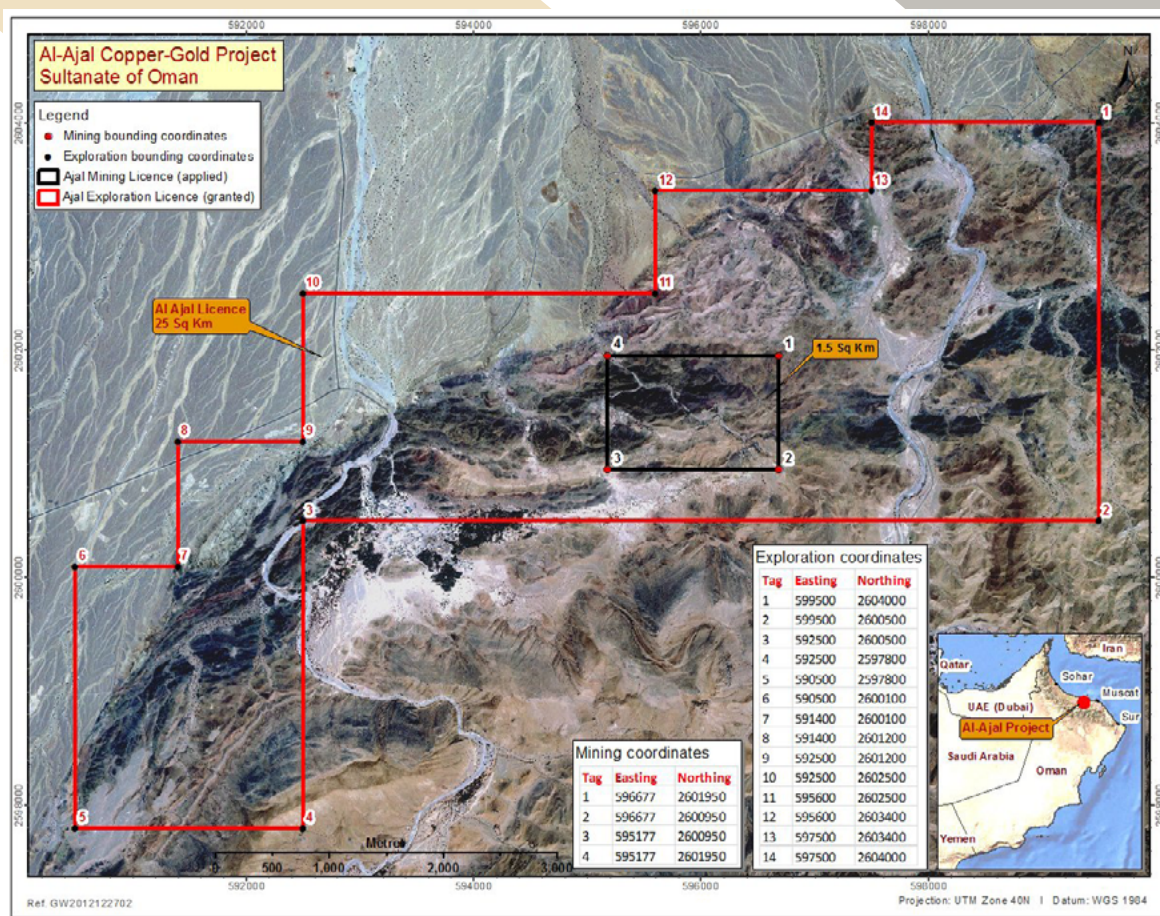
With the grant of a mining license and the development of a copper concentrator plant at the nearby Wash-hi Majaza, any high-grade deposit delineated at Mullaq could be developed on hub and spoke basis.

A mining license application at Mullaq submitted in 2013 has progressed through various Ministries in Oman. An Environmental Impact Assessment was also completed. AHRL considers a Mining Licence clearance to be key to further exploration work in the area. The timeframe for the grant of the Mining licence and conduct of the exploration program designed to test the exploration target is estimated to be three years.

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## Al Ajal Exploration License

The Al Ajal Prospect is located near the village of Al Ajal in the Taww area, near the northern coast of the Sultanate of Oman and about 65km west of Muscat, as shown in the following figure.



Al Ajal Mining License application area

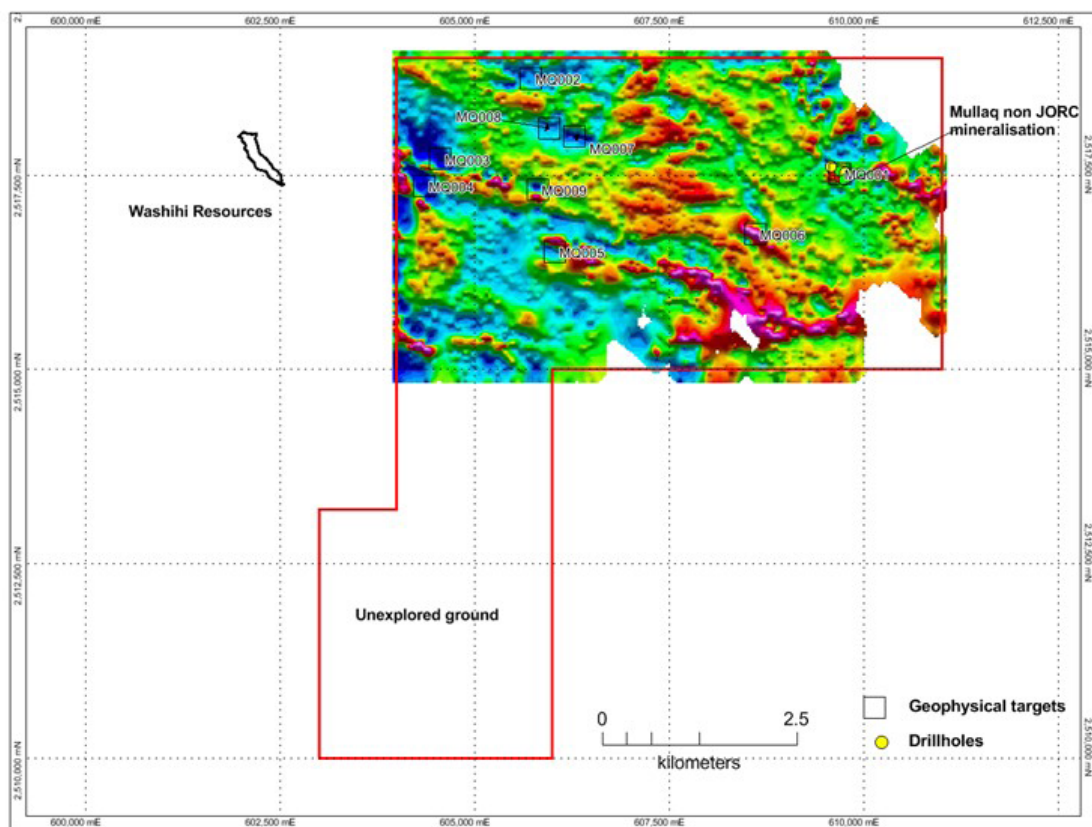
## Exploration Targets - Mineralisation

Exploration Targets at Mullaq are estimated purely based on the size, geological perception and structural interpretation of the geophysical target, and without any other obvious geochemical or lithological or geo-statistical support. Anticipated (conceptual) copper and gold mineralization targets in the Mullaq licence area, are shown in the following table.

License area	Target No	Target Type	Tonnage (Range)	Grade Cu%	Au (g/t)
Mullaq 41km <sup>2</sup>	MQT-1	Extensions of non JORC resources at Daris 3A5	0.25 – 1 MT	1 – 3%	0.09 – 1.2
	MQT-2	Untested geophysical targets	3 – 4 MT	0.9 – 2%	0.09 – 0.3

*Mullaq exploration targets (grades are approximations)*

(Note: The potential quantity and grade of the above exploration targets are conceptual in nature. There has been insufficient exploration to determine a mineral resource and there is no certainty that further exploration work will result in the determination of mineral resources or that the production target itself will be realised.)



RTP magnetics regional exploration targets in Mullaq license areas

### Next Steps - Mining License Application in Progress

With the grant of a mining license and the development of a copper concentrator plant at the nearby Wash-hi Majaza, any high-grade deposit delineated at Mullaq could be developed on hub and spoke basis.

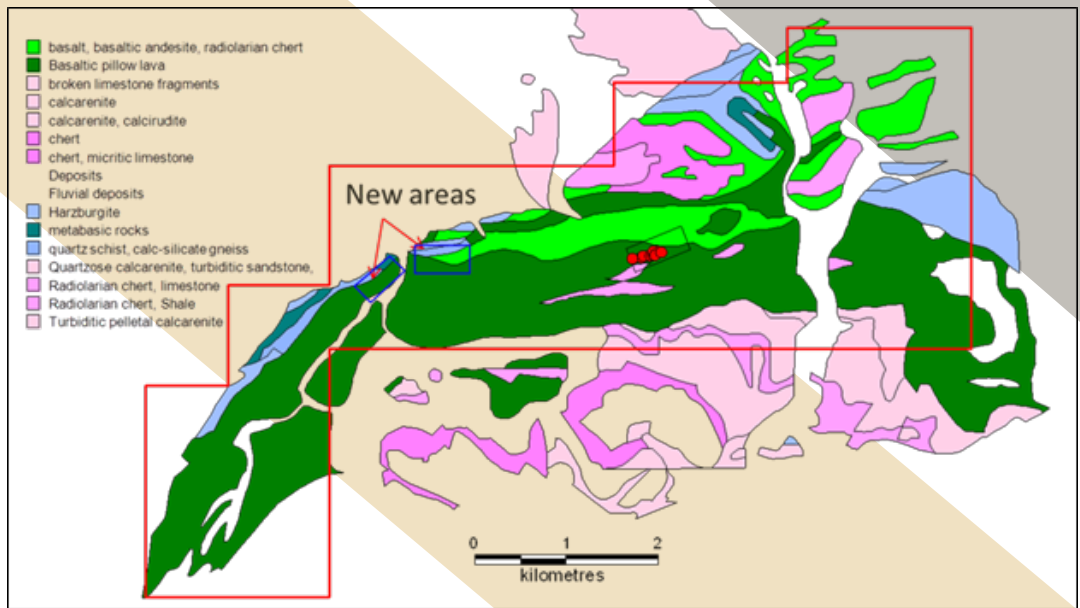
A mining license application at Mullaq submitted in 2013 has progressed through various Ministries in Oman. An Environmental Impact Assessment was also completed. AHRL considers a Mining Licence clearance to be key to further exploration work in the area. The timeframe for the grant of the Mining licence and conduct of the exploration program designed to test the exploration target is estimated to be three years.

### Al Ajal Exploration License

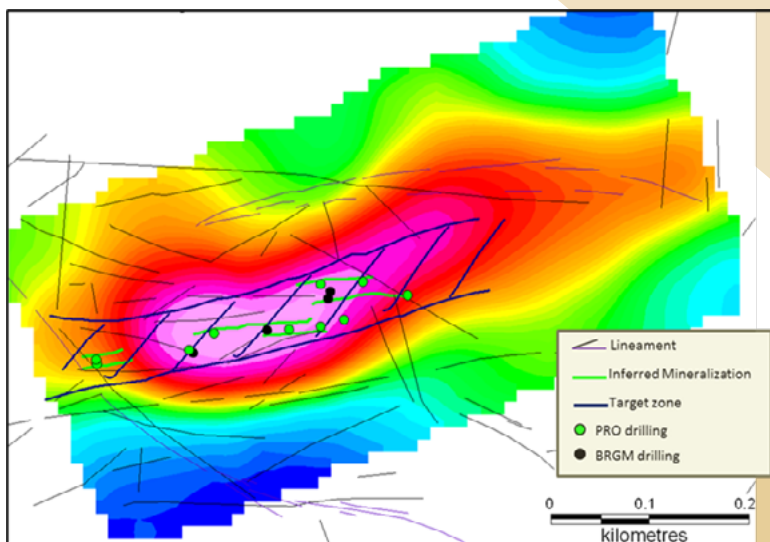
The Al Ajal Prospect is located near the village of Al Ajal in the Taww area, near the northern coast of the Sultanate of Oman and about 65km west of Muscat, as shown in the next figure.

Alara carried out ground geophysical surveys over limited areas to confirm the geophysical signatures of mineralisation from historical (non-JORC compliant) mineral estimates in the Al Ajal License Area (see next figure).





Prospective areas within Al Ajal Exploration License



EP slice at 100m depth

### Exploration Potential - Future Opportunities

Preliminary exploration confirmed the presence of two more areas of potential positivity in similar geological trends. The Al Ajal prospect is unique, as it is considered to be the only known mineral occurrence in Oman Mountains not to be associated with the ophiolite volcanics of Oman. Despite its small size and difficult terrain, in view of the high gold grades detected by previous explorers, this prospect warrants further exploration for copper and gold-bearing deposits.

### Mining License Application

A mining license application at Al Ajal submitted in 2013 has progressed through various Ministries in Oman. AHRL considers the grant of a mining licence clearance as a key prerequisite to further exploration work in the area.

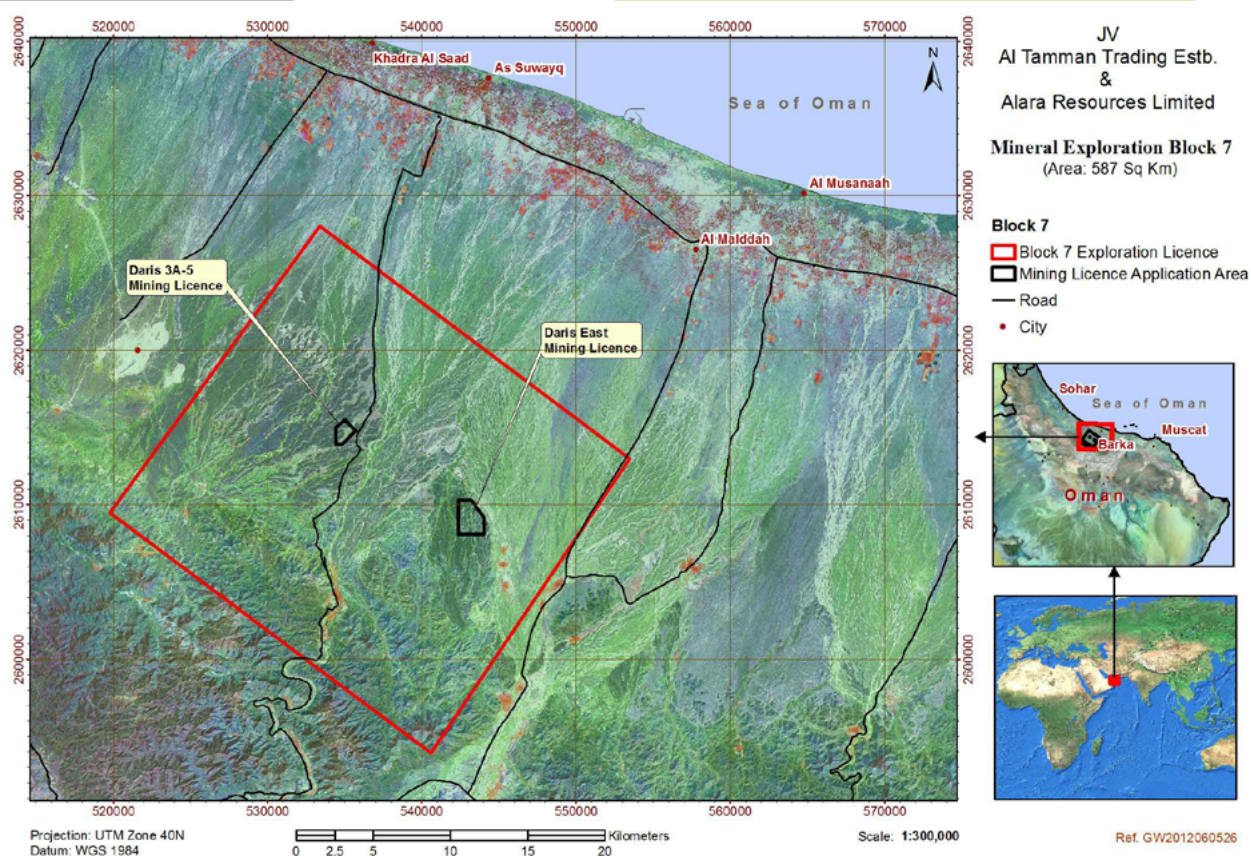
A mining license application at Al Ajal submitted in 2013 has progressed through various Ministries in Oman. AHRL considers the grant of a mining licence clearance as a key prerequisite to further exploration work in the area.

### Daris Resources LLC Copper-Gold Project

Daris Resources LLC is a 50-50 joint venture between Alara and Al Tamman Trading Establishment LLC.

The Daris Project comprises of one exploration licence (Block 7) of ~587km<sup>2</sup> located approximately 150km West of the Omani capital Muscat.

By conducting extensive exploration programs in Block 7, the Daris JV has defined resources at Daris East Prospect to measured category under JORC, identified mineralisation at the Daris 3A5 prospect and several exploration targets.



Block 7 Exploration License and Mining License application areas

Two Mining Licence applications filed over Daris East and Daris 3A-5 prospects within the exploration licence remain pending. The following figure and table provide details of licenses at Daris. Recent site visits conducted by Ministry officials gave positive indications for these applications advancing towards issuance. five zinc sites with one in Al Khnaiguiyah

Block/License		Exploration Licenses						Mining License within ELs		
Name	License owner	Alara share	Area	Date of Grant	Expiry	Renewal applied for	Status	Area	Date of Application	Status
Block 7	Al Tamman Trading and Est. LLC, Oman	50%	587km <sup>2</sup>	Nov 2009	Nov 2012	May 2018	Deemed granted	Daris East 3.2km <sup>2</sup>	Dec 2012	In process
								Daris 3A5 1.3km <sup>2</sup>	Dec 2012	In process

Daris License details



### Daris East Prospect

The copper resource for the Daris-East Prospect is outlined below:

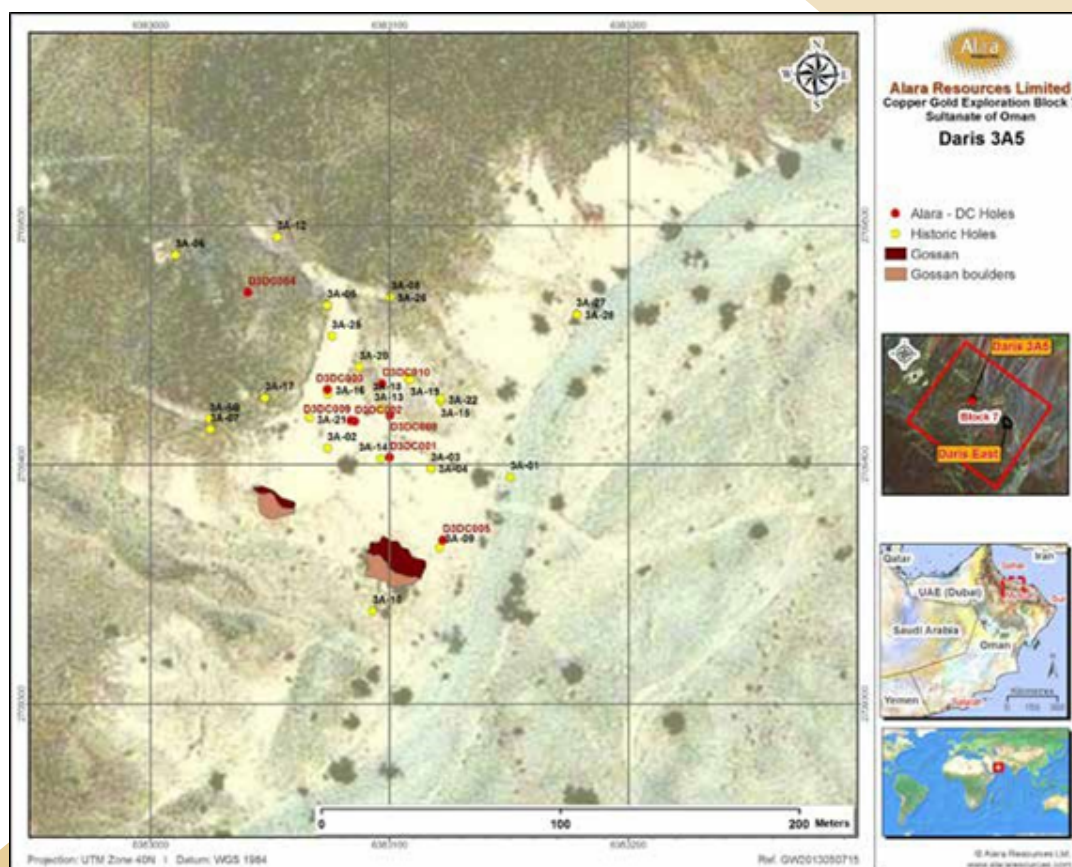
Ore type	Cut-off grade Cu%	Measured		Indicated		Inferred	
		Tonnes	Cu%	Tonnes	Cu%	Tonnes	Cu%
Sulphides	0.50	130,000	2.50	110,000	2.20	30,000	2.00
Oxides	0.50	96,000	0.89	86,000	0.7	2,000	1.00

#### Daris East prospect copper resource

The following drilling has been carried out at the Daris East Project:

- A total of 21 rotary (624m) and 41 diamond core (4,654m) holes totalling 5,278m have been drilled by Alara to test shallow oxide mineralisation and to locate massive sulphide and stringer zones beneath the oxide cap at the Daris-East prospect and to test geophysical targets in the vicinity.
- In addition, historic drilling data from 44 holes totalling 4,353m has been included in the resource database.

Preliminary drilling at Daris 3A5 has intersected high-grade copper mineralisation. Alara plans to conduct further drilling before making an updated resource estimation. The drill hole location map and intersection table are set out below. .



Daris 3A5 Drill-hole locations



Daris 3A5 drillhole results are set out in the table below.

Drill Hole	Intersections	Significant Mineralisation			Mineralised Zone		
		From (m)	To (m)	Length (m)	Cu (%)	Au (g/t)	Ag (g/t)
D3DC001	Primary	15	37.65	22.65	1.61	3.39	50.68
	Inclusion	30	37.65	7.65	4.69	3.71	77.95
D3DC002	Primary	28.4	46.25	17.85	3.85	2.61	22.51
	Inclusion	34.35	46.25	11.9	5.74	2.06	24.07
	Primary	50.6	59	8.4	4.45	1.36	20.34
	Inclusion	50.6	54.05	3.45	10.28	3.1	46.79
D3DC003	Primary	41	71.75	30.75	4.69	1.56	16.75
	Inclusion	51.5	68.7	17.2	8.05	2.67	28.95
D3DC008	Primary	23	35.8	12.8	0.74	6.62	31.11
	Inclusion	33.5	35.8	2.3	3.92	5.2	106.37
D3DC009	Primary	21	31	10	0.07	3.34	5.41
	Inclusion	23	25	2	0.06	7.13	23.67
	Primary	36	39	3	0.85	0.01	1.23
D3DC010	Primary	57	67	10	5.62	1.16	17.82
	Inclusion	59.35	65.7	6.35	8.58	1.78	27.48

*Significant intersections from core drilling - Daris 3A5 prospect*

Notes:

- The cut-off grade is 0.2% Cu is in respect to intersections within the copper-rich zone.
- The drill intercepts are reported as drilled. True thickness will be calculated at the interpretation and resource modelling stage.

### Next Steps

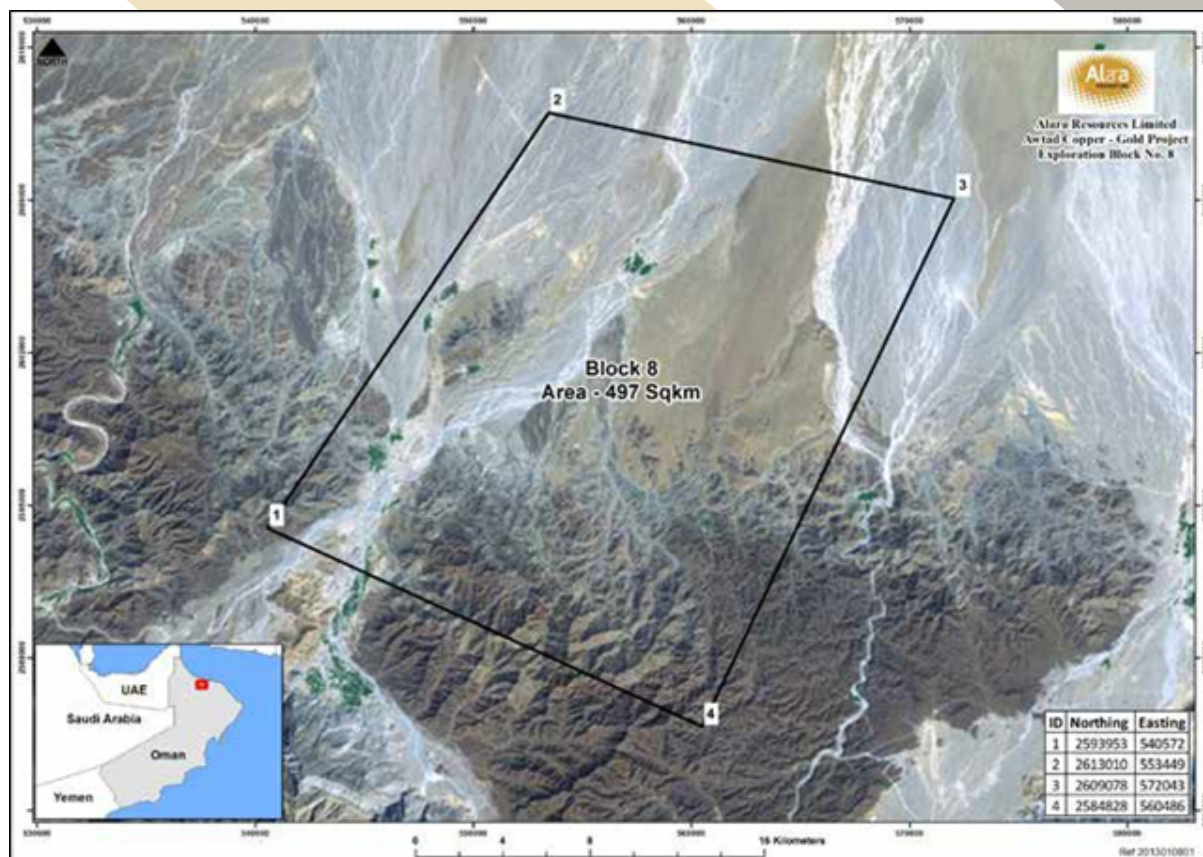
The grant of the Mining License at Wash-hi Majaza has provided the Company with a basis to further develop its copper exploration programs at Daris. Optional analysis study and an advanced scoping study conducted in 2014 identified multiple options for Daris East resources to underpin further work in Block 7. The Daris JV has collaborated with Mineral Development of Oman in developing further exploration programs for Blocks 7 and 8.

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## Awtad Resources LLC Copper Project

The Awtad Project is located immediately adjacent to the Licence Area No. 7 (Block 7) comprising the Daris Copper-Gold Project and comprises a mineral exploration licence (Block 8) of approximately 497km.

The Company has signed a binding Heads of Agreement granting Alara an initial 10% interest in the Project and a right to increase to a 70% shareholding in Awtad Copper LLC.



*Block 8 Exploration License location*

Alara has previously undertaken exploration activity on Block 8. Rock chip samples returned multi-elemental enrichment of up to 2.68% Cu, 2.4ppm Ag, and 0.1% Zn, indicating a potential base metal deposit below.

## Alara Resources LLC

Alara Resources LLC (ARL) is a Joint Venture between Alara Oman Operations Pty Ltd (35%), a wholly owned subsidiary of Alara Resources Limited, Southwest Pinnacle Exploration Ltd (SWPE) an established Indian exploration and mining Company listed on the National Stock Exchange India (35%) and Al Tasnim Infrastructure LLC (30%), a privately owned Omani company from the Al Turki group, one of the largest construction companies in Oman.

## Exploration and Mining Services

ARL with its drilling rigs continues to support exploration programs of Alara's JV companies and is also submitting tenders for drilling services to other mining companies in Oman.





ARL drilling team



ARL was issued a letter of intent for a ten-year mining contract at AHRL's Wash-hi Majaza project.

### Copper Exploration

ARL has previously submitted ten applications for copper exploration licenses, which remain pending.

### Saudi Arabia Khnaiguiyah Zinc-Copper Project

The Khnaiguiyah Zinc-Copper Project is located approximately 170km south-west of the Saudi Arabian capital city of Riyadh. A mining licence held by a former JV partner was cancelled in 2015. Alara, as sole funder of the Definitive Feasibility Study for the Khnaiguiyah Project, is poised to restart the project once the licence is re-issued and is working with relevant parties in both the private and public sectors to prepare for this.

The Khnaiguiyah Project involves the planned development and operation of an open-cut zinc-copper mine and associated infrastructure over an approximate 13-year mine life. Alara has invested over USD 30m into this Project, including over USD 23m (AUD 30.64m) to produce a definitive feasibility study (DFS) which demonstrated a project with strong financials.

The Khnaiguiyah mining licence was cancelled in 2015, however, due to an impasse between project participants. An auction for the re-issue of the mining licence is expected to be held in Q2 2022. Alara funded, and is now in the unique position of holding, the only DFS for this project. Alara is working with various parties in both the private and public sectors to prepare for the reissue of the licence. Alara's possession of the DFS puts it in a good position to participate in the future development of this project.

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### Board of Directors



**Stephen Gethin, Barrister and Solicitor of the High Court of Australia  
Non-Executive Chairman**

Mr Gethin is a highly regarded professional with 30 years' experience in the provision of resources and corporate legal advice and documentation and management of ASX-listed companies in a range of industries, including resources, technology and investment.

He was involved in the establishment of iron-ore mines in Peru and the Pilbara as General Counsel at Strike Resources Limited (ASX:SRK). Prior to his role at strike he served as General Counsel and Company Secretary at ERG Limited (ASX:ERG) a Perth-based international technology engineering company.



**Atmavireswar Sthapak B.Sc, MTech  
Managing Director**

Mr Sthapak is a geologist with 30 years' experience specializing in mineral resource exploration and evaluation studies. He joined the Company in 2011 as Exploration Manager and led geological investigations in Oman spanning over 1000 sq. km in five JV tenements in the country. His contribution resulted in identification of copper mineralization in four tenements, definitions of JORC resources at Wash-hi and Daris East and applications for mining licenses over five areas.

After being appointed Executive Director in 2015, Mr Sthapak contributed in completion of a feasibility study, a maiden ore reserve statement and a mining license for the Al Hadeetha Copper Gold project in Oman. Later he contributed to the formulation of AHRL's mining project development strategy and further exploration plans in Oman.

In July 2021, Mr. Sthapak was appointed as Managing Director with the responsibility of directing the Company to become a major miner and producer of copper concentrate in Oman, and to expand its shareholder's value to new levels.

Prior to joining the Company, Mr. Sthapak's career spanned 10 years with ACC/ACC-CRA Ltd as exploration geologist and project manager and 10 years with Rio Tinto (Australasia) Exploration and Rio Tinto Diamond, where he was awarded a Rio Tinto Discovery Award in 2009. He has worked on world-class deposits and mines in Australia, gold and diamond mines on four continents. Mr. Sthapak is an active member of Aus IMM.

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**Vikas Jain MBA**  
**Non-Executive Director**

Mr Jain holds an MBA obtained in the USA and has 20 years' experience in the field of mineral exploration, mining, oil-field exploration and allied activities. He is currently Managing Director and CEO of the Indian company Southwest Pinnacle Exploration Limited (SWPE) founded by him in 2006 and listed on the National Stock Exchange, India. Under his leadership and able guidance, SWPE has continued to grow and at present is a premier exploration company in India. SWPE began primarily as a mineral exploration company and progressively added coal-bed methane exploration and production, aquifer mapping, HDD, geophysical logging, transportation and other geological activities into its domain. This year SWPE has also ventured into 3D seismic acquisition and processing for oil field exploration services.

Mr Jain also has wide experience in the open-cut mining of various minerals and allied activities through his earlier roles with other companies, as well as his current involvement in other family run businesses and interests.



**Sanjeev Kumar MBA (Finance & Marketing), IMT Ghaziabad, India; BE (Metallurgy), VNIT Nagpur, India**  
**Non-Executive Director**

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. His company helps ANZ businesses in expanding into the overseas markets, assessing new markets, navigating entry barriers, providing regulatory clearance services, business strategy & planning, local partnerships etc. His previous roles include Vice President at India Factoring & Finance Solutions (a subsidiary of Fimbank), Associate Vice President at Tata Capital Financial Services, India and Manager, Infrastructure Division at ICICI Bank Limited.



**Dinesh Aggarwal FCPA, CA, CMA, FTI, DipFS (Advanced)**  
**Chief Financial Officer and Company Secretary**

Mr Aggarwal has over 20 years' experience in accounting, finance and business management in top corporate positions, both in Australia and overseas, and is the Founder and Managing Director of Fortuna Advisory Group. Fortuna is an award-winning, multi-disciplinary practice with specialised divisions in Tax & Business Advisory, Legal Services, Mortgage Broking and Financial Planning.

Mr Aggarwal advises clients in Australia and overseas on tax matters and business services, and advises the Australian operations of several multi-nationals. He also handles tax disputes with the ATO including appeals to the AAT. He is the former Chairman of the Public Practice Committee of CPA Western Australia and is currently a member of the National Public Practice Advisory Committee of CPA Australia.

Named as one of Australia's top three SME Tax Advisers in 2015 by the Tax Institute, Mr Aggarwal has also won the prestigious CPA Australia 40 Under 40 Young Business Leaders Award for 2012 and 2013, and has won numerous other awards.



### Oman JV Management Team



**Avigyan Bera, BTech, PEngg (SAIMECHE)**

**Chief Executive Officer - AHRL**

Mr. Bera has over 15 years of experience in handling EPC Projects in India and overseas. He has been involved in projects in various countries across the globe including India, Zambia, South Africa, Liberia, Namibia, Mongolia, Iran, UAE, Bulgaria and Morocco etc.

He started his career in process engineering for mineral beneficiation plants and complex chemical process plants, then migrated to project management and business development activities in India, Africa and the Middle East regions.

Mr. Bera joined AHRL in June 2020. He brings a wealth of experience and technical knowhow for executing owner-managed projects through his good vendor contacts and key knowledge in process engineering, project execution and overall management skills.



**Venkatesan Ganesan, MBA, CPA, ACA, ACS, CBV**

**Corporate Financial Adviser**

Mr. Ganesan joined Alara in September 2017 as an advisor. Mr Ganesan runs Avalon Global, a boutique advisory services firm in Dubai. He has spent over 15 years in a Big-4 financial advisory practice and has advised a variety of industry clients on transaction matters. He began his career at an upstream E&P business before moving on to advisory services. Mr Ganesan is currently assisting Alara with commercial and funding matters and strategies relating to its Omani joint ventures.



**Rajesh Bhayani, B.E. (Production), M.Tech. (Mech.)**

**Chief Procurement Officer**

Mr Bhayani is a seasoned Procurement Professional with over 30 years of diverse experience in global sourcing and supply chains. He has worked with leading companies in the field of EPC, oil and gas and infrastructure, including Al Tasnim Enterprises, a shareholder in AHRL. Other leading companies for which he has worked include Reliance Industries (India) and Galfar (Oman).

He has over 12 years of experience of the GCC region. Mr Bhayani has also interfaced with top-tier consultants (McKinsey, AT Kerney and Rolland Burger) to optimize procurement functions and systems. He is a six-sigma black belt, ISO internal auditor and an SAP-certified procurement consultant.



**Fadi Zenaty, B.Sc. IMS and Business Administration**

**Operations Manager**

Mr. Zenaty has over 16 years' professional experience in mining and construction projects in the Middle East. He brings a vast knowledge of corporate operations and economic evaluation in building projects from inception.

He was a key person in obtaining the exploration and mining licenses for Alara's Al Khnaiguiyah zinc and copper project and other key mining projects. He has a wide and solid knowledge of the governmental processes in the Middle East.

He brings a strong track record of navigating governmental rules and technical mining information requirements to ensure project success.

He has significant experience in day-to-day corporate operations related to management, finance and engineering requirements for the projects that he leads. His background also includes specialized roles in organization systems analysis and IT development in improving the overall operations of the corporations which he is engaged in.



**Rexin Kamilas, BACS, M.Com**  
**Finance and Administrative Manager**

Mr. Kamilas is a business administration officer with over 15 years' administration and accounts experience in Oman and India. He joined Alara in 2011 as an administrative and accounting assistant. He has been involved in various business operations related to administration, banking, insurance, finance, procurements and logistics.

Mr. Kamilas has utilized his experiences and skills in improving the administrative and finance systems in the organization and providing support to the team to build a robust management system, resulting in a solid foundation for future corporate developments.

Mr. Kamilas has a key role in the preparation of the consolidated financial reports of Alara.



**Nehal Hasan Warsi, BSc (Geology Honours); MSc (Applied Geology); PGD (Hydrogeology) & Certificate (Disaster Mngmt)**  
**Geologist**

Mr. Warsi is a geologist with over 15 years' experience. He has been involved in mineral exploration and mining, water well drilling and other scientific research projects in India, the Middle East and Africa. Having worked both locally and internationally, his expertise in mineral exploration and resource projects for various metals, rocks and industrial minerals is invaluable to the Company.

Mr. Warsi was the senior project geologist at site in charge of the resource drilling program for the company's Khnaiguiyah zinc and copper project in Saudi Arabia that led to the successful completion of a DFS. He has also worked as a geologist on the Al Ajal and Al Wash-hi deposits in Oman with Pilatus Resources.



**Lakshman R. Muthyam, B.Sc IT, A.U.**  
**Company Secretary AHRL**

Mr. Muthyam is an experienced administration and information technology professional with over 7 years' experience in India and Oman.

Mr. Muthyam joined AHRL in April 2019 and oversees AHRL corporate governance. He also has a key role in developing and improving corporate information management systems and infrastructure. He brings a wide range of administrative support experience related to office management and IT support. Along with his bachelor's degree in science, he also has a certificate in contract law and justice from Harvard University.



**Muath Al Habsi, BSc (Geosciences)  
Assistant Geologist**

Mr. Muath Al-Habsi is an Omani Geologist. He graduated from Sultan Qaboos University in 2018 and joined Al-Hadeetha Resources in June of 2019. Since then, he has been working on the Al Wash-hi Majaza Copper project in Oman. He was the site geologist in the metallurgical drilling program and took an active part in geological logging, geotechnical logging, taking magnetic susceptibility readings and core sampling works. He has been coordinating with different government agencies and continues to take part in the developmental activities of the project.



**Rajesh N. Gandhi, B.com, Chartered Accountant (CA)  
Finance Controller**

Mr Gandhi has over 10 years of experience in finance and accounting in India. He joined AHRL in March 2021 as finance controller. He has a key role in budgeting control, finance, MIS, VAT of AHRL.

Previously, he worked for an MNC company in India engaged in mining, processing and manufacturing of Bentonite minerals, bauxite and allied mineral products. He has been involved in various business operations related to the finance function, MIS reports, forex transactions, letters of credit, taxation matters, financial statements, budget control, compliance with regulatory requirements and general accounting.



**Amjad Al Sharji, Dip (Civil Engg.), IOSH, NEBOSH  
HSE Manager**

Mr. Al Sharji is an experienced HSE Manager with over 5 years of experience in various sectors in Oman. He joined AHRL in October 2021. Prior to this, he worked as a consultant with MMC and dealt with a number of electricity companies such as OETC and Mazoon.

He holds a set of professional HSE training certificates. He has experience in electrical safety, stations, transmission lines, electrical transfers, hilly areas, construction, and food safety. He worked to reduce the incidence of accidents, risks and environmental damage and participated in developing safety standards, raising awareness of the importance of health and safety.

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## Mineral Licences

### Oman

#### Al Hadeetha and Daris Copper-Gold Projects

Alara has joint venture interests in five copper-gold deposits located within four Exploration Licences in Oman, extending over 692km<sup>2</sup>. These deposits are also covered by five Mining Licence applications pending grant, totalling approximately 9km<sup>2</sup>.

The Wash-hi and Mullaq<sup>8</sup> prospects are located approximately 160km South-Southwest of Muscat, the capital of Oman. The Al Ajal Prospect is located about 65 km Southwest of the Capital. The Daris Copper-Gold Project<sup>9</sup> is located approximately 150km West of Muscat. These projects/prospects are all located on, or very close to, high-quality bitumen roads.

The current status of all licences/applications for this project is presented in the table below.

Licence Name	Licence Owner	Alara JV Interest	Exploration Licence			Mining Licence within EL			
			Area	Grant Date	Expiry Date	Status	Area	Application Date	Status
Wash-hi Majaza	AHRL	51%	39km <sup>2</sup>	Jan 2008	Nov 2016	Active	2.1km <sup>2</sup>	Dec 2012	Granted
Mullaq	AHRL	70%	41km <sup>2</sup>	Oct 2009	Nov 2016	Active	1km <sup>2</sup>	Jan 2013	Pending
Al Ajal	AHRL	70%	25km <sup>2</sup>	Jan 2008	Nov 2016	Active	1.5km <sup>2</sup>	Jan 2013	Pending

#### Mineral project licence details

Cu % Cut off	Indicated Resource			Inferred Resource		
	Tonnes (M)	Copper (Cu) %	Gold (Au) g/t	Tonnes (M)	Copper (Cu) %	Gold (Au) g/t
0.20	12.40	0.89	0.22	3.70	0.78	0.23
0.25	12.40	0.89	0.22	3.70	0.79	0.23
0.30	12.40	0.89	0.22	3.70	0.79	0.23
0.40	12.20	0.90	0.22	3.50	0.81	0.24
0.50	11.40	0.93	0.23	3.00	0.88	0.25

#### Copper Resources

8 Refer Alara's 8 December 2011 ASX Announcement: Project Acquisition - Al Ajal Wash-hi Mullaq Copper-Gold Project in Oman.

9 Refer Alara's 30 August 2010 ASX Announcement; Project Acquisition - Daris Copper Project in Oman.

Cut off Au (g/t)	Inferred Resource		
	Kt	Gold (Au) g/t	Ounces k/Oz
0.05	440	0.40	5.66
0.10	420	0.40	5.40
0.15	410	0.40	5.27
0.20	350	0.50	5.63
0.25	310	0.50	4.98
0.30	270	0.50	4.34
0.35	260	0.60	5.02
0.40	220	0.60	4.24
0.45	200	0.60	3.86
0.50	150	0.60	2.89

### Gossan hill mineralisation - Gold<sup>10</sup>

#### Notes

- 1 Mineral Resources are not Mineral Reserves. There is no certainty that all or any part of the Mineral Resources estimated will be converted into Mineral Reserves.
- 2 Mineral Resources reported in accordance with the JORC 2012.
- 3 The Cu-Au Resource is stated as having a 0.25% Cu cut-off grade. The gold resource in the Gossan hill (outside the main ore body) has a 0.25 g/t Au cut-off grade.
- 4 1 ounce of Au = 31.1035 grams.

Resource classification	Tonnes Mt	Copper (Cu) %	Gold (Au) g/t
Indicated	12.4	0.89	0.22
Inferred	3.71	0.79	0.23
<b>Grand total</b>	<b>16.1</b>	<b>0.87</b>	<b>0.22</b>

### Wash-hi copper-gold resources summary @ 0.25% Cu cut-off<sup>11</sup>

Indicated Resources were converted to a Probable Ore Reserve after the application of modifying factors, including pit optimization, mine design and an economic evaluation<sup>12</sup>

The Ore Reserve estimate (based on a 0.3% Cu cut-off), and in pit mineral inventory are shown in the tables below.

Classification	Ore reserve		
	Tonnes Mt	Copper (Cu) %	Gold (Au) g/t
Probable	9.7	0.88	0.22

### Wash-hi ore reserve

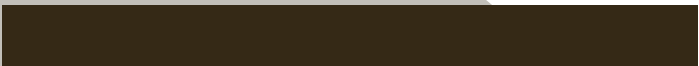
Classification	Tonnes Mt	Copper (Cu) %	Gold (Au) g/t
Ore reserve	9.7	0.88	0.22
Inferred resource	0.3	0.65	0.22
<b>Total</b>	<b>10.00</b>	<b>0.87</b>	<b>0.22</b>

### Wash-hi mining inventory

<sup>10</sup> Refer Alara's 19 September 2016 ASX Announcement.

<sup>11</sup> Refer Alara's 15 December 2016 ASX Announcement: Maiden JORC Ore Reserves - Al Hadeetha Copper-Gold Project

<sup>12</sup> Details of the modifying factors supporting the Ore Reserve are contained in Appendix 1 (JORC Code, 2012 Edition - Table 1) of the 15 December 2016 announcement.



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The Directors present their report on Alara Resources Limited (**Company, Alara or AUQ**) and the entities it controlled at the end of or during the financial year ended 30 June 2021 (the **Consolidated Entity**).

## Review of Operations

### Al Hadeetha Copper-Gold Project

Oman

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

#### Copper Project Construction Commencement

Alara is developing the Al Wash-hi Majaza copper-gold project in the Sultanate of Oman (**Project**). Project construction is scheduled for completion in November 2022. When complete, the Project will produce copper concentrate through a 1 MPTA plant<sup>1</sup>. The Project is owned by Alara's joint venture company Al Hadeetha Resources LLC (**AHRL**) in which the Company holds a 51% interest. Project construction commenced after the reporting period and, at the date of this report, had proceeded as specified below.

#### Mining accommodation camp

After receiving required construction approvals from the local municipality, after the reporting period the mine site camp construction contractor mobilised its team and equipment at the Wash-hi mine site accommodation village site for surface levelling and digging foundation trenches.

The accommodation village is designed to house 325 personnel from the construction, mining and plant operation crews, and comprises a range of facilities including dining, prayer and recreation halls. Further details of the village are available in the Company's ASX announcement dated August 5, 2021.

#### Mining and processing infrastructure procurement

AHRL has an OMR 19m (USD 49.22m; AUD 65.56m) project finance facility from Sohar International Bank to fund Project construction. AHRL commenced draw-down on the facility after the reporting period, with the purchase orders listed below placed in September 2021. Procurement contracts were awarded, contractually committing a total capex of USD 17.8m (OMR 6.83m; AUD 23.71m) to date.

Equipment Item	Contractor	
Ball mill, SAG mill, crusher	CITIC	China
Rock breaker	Metso-OT	Finland
Apron feeder	L&T	India
Pan feeders	Metso-OT	India
Magnetic separators	Electro Zavod	India
Accommodation cabins	Al Tasnim	Oman
Accommodation camp construction	Al Naba Infrastructure	Oman
New cabins – dining, offices etc.	Al Rehwan	Oman
Fencing	Al Naba Infrastructure	Oman
Conveyors	Al Tasnim	Oman
Belt weigher and vibrating screens	Schenck	India
Hydro cyclones	Weir	UAE
Conveyor safety switches	Smart SAA	India
Construction of access road	C & C	Oman
Pressure filters	Matec	Italy
Regrinding mill	Metso Outotec	USA
Electrical packages - transformers, panels, motors, telecom	ABB	India

#### Definitive Feasibility Study (DFS)

The Project DFS financial modelling was revised earlier in the year<sup>2</sup> to take account of a copper price rise since the prior revision in 2018. Revised DFS projected returns, based on a range of copper price scenarios as at 29 March 2021, are set out in the table below. As a comparison, the LME spot copper price on 23 September 2021 is USD 9,251 per tonne:

Copper Price (USD/tonne) <sup>1</sup>	7,000	7,500	8,000	8,500	9,000	9,500
Revenue (USD m)	569	604	639	674	709	743
EBITDA (USD m)	208	241	273	306	338	370
Project NPV (USD m)	54	71	88	104	121	137
Project IRR	24%	29%	33%	36%	40%	43%

1 Alara's ASX Announcements dated 1 April 2016 (Definitive Feasibility Study results initial announcement), 24 January 2017 (DFS update), 28 June 2018 (NPV update) and 29 March and 7 April 2021 (NPV updates) contain the information required by ASX Listing Rule 5.16 regarding the stated production target and the information required by ASX Listing Rule 5.17 regarding forecast financial information. All material assumptions underpinning the production target and forecast financial information 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.

2 See Alara's ASX announcements dated 29 March and 7 April 2021.

### Key Project parameters

Key Project parameters from the revised DFS are set out below:

Parameter	Fundamentals
Total pre-production capex	USD 60m (including EPC, project management, STP & pipeline, power, road, and contingency)
Mining method	Open-pit, 10.3 years
Project construction	15 months
First production	Q3 calendar 2022
Final production	2032
Processing rate	1 MTPA
Average annual concentrate production	35,000 (wmt)
Total copper metal production	79,297 (t)
Total gold	21,825 (oz)
Unit operating costs	USD 31.2/t of processed material

### Project Engineering and Construction

Progesys, as Project Management Consultant (**PMC**), oversees and directs the engineering, procurement and construction for the Project. Debisikha Associates, India (**Debisikha**) is engaged to provide various services to the Project, including:

- Front-end engineering design (**FEED**) and preparation of technical specifications for all bought out items
- Detailed engineering for plant and infrastructure facilities (excluding geo-technical studies)
- Preparation of technical bid documents for onsite construction work
- Expediting the vendor manufacturing process and delivery schedule
- Inspection and co-ordination of any items to be sourced from India

Debisikha is an experienced consulting engineering company. Debisikha has worked on various EPC projects in India, Europe and the USA in the field of mineral processing and base-metal mining. Debisikha is engaged under a fixed-price contract with a monthly payment schedule which allows for resource loading throughout the project development schedule.

### Road Connectivity

All required road permits have been obtained and road construction commencement is expected in October 2021.

### Water Supply

1,200m<sup>3</sup> of process water per day will be supplied by tankers, sourced from sewage water treatment plants at Mudhaibi and Nizwa. An 18,000m<sup>3</sup> water storage reservoir will be constructed on site. Potable water will be sourced from bores on site. Project water supply requirements have been reduced from the level specified in the DFS by the adoption of a dry tailings system.

### Power supply

The power supply will be sourced from two feeders from Omani electricity company MZEC, approximately 2 km from the project site. Negotiations are underway to appoint a local authorised contractor to design, supply and construct overhead power lines and the primary substation at site.

### COVID-19 Impact

Oman experienced a third wave of COVID-19 during Q2 calendar 2021. Internal and border movement restrictions were in place to curtail the spread of the virus. Covid movement restrictions have eased since the end of the reporting period, with the Government moving to reliance on its vaccination campaign. All Alara and AHRL team members are fully vaccinated and working in offices or on site.

### Mining Contractor

Project JV vehicle Al Hadeetha Resources LLC (**AHRL**) entered a preliminary commercial agreement with Alara Resources LLC (**ARL**) for ARL to perform mining services over ten years, at a cost of approximately USD 126m (AUD 167.83m). Of that amount, approximately USD 6m (AUD 7.99m) will be classified as capital expenditure when incurred, with the remainder on revenue account.

### Alara Resources LLC (ARL)

ARL has two drill rigs and associated accessories and is seeking mineral drilling contract work. In 2019, prior to the Covid outbreak, the Omani Public Authority for Mining (**PAM**) released plans to award 110 new multi-commodity exploration and mining licences in the country.<sup>3</sup> Mineral exploration activity in Oman was negatively impacted by the pandemic. As the vaccinated percentage of the local population rises, activity in this sector is expected to ramp up. ARL is targeting a number of drilling contracts which will become available over the coming months.

ARL's first mining contract is with AHRL, as detailed above.

<sup>3</sup> See for example [http://www.tradearabia.com/news/IND\\_351573.html](http://www.tradearabia.com/news/IND_351573.html).

## Mineral Tenements

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

Licence Name	Licence Owner	Alara JV Interest	Exploration Licence				Mining Licence within EL		
			Area	Grant Date	Expiry Date	Status	Area	Application Date	Status
Washihi Majaza ML 10003075.	Al Hadeetha Resources LLC	51%	39km <sup>2</sup>	Jan 2008	Nov 2016	Active*	3km <sup>2</sup>	2013	Active
Mullaq	Al Hadeetha Resources LLC	51%	41km <sup>2</sup>	Oct 2009	Nov 2016	Active*	1km <sup>2</sup>	Jan 2013	Pending
Al Ajal	Al Hadeetha Resources LLC	51%	25km <sup>2</sup>	Jan 2008	Nov 2016	Active*	1.5km <sup>2</sup>	Jan 2013	Pending

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

## Daris Copper-Gold Project

Oman

(Alara – 50% with option to increase to 70%; Al Tamman Trading Establishment LLC – 50%)

The Daris project comprises two high-grade copper deposits within the 587km<sup>2</sup> exploration licence, which includes two mining licence applications covering 4.5km<sup>2</sup>. The project fits well with a “hub and spoke” model, which provides for processing of Daris ore at the Al Hadeetha copper concentration plant to be built 100km to the south.

The Daris East Mining Licence application, which covers an area that includes measured, indicated and inferred JORC copper resources<sup>4</sup> was opposed by the Ministry of Housing due to its proximity to recently allotted land. Review of a petition supporting the application lodged by Daris is underway at the Ministry of Energy and Minerals.

The Daris 3A5 application for a Mining Licence is progressing well with the Government.

## Awtad Copper-Gold Project

Oman

(Alara – right to subscribe for 10% initially with subsequent earn-in up to 70%; existing local shareholders hold the balance of the project)

The Awtad Project comprises an area of approximately 497 km<sup>2</sup> (**Block 8**) and is located immediately adjacent to the Block 7 (**Daris Copper-Gold Project**). Alara has a right to an initial 10% interest (increasing to 50-70%+) in the concession owner, Awtad Copper LLC.

Exploration previously undertaken at this project includes:

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

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

Detailed work plans were submitted to the Ministry of Energy and Minerals for renewal of the exploration licence, which remains pending.

## Mineral Tenements

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

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

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

## Khnaiguiyah Zinc-Copper Project

Saudi Arabia

The Khnaiguiyah Project is a proposed open-cut, zinc-copper mine and associated infrastructure. Alara has invested over USD 30m in this Project, including over USD 23m (AUD 30.64m) to produce a bankable feasibility study (**BFS**).

The project reached an impasse after the former Khnaiguiyah mining licence holder, United Arabian Mining Company LLC, asked the Saudi Mines Minister to halt transfer of the licence to the Alara JV company, contrary to the requirements of the JV agreement.

The mining licence was cancelled in 2015, due to the impasse between project participants.

<sup>4</sup> The Company has disclosed full details of these resources on various occasions in a form which complies with the JORC Code, 2012 Ed. See, for example, the Company's 2019 Annual Report to shareholders, pp 14-45 and 72-73.



An auction for the re-issue of the mining/exploration licence is expected to be held in Q2 2022. Alara funded, and is now in the unique position of holding, the only BFS for this project. Alara is working with various parties in both the private and public sectors to prepare for the reissue of the licence. Alara's possession of the BFS puts it in a good position to participate in the future development of this project.

### Corporate Information

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

#### Cash Position

The Company's cash position at 30 June 2021 was AUD 4.24m (30 June 2020: AUD 7.67m).

#### Finance

Other than the project finance facility referred to above, and an ARL drill-rig finance facility of OMR 180,599 (AUD 623,156) neither the Company nor any of its related entities were party to any material financing arrangements during the Reporting Period.

### Principal Activities

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

### Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Consolidated Entity, except as otherwise disclosed in this Directors' Report or the Financial Statements and the notes thereto.

### Dividends

No dividends were paid or declared during the financial year.

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## Operating Results

	2021	2020
Consolidated	\$	\$
Total revenue	11,779	637,548
Total expenses	(1,682,250)	(652,514)
<b>Profit/Loss before tax</b>	<b>(1,670,471)</b>	<b>(14,966)</b>
Income tax benefit	-	-
<b>Profit/Loss after tax</b>	<b>(1,670,471)</b>	<b>(14,966)</b>

## Profit/(Loss) per Share

Consolidated	2021	2020
Basic profit/(loss) per share (cents)	(0.24)	0.04
Diluted profit/(loss) per share (cents)	(0.24)	0.04
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	667,645,289	629,835,362
Weighted average number of ordinary shares outstanding during the year used in the calculation of Diluted loss per share	667,645,289	629,835,362

## Cash Flows

Consolidated	2021	2020
	\$	\$
Net cash flow used in operating activities	(1,654,849)	(2,116,177)
Net cash flow from investing activities	(3,165,710)	2,272,954
Net cash flow provided by financing activities	1,893,538	(188,662)
Net change in cash held	(2,927,021)	(31,885)
Effect of exchange rates on cash	(505,780)	144,094
<b>Cash held at year end</b>	<b>4,241,815</b>	<b>7,674,616</b>

## Financial Position

Outlined below is the Consolidated Entity's Financial Position and prior-year comparison.

Consolidated Entity	2021	2020
	\$	\$
Cash	4,241,815	7,674,616
Trade and other receivables	38,566	30,633
Exploration & evaluation	4,910,968	5,161,876
Mine properties & development assets	12,383,033	9,926,151
Investment in associate	139,350	192,827
Term deposits	1,030,168	8,661
Other current assets	23,869	377,578
Non-current assets	553,469	462,152
<b>Total assets</b>	<b>23,321,238</b>	<b>23,834,494</b>
Trade and other payables	988,405	267,734
Unearned Income	8,079	8,817
Financial liabilities	723,128	684,411
Provisions	93,838	21,755
<b>Total liabilities</b>	<b>1,813,450</b>	<b>982,717</b>
<b>Net assets</b>	<b>21,507,788</b>	<b>22,851,777</b>
Issued capital	68,233,860	66,340,323
Reserves	9,495,609	11,062,664
Accumulated losses	(56,062,753)	(54,440,424)
<b>Parent interest</b>	<b>21,666,716</b>	<b>22,962,563</b>
Non-controlling interest	(158,928)	(110,786)
<b>Total equity</b>	<b>21,507,788</b>	<b>22,851,777</b>

**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	Total
	705,429,239	-	9,000,000	
<b>Totals</b>	<b>705,429,239</b>	<b>-</b>	<b>9,000,000</b>	<b>714,429,239</b>

**Unlisted Options**

During the financial year, the following unlisted options were issued:

4 million options were issued to Chairman Mr. Stephen Gethin on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options expire on 1 July 2022.

5 million options were issued to Managing Director Mr. Atmavireswar Sthapak on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options vest upon the Company achieving the first production of saleable copper concentrate, provided this occurs by 31 March 2022. If the Company:

- does not achieve the first production of saleable copper concentrate, as determined by the Board, acting reasonably, by that date the options will not become exercisable; or
- achieves the first production of saleable copper concentrate by that date but the Managing Director does not exercise any given option within one (1) year after the date on which that first production occurs, any options which have not been exercised will lapse at the end of the last day of that year.

**Likely Developments and Expected Results**

During the 2021-22 financial year the Consolidated Entity intends to progress the construction of mining and copper processing infrastructure for the Al Washi Majaza Project, with completion expected in November 2022. Upon Project completion, the Company will commence the production and sale of copper and gold from the mine. Financial projections for the Al Hadeetha Project are set out on page 3 of this Report.

The Company intends to continue exploration, evaluation and development activities in relation to its other mineral exploration licences in Oman in the 2021-22 financial year. The likely results of these activities will depend on a range of geological, technical and economic factors.

The Company will continue to pursue opportunities to realise value from the Khnaiguiyah Project BFS.

**Environmental Regulation and Performance**

The Consolidated Entity holds licences and complies with environmental laws and regulations issued by the Governments of the countries in which it operates. These licences, laws and regulations regulate discharges to the air, surface water and groundwater associated with exploration and mining operations, as well as storage and use of hazardous materials. There have been no significant breaches of the Consolidated Entity's licence conditions or of environmental laws or regulations.

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## Board of Directors

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

### Stephen Gethin

Barrister and Solicitor of the Supreme Court of Western Australia and of the High Court of Australia

### Non-Executive Chairman

Appointed Non-Executive Chairman on 2 July 2020

Appointed Non-Executive Director on 28 June 2020

Previously Non-Executive Director (11 January to 22 November 2019)

### Experience

Stephen Gethin is a highly regarded Director and Company Secretary with over 20 years' experience in the provision of corporate legal advice and documentation and over 14 years' experience in the provision of ASX-listed secretarial services in a range of industries, including resources, technology and investments. Before founding a private legal practice in 2013, was General Counsel and Company Secretary of Strike Resources Limited (ASX:SRK) and, earlier, served as General Counsel and Company Secretary at ERG Limited (ASX:ERG). Mr Gethin also advises a number of other ASX-listed and large private companies.

### Special Responsibilities

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

### Other Directorships in Listed Companies in Past 3 Years

Nil

### Atmavireswar Sthapak

Bachelor of Applied Science and Master of Technology, Applied Geology; MAusIMM

### Managing Director

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

Atmavireswar Sthapak is a geologist specialising 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 the discovery of large VMS copper mineralisation extensions at the Washihi project in Oman and the resource upgrade at the Washihi and Daris copper-gold deposits. He played key roles in the Feasibility Study and the grant of the mining license for the 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 on 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

MBA

### Non-Executive Director

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 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 also provides 2D and 3D seismic acquisition and processing for oil-field exploration. 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

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

### Non-Executive Director

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

**James D. Phipps**

BA (Philosophy), JD (Law)

**Non-Executive Director**Chairman 31 July 2015 to 1 July 2020  
Director 1 November 2014 to 4 September 2020**Experience**

James D. Phipps is a strategic advisor. Mr Phipps practiced international commercial law for 10 years and then moved to business, where his work involves leadership, entrepreneurship governance, and strategic consulting. He has served on the boards of numerous publicly traded and closely held companies across several industries including mining and exploration (copper, zinc, gold and silver), heavy industry (paper), consumer goods (paper, aluminium foil), infrastructure development and O&M (drinking water, waste water, storm water, etc.), technology (gaming and social media), sports entertainment (English football, gaming, fantasy football, sports talk radio), fitness (establishment of the largest MMA gym in the Middle East) and film making. Mr Phipps has over 30 years' experience in the Middle East. He holds a Bachelor of Arts in Philosophy (1992) and Juris Doctorate (1996) from Brigham Young University.

**Other Directorships in Listed Companies in Past 3 Years**

Nil.

**Justin J. Richard**

MBA, LLB, Grad Dip ACG, FGIA, FCIS, FAusIMM

**Managing Director**

16 June 2015 to 27 July 2020

**Experience**

Justin Richard is a corporate lawyer and accomplished business manager. He joined Alara in 2011, and for the eight years worked in the Middle East as CEO of Alara's international joint venture companies Al Hadeetha Resources, Daris Resources and Alara Resources.

During Mr Richard's tenure as Managing Director, Alara completed a feasibility study, announced a maiden ore reserve statement and secured a mining licence for the Al Wash-hi Majaza Copper-Gold Project in Oman. He established key business relationships for the Company as it moved to expand its business beyond mineral exploration to mine development and production of copper concentrate. Prior to joining Alara, Mr Richard worked with UGL Limited (Resources Division), Bateman Engineering and Minter Ellison Lawyers (Insurance and Corporate Risk, and Construction, Engineering and Infrastructure). He has an MBA from London Business School, a law degree from the University of Western Australia and is a Fellow of the Governance Institute of Australia and the Australasian Institute of Mining and Metallurgy.

**Other Directorships in Listed Companies in Past 3 Years**

Nil

**Avi Sthapak****Non-Executive Director**

11 January 2019 to 1 December 2020

**Experience**

Avi Sthapak has a degree in Computer Science Engineering with a focus on infrastructure management. He also holds a Master of Business Administration from Curtin University, Western Australia with a focus on strategy development, accounting, global mobility, talent acquisition, marketing, leadership and finance. He has worked as a Business Development Consultant and Management Consultant. As a consultant for Curtin University's Live-in Learning he created a feasibility plan for a solar project.

**Other Directorships in Listed Companies in Past 3 Years**

Nil

**Retired Directors**

Mr Justin J. Richard resigned as Managing Director and as a Director on 27 July 2020.

Mr James D. Phipps resigned as a Non-Executive Director on 4 September 2020.

Mr Avi Sthapak resigned as a Non-Executive Director on 1 December 2020.

The other Directors all held office throughout the financial year and up to the date of this report.

**Company Secretary****Dinesh Aggarwal**

Dinesh Aggarwal FCPA, CA, CMA, FTI, DFP

**Company Secretary**

Appointed 2 July 2020

**Experience**

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

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

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

**Other Directorships in Listed Companies in Past 3 Years**

Nil

## Stephen Gethin

Barrister and Solicitor of the Supreme Court of Western Australia and of the High Court of Australia

Mr Gethin's qualifications and experience are stated in relation to his role as Chairman, above.

## Company Secretary

Appointed 1 May 2018 resigned 2 July 2020

## Directors' Interests in Shares and Options

As at the date of this Report, the relevant interests of the Directors in shares and options held in the Company are:

Director	Fully Paid Ordinary Shares	Options
Stephen Gethin	-	4,000,000
Atmavireshwar Sthapak	3,862,051	5,000,000
Vikas Jain	37,745,930	-
Sanjeev Kumar	-	-
James Phipps <sup>5</sup>	-	-
Justin Richard <sup>6</sup>	1,500,000	-
Avi Sthapak <sup>7</sup>	-	-

## Directors' Meetings

The number of Directors' meetings (including Board committee meetings) held during the year and the number of meetings 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	Appointed 28 June 2020	13	13	2	2	-	-
Atmavireshwar Sthapak	Appointed 22 September 2015	13	13	2	2	-	-
Vikas Jain	Appointed 6 April 2016	13	13	2	2	-	-
Sanjeev Kumar	Appointed 23 October 2020	9	9	-	-	-	-
James D. Phipps	Resigned 4 September 2020	2	2	-	-	-	-
Justin J. Richard	Resigned 27 July 2020	1	2	-	-	-	-
Avi Sthapak	Resigned 1 December 2020	1	5	-	-	-	-

## Audit Committee

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

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

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<sup>5</sup> Resigned 4 September 2020.

<sup>6</sup> Resigned 27 July 2020.

<sup>7</sup> Resigned 1 December 2020.



## 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 2021.

### Key Management Personnel

Directors	
Stephen Gethin	Chairman (Appointed 2 July 2020. Non-Executive Director until 2 July 2020)
Atmavireshwar Sthapak	Managing Director (Appointed 28 July 2020. Executive Director until 28 July 2020)
Vikas Jain	Non-Executive Director
Sanjeev Kumar	Non-Executive Director (Appointed 23 October 2020)
James Phipps	Non-Executive Director (Resigned 4 September 2020)
Justin Richard	Managing Director (Resigned 27 July 2020)
Avi Sthapak	Non-Executive Director (Resigned 1 December 2020)
Executives	
Dinesh Aggarwal	Company Secretary (Appointed 2 July 2020)
Stephen Gethin	Company Secretary (Resigned 2 July 2020)
Avigyan Bera	CEO, AHRL (Appointed 15 October 2020)

### Remuneration and Nomination Committee

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

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

### Remuneration Policy

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

The Company embodies the following principles in its remuneration framework:

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

### Remuneration Structure

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

#### Director Remuneration

##### Objective

The Board seeks to set aggregate remuneration for Directors at a level which provides the Company with the ability to attract and retain Board members of the highest calibre, at a cost 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 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 was last set by Shareholders at the 2011 Annual General Meeting at 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:

	2021	2020	2019	2018	2017
Total Equity (AUD m)	21.5	22.9	21.8	10.4	9.5
Basic earnings/(loss) per share – (AUD)	(0.24)	0.04	(0.07)	(0.11)	(0.04)
Net Profit/(Loss) attributable to members (AUD)	(1,622,329)	273,985	(454,577)	(691,512)	(258,526)
Market Capitalisation (AUD m)	9.9	8.3	15.1	18.2	8.4

### Fixed Remuneration

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

### Performance Related Benefits/Variable Remuneration

Performance-related benefits/variable remuneration payable to Key Management Personnel are disclosed in the table *Details of Remuneration Provided to Key Management Personnel*. Managing Director Atmavireswar Sthapak (appointed 28 July 2020) was paid allowances including housing and vehicle allowances and medical insurance. Former Managing Director Justin J. Richard (resigned 27 July 2020) was paid expatriate allowances, including a housing allowance, a school-fee allowance, travel expenses and medical insurance costs.

### 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 Committee meetings, the Company's business, or in performing their Director's duties.

### 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, except for payment of accrued unused annual and long service and/or end of service leave (where applicable).

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## Details of Remuneration Provided to Key Management Personnel.

Name	Performance based	Fixed	At risk STI	Options	Short-term benefits					Post-employment benefits		Other long-term benefits	Equity based benefits	Total
					Cash payments			Non-cash <sup>(ii)</sup>	Other <sup>(iii)</sup>	Super-annuation	Termination	Other	Options	
					Salary/fees	Allowances <sup>(i)</sup>	Cash bonus							
2021	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Executive Directors</b>														
Justin Richard <sup>(iv)</sup>	-	100%	-	-	421,089	10,284	-	-	-	-	-	-	-	431,373
Atmavireshwar Sthapak	-	100%	-	-	255,283	25,372	-	-	-	-	-	-	-	280,655
<b>Non-Executive Directors</b>														
James D. Phipps	-	100%	-	-	157,087	-	-	-	-	-	-	-	-	157,087
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Stephen Gethin	-	100%	-	-	55,000	-	-	-	-	-	-	-	-	55,000
Avi Sthapak	-	100%	-	-	9,132	-	-	-	-	868	-	-	-	10,000
Sanjeev Kumar	-	100%	-	-	17,304	-	-	-	-	1,446	-	-	-	18,750
<b>Company Secretary</b>														
Dinesh Aggarwal <sup>(v)</sup>	-	100%	-	-	39,105	-	-	-	-	-	-	-	-	39,105
<b>Chief Executive Officer – AHRL</b>														
Avigyan Bera	-	100%	-	-	54,029	14,887	-	-	-	-	-	-	-	68,916

## 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 pursuant 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 and Mr Bera's salaries.
- (iv) The Amount paid to Mr Richard includes termination benefits of AUD 391,328.
- (v) Appointed 2 July 2020. Remuneration, in his capacity as Company Secretary, paid to Fortuna Advisory Group.

Name	Performance based	Fixed	At risk STI	Options	Short-term benefits					Post-employment benefits		Other long-term benefits	Equity based benefits	Total
					Cash payments			Non-cash <sup>(ii)</sup>	Other <sup>(iii)</sup>	Super-annuation	Termination	Other	Options	
					Salary/fees	Allowances <sup>(i)</sup>	Cash bonus							
2020	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Executive Directors</b>														
Justin Richard	-	100%	-	-	381,045	149,943	-	12,097	-	-	-	37,987	-	581,072
Atmavireshwar Sthapak	-	100%	-	-	253,404	29,878	-	1,433	-	-	-	21,118	-	305,833
<b>Non-Executive Directors</b>														
James D.Phipps	-	100%	-	-	152,519	-	-	-	-	-	-	-	-	152,519
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Stephen Gethin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Avi Sthapak	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Company Secretary</b>														
Stephen Gethin <sup>(iv)</sup>	-	100%	-	-	39,105	-	-	-	-	-	-	-	-	39,105
<b>Chief Executive Officer – AHRL</b>														
Avigyan Bera	-	100%	-	-	6,871	-	-	-	-	-	-	-	-	6,871

## 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 annual leave expensed but not paid during the year.
- (iii) Other short-term benefits consist of exchange gain/(loss) due to foreign currency translation from Oman Riyal to Australia Dollars and Saudi Riyal to Australian Dollars on Mr Richard's salary.
- (iv) Appointed 1 May 2018. Remuneration, in his capacity as Company Secretary, paid to Fortuna Advisory Group.



## Equity Based Benefits

The Company provided the equity based benefits to Key Management Personnel during the financial year specified below. No shares were issued as a result of the exercise of options held by Key Management Personnel during the financial year.

4 million options were issued to Chairman Mr. Stephen Gethin on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options expire on 1 July 2022.

5 million options were issued to Managing Director Mr. Atmavireshwar Sthapak on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options vest upon the Company achieving the first production of saleable copper concentrate, provided this occurs by 31 March 2022. If the Company:

- does not achieve the first production of saleable copper concentrate, as determined by the Board, acting reasonably, by 31 March 2022 the options will not become exercisable; or
- achieves the first production of saleable copper concentrate by that date (as determined by the Board) but the Managing Director does not exercise any given Option within one (1) year after the date on which that first production occurs, any Options which have not been exercised will lapse at the end of the last day of that year.

## Options Lapsed During the Year

No options lapsed during the year.

## Details of Shares Held by Key Management Personnel

2020-2021	Fully Paid, Ordinary Shares				
Name	Balance at 1 July 2020	Balance at appointment	Net change	Balance at cessation	Balance at 30 June 2021
Stephen Gethin	-	-	-	-	-
Atmavireshwar Sthapak	2,951,451	-	910,600	-	3,862,051
Vikas Jain	37,745,930	-	-	-	37,745,930
Sanjeev Kumar	-	-	-	-	-
Dinesh Aggarwal	-	-	6,055,725	-	6,055,725
James Phipps	-	-	-	-	-
Justin Richard	35,319,526 <sup>(i)</sup>	-	-	35,319,526 <sup>(i)</sup>	-
Avi Sthapak	-	-	-	-	-

2019-2020	Ordinary Fully Paid Shares				
Name	Balance at 1 July 2019	Balance at appointment	Net change	Balance at cessation	Balance at 30 June 2020
Justin Richard <sup>(i)</sup>	34,119,526	-	1,200,000	-	35,319,526
Atmavireshwar Sthapak	2,544,838	-	406,613	-	2,951,451
James Phipps	-	-	-	-	-
Vikas Jain	37,745,930	-	-	-	37,745,930
Avi Sthapak	-	-	-	-	-
Stephen Gethin	-	-	-	-	-

**Note:**

(i) Includes shares held by Mr Richard's spouse.

## 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

### (b) 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 follows<sup>8</sup>:

- Annual base salary of AUD 291,569 per annum.
- Housing allowance of up to AUD 41,406 per annum.
- Vehicle allowance of up to AUD 77,637 per annum, plus fuel, maintenance and registration costs.
- Compulsory statutory "end of service" payments due under Omani labour law.
- Standard annual leave (20 days) and personal/sick leave (10 days paid) plus any additional entitlements prescribed under Omani labour law.
- Either party may terminate the agreement by giving three (3) months' notice.
- The Managing Director's Options, as detailed under the heading equity based payments on this page, above.

<sup>8</sup> Refer Alara's 3 February 2016 ASX Announcement: "Appointment of Executive Director".

- The Board is yet to determine two (2) proposed additional components to Mr Sthapak's long-term incentive remuneration. These components are expected to consist of the issue of two (2) further tranches of options, each to vest upon attainment of separate milestones to be set relating to other aspects of the Company's future development. Full details will be announced on ASX when these elements of his remuneration package are finalised.

**(a) Former Managing Director/CEO – Justin Richard**

Justin J. Richard was appointed the Company's Legal and Commercial Manager in August 2011 and Alara's Country Manager for Saudi Arabia in November 2012 and for Oman in December 2013. He was appointed Managing Director on 16 June 2015 and resigned on 27 July 2020. The terms of his Managing Director's employment contract were carried over from his previous agreement with no increase in salary or allowance. The material terms of his Managing Director's employment contract were as follows:

- One-year term with annual base salary of AUD 381,045 (subject to adjustments for exchange rate variations\* for salary paid in Omani Rials). His employment contract was subsequently extended on the same terms indefinitely.
- Expatriate allowances (including housing, school and travel) totalling approximately AUD 175,000 per annum (subject to adjustments for exchange rate variations\*).
- Provision of medical insurance cover.
- Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus any additional entitlements prescribed under relevant Labour Law.
- Compulsory statutory "end of service" payments due under Omani Law.
- One month's notice of termination within first six months, subject to repatriation provisions which total approximately three (3) months remuneration.

\*Exchange rate variations based on rates prevailing at the time the expatriate assignments commenced.

**(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:

Key Management Personnel and Position(s) Held	Relevant Date(s)	Base Salary/Fees per annum	Other Key Terms
Stephen Gethin Chairman	2 July 2020 (Commenced)	AUD 75,000 plus GST per annum.	N/A
Dinesh Aggarwal Company Secretary	2 July 2020 (Commenced)	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 Alara employees, excluding Directors. 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. No securities were issued to KMP under the ESOP during the financial year (2020: Nil).

### 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 2020 Annual General Meeting

At the Company's most recent (2020) Annual General Meeting (**AGM**), a resolution to adopt the 2020 Remuneration Report was put to a vote and passed unanimously on a show of hands with the proxies received also indicating 81.83% support for adopting the Remuneration Report.<sup>9</sup> No comments were made on the Remuneration Report at the AGM.

<sup>9</sup> Refer Alara's 17 November 2017 ASX Announcement: Results of Meeting.

## 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 did not have a policy of Directors' and Officers' Insurance during the reporting period.

## Directors' Deeds

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

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

## Legal Proceedings on Behalf of Consolidated Entity (Derivative Actions)

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

## Auditor

Details of the amounts paid or payable to the Company's auditors (this Rothsay Auditing for 30 June 2021 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 \$
27,902	–	27,902

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 18.

## Events Subsequent to Reporting Date

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

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



**Atmavireshwar Sthapak**  
Managing Director  
29 September 2021





Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005  
P.O. Box 8716, Perth Business Centre WA 6849  
Phone (08) 9486 7094 www.rothsay.com.au

The Directors  
Alara Resources Limited  
Suite 1.02  
110 Erindale Road  
Balcatta WA 6021

Dear Directors

In accordance with Section 307C of the *Corporations Act 2001* (the "Act") I hereby declare that to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the Act in relation to the audit of the 30 June 2021 financial statements; and
- (ii) 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.

A handwritten signature in black ink, appearing to read 'Dalla'.

Daniel Dalla  
Partner  
Rothsay Auditing

Dated 29 September 2021



Liability limited by a scheme approved under Professional Standards Legislation

## Consolidated Statement of Profit and Loss and other Comprehensive Income for the year ended 30 June 2021

	Note	2021 \$	2020 \$
Revenue	3	1,779	477,951
Other income	3	10,000	164,901
Gain/(Loss) on Forex	3	(82,519)	(5,304)
Personnel		(1,097,128)	(244,548)
Occupancy Costs		(39,216)	(46,438)
Finance expense		(8,070)	(1,023)
Corporate expenses		(55,640)	(132,856)
Administration expenses		(346,200)	(258,061)
Share of profit/(losses) of associates	11	(53,477)	30,412
<b>PROFIT/(LOSS) BEFORE INCOME TAX</b>		<b>(1,670,471)</b>	<b>(14,966)</b>
Income tax benefit		-	-
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(1,670,471)</b>	<b>(14,966)</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(1,567,055)	841,597
<b>Total other comprehensive income/(loss)</b>		<b>(1,567,055)</b>	<b>841,597</b>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		<b>(3,237,526)</b>	<b>826,631</b>
<b>Profit/(loss) attributable to:</b>			
Owners of Alara Resources Limited		(1,622,329)	273,985
Non-controlling interest		(48,142)	(288,951)
		<b>(1,670,471)</b>	<b>(14,966)</b>
<b>Total comprehensive income/(loss) for the year attributable to:</b>			
Owners of Alara Resources Limited		(3,189,384)	1,115,582
Non-controlling interest		(48,142)	(288,951)
		<b>(3,237,526)</b>	<b>826,631</b>
<b>Earnings/Loss per share:</b>			
Basic earnings/(loss) per share cents	6	(0.24)	0.04
Diluted earnings/(loss) per share cents	6	(0.24)	0.04

The accompanying notes form part of this consolidated financial statement.

# Consolidated Statement of Financial Position

## As at 30 June 2021

	Note	2021 \$	2020 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	7	4,241,815	7,674,616
Trade and other receivables	8	38,566	30,633
Other current assets	9	23,869	377,578
Financial assets	10	1,030,168	8,661
<b>TOTAL CURRENT ASSETS</b>		<b>5,334,418</b>	<b>8,091,488</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	10	454,088	422,342
Investment in Associate	11	139,350	192,827
Borrowing Cost	12	733	-
Property, plant and equipment	13	98,648	39,810
Mine properties & Development assets	13	12,383,033	9,926,151
Exploration and evaluation	14	4,910,968	5,161,876
<b>TOTAL NON CURRENT ASSETS</b>		<b>17,986,820</b>	<b>15,743,006</b>
<b>TOTAL ASSETS</b>		<b>23,321,238</b>	<b>23,834,494</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	988,405	267,734
Unearned income	16	8,079	8,817
Provisions	17	93,838	21,755
Financial Liability	18	21,409	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,111,731</b>	<b>298,306</b>
<b>NON CURRENT LIABILITIES</b>			
Financial liabilities	18	701,719	684,411
Provisions		-	-
<b>TOTAL NON CURRENT LIABILITIES</b>		<b>701,719</b>	<b>684,411</b>
<b>TOTAL LIABILITIES</b>		<b>1,813,450</b>	<b>982,717</b>
<b>NET ASSETS</b>		<b>21,507,788</b>	<b>22,851,777</b>
<b>EQUITY</b>			
Issued capital	19	68,233,860	66,340,323
Reserves	20	9,495,609	11,062,664
Accumulated losses		(56,062,753)	(54,440,424)
<b>Parent interest</b>		<b>21,666,716</b>	<b>22,962,563</b>
Non-controlling interest		(158,928)	(110,786)
<b>TOTAL EQUITY</b>		<b>21,507,788</b>	<b>22,851,777</b>

The accompanying notes form part of this consolidated financial statement.



## Consolidated Statement of Changes in Equity As at 30 June 2021

	Note	Issued Capital	Options Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Transactions with minority interests	Non-Controlling Interest	Total
		\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2019		66,107,405	20,000	1,627,214	(54,714,409)	8,593,853	178,165	21,812,228
Option expired		-	(20,000)	-	-	-	-	(20,000)
Foreign currency translation reserve		-	-	841,597	-	-	-	841,597
Net income and expense recognised directly in equity		-	(20,000)	841,597	-	-	-	821,597
Profit/(Loss) for the year		-	-	-	273,985	-	(288,951)	(14,966)
Total comprehensive income/(loss) for the year		-	(20,000)	841,597	273,985	-	(288,951)	806,631
<b>Transactions with owners in their capacity as owners:</b>								
Share Placement		232,918	-	-	-	-	-	232,918
<b>Balance as at 30 June 2020</b>		<b>66,340,323</b>	<b>-</b>	<b>2,468,811</b>	<b>(54,440,424)</b>	<b>8,593,853</b>	<b>(110,786)</b>	<b>22,851,777</b>
Balance as at 1 July 2020		66,340,323	-	2,468,811	(54,440,424)	8,593,853	(110,786)	22,851,777
Options expired		-	-	-	-	-	-	-
Foreign currency translation reserve		-	-	(1,567,055)	-	-	-	(1,567,056)
Net income and expense recognised directly in equity		-	-	(1,567,055)	-	-	-	(1,567,056)
Profit/(Loss) for the year		-	-	-	(1,622,329)	-	(48,142)	(1,670,471)
Total comprehensive income/(loss) for the year		-	-	(1,567,055)	(1,622,329)	-	(48,142)	(3,237,527)
<b>Transactions with Owners in their capacity as owners:</b>								
Share placement	19	1,904,629	-	-	-	-	-	1,904,629
Share placement costs	19	(11,092)	-	-	-	-	-	(11,092)
<b>Balance as at 30 June 2021</b>		<b>68,233,860</b>	<b>-</b>	<b>901,756</b>	<b>(56,062,753)</b>	<b>8,593,853</b>	<b>(158,928)</b>	<b>21,507,788</b>

The accompanying notes form part of this consolidated financial statement.

## Consolidated Statement of Cash Flows for the year ended 30 June 2021

	Note	2021 \$	2020 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customer/ Others		10,000	-
Payments to suppliers and employees (inclusive of GST)		(1,666,486)	(2,670,073)
Interest received		1,637	553,896
<b>NET CASHFLOWS USED IN OPERATING ACTIVITIES</b>	7b	<b>(1,654,849)</b>	<b>(2,116,177)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for plant and equipment		(13,249)	(9,146)
Payments for development and exploration expenditure		(2,120,568)	(3,185,950)
Payments towards term deposits		(1,031,893)	-
Loan to other entity (repayment)		-	195,325
Proceeds from disposal of investments		-	5,272,725
<b>NET CASHFLOWS USED IN INVESTING ACTIVITIES</b>		<b>(3,165,710)</b>	<b>2,272,954</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuing ordinary shares		1,904,629	232,918
Cost of issuing ordinary shares		(11,091)	-
Transaction cost related to borrowings		-	(421,580)
<b>NET CASHFLOWS PROVIDED BY FINANCING ACTIVITIES</b>		<b>1,893,538</b>	<b>(188,662)</b>
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS HELD</b>		<b>(2,927,021)</b>	<b>(31,885)</b>
Cash and cash equivalents at beginning of the financial year		7,674,616	7,562,407
Effect of exchange rate changes on cash		(505,780)	144,094
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	7	<b>4,241,815</b>	<b>7,674,616</b>

The accompanying notes form part of this consolidated financial statement.

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## 1. SUMMARY OF ACCOUNTING POLICIES

### **Statement of Significant Accounting Policies**

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

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

#### **1.1. Basis of preparation**

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

#### **Compliance with IFRS**

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

#### **Reporting Basis and Conventions**

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

#### **Going Concern Assumption**

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

The Group has incurred a loss for the year ended 30 June 2021 of AUD 1,670,471 (2020: Loss AUD 14,966) and cash inflows/(outflows) from operating and investing activities of (\$4,820,559) (2020: \$156,777). As at 30 June 2021 the Group has a cash at bank balance of AUD 4,241,815 (2020: AUD 7,674,616) and bank deposits of AUD 1,039,829 (2020: AUD 8,661) and working capital of AUD 4,222,688 (2020: AUD 7,793,182).

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

#### **1.2. Principles of Consolidation**

The consolidated financial statements incorporate the assets and liabilities of the subsidiaries of Alara Resources Limited as at 30 June 2021 and the results of its subsidiaries for the year then ended. Alara Resources Limited and its subsidiaries are referred to in this financial report as the Consolidated Entity. All transactions and balances between Consolidated Entity companies are eliminated on consolidation, including unrealised gains and losses on transactions between Consolidated Entity companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Consolidated Entity perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Consolidated Entity. Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Consolidated Entity. The Consolidated Entity attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

#### **1.3. 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.

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

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

## 1.4. 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.

## 1.5. Leases

In the previous year, the Group has applied AASB 16 that is effective for annual periods that begin on or after 1 January 2019. AASB 16 introduced a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases. The main changes introduced by the new Standard are as follows:

- recognition of a right-of-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-of-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- inclusion of variable lease payments that depend on an index or a rate in the initial measurement of the lease liability using the index or rate at the commencement date;
- application of a practical expedient to permit a lessee to elect not to separate non-lease components and instead account for all components as a lease; and
- inclusion of additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

## 1.6. Comparative Figures

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

## 1.7. Critical Accounting Judgements and Estimates

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

### *Exploration and evaluation expenditure*

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

### *Impairment of mine development expenditure*

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

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



## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

The Consolidated Entity measures the cost of equity-settled transactions with Directors and employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes options valuation model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates have no impact on the carrying amounts of assets and liabilities but will impact expenses and equity.

### 1.8. 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.

### 1.9. 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 2021.

	2021 \$	2020 \$
<b>Statement of Financial Position</b>		
Current assets	1,824,466	776,427
Non-current assets	9,350,648	8,941,193
<b>Total assets</b>	<b>11,175,114</b>	<b>9,717,620</b>
Current liabilities	162,166	30,486
Non-current liabilities	11,026	-
<b>Total liabilities</b>	<b>173,192</b>	<b>30,486</b>
<b>Net assets</b>	<b>11,001,922</b>	<b>9,687,134</b>
Issued capital	68,233,860	66,340,322
Accumulated losses	(57,231,938)	(56,653,188)
<b>Total equity</b>	<b>11,001,922</b>	<b>9,687,134</b>
Profit/(loss) for the year	(578,750)	(331,913)
<b>Total comprehensive income /(loss) for the year</b>	<b>(578,750)</b>	<b>(331,913)</b>

## 3. PROFIT/(LOSS) FOR THE YEAR

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

	2021 \$	2020 \$
<b>Revenue</b>		
Interest	1,779	477,951
Other income	10,000	164,901
Unrealised Forex Gain/ (Loss)	(82,519)	(5,304)
	<b>(70,740)</b>	<b>637,548</b>

### 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.

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

	2021 \$	2020 \$
<b>The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of 2021 at 26% (2020: 27.5%) and the reported tax expense in profit or loss are as follows:</b>		
<b>Tax expense comprises:</b>		
<b>(a) Current tax</b>	-	-
Deferred income tax relating to origination and reversal of temporary differences	-	-
- Origination and reversal of temporary differences	-	-
- Utilisation of unused tax losses previously unrecognised	-	-
Under/(Over) provision in respect of prior years	-	-
<b>Tax expense</b>	<b>-</b>	<b>-</b>
Deferred Tax Expense (income), recognised directly in other comprehensive income		
<b>(b) Accounting profit before tax</b>	<b>(1,670,471)</b>	<b>(14,966)</b>
Income Tax Expense to Accounting Profit:		
Tax at the Australian tax rate of 26% (2020: 27.5%)	(434,322)	(4,116)
Assessable amounts	80,336	49,437
Deferred Tax Asset losses not brought to account	177,571	-
Non-assessable income - Other	(2,600)	(11,113)
Non-deductible items	193,760	71,197
Utilisation of unused tax losses previously unrecognised	(90,311)	(61,270)
Deferred tax assets recognised/ (not recognised)	14,230	(29,082)
Tax rate difference	61,336	(15,053)
Income tax expenses (benefit)	-	-
<b>(c) Recognised Deferred Tax Balances</b>		
Deferred tax asset	19,850	1,009
Deferred tax asset (losses)	78,959	98,546
Set-off deferred tax liabilities	(98,809)	(99,555)
	-	-
<b>(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:</b>		
Unrecognised deferred tax asset losses	1,411,926	1,525,220
Unrecognised deferred tax asset losses (capital)	426,391	450,990
Unrecognised deferred tax asset Oman losses	202,979	218,624
	<b>2,041,296</b>	<b>2,194,834</b>

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

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

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

### ACCOUNTING POLICY NOTE

#### Income Tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the notional income tax rate for each taxing jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses (if applicable). Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each taxing jurisdiction. The relevant tax rates are applied to the cumulative amounts of

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss. Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The amount of deferred tax assets benefits brought to account or which may be realised in the future, is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the Consolidated Entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law. Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in other comprehensive income or equity are also recognised directly in other comprehensive income or equity.

### 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.

### Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### 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:

	2021 \$	2020 \$
Bentleys Audit and Corporate (WA) Pty Ltd	-	3,845
Rothsay Consulting services – Auditors of the Consolidated Entity (Audit and review of financial reports)	20,250	22,000
RSM Chartered Accountants – Auditors of Oman-controlled entities (Audit and review of financial reports)	7,652	5,987
	27,902	31,832

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# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## 6. EARNINGS/(LOSS) PER SHARE

	2021	2020
	\$	\$
Basic earnings/(loss) per share cents	(0.24)	0.04
Diluted earnings/(loss) per share cents	(0.24)	0.04
Profit/(loss) \$ used to calculate earnings/(loss) per share	(1,622,329)	273,985
Weighted average number of ordinary shares during the period used in calculation of basic earnings/(loss) per share	667,645,289	629,835,362
Weighted average number of ordinary shares during the period used in calculation of diluted earnings/(loss) per share	667,645,289	629,835,362

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.

### ACCOUNTING POLICY NOTE

Basic Earnings per share is determined by dividing the operating result after income tax by the weighted average number of ordinary shares on issue during the financial period. Diluted Earnings per share adjusts the figures used in the determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial period.

## 7. CASH AND CASH EQUIVALENTS

	2021	2020
	\$	\$
Cash in hand	542	239
Cash at bank	4,136,880	7,467,091
Term deposits	104,393	207,286
	4,241,815	7,674,616

The effective interest rate on short-term bank deposits was 0.25% (2020: 1.15%) with an average maturity of 137 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.

### ACCOUNTING POLICY NOTE

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments and bank overdrafts. Bank overdrafts (if any) are shown within short-term borrowings in current liabilities on the statement of financial position.

<b>(b) Reconciliation of Net Profit/(Loss) after Tax to Net Cash Flow From Operations</b>	2021	2020
	\$	\$
<b>Profit/(Loss) after income tax</b>	(1,670,471)	(14,966)
Gain/(Loss) on Forex (Unrealised)	-	-
Profit on sale of asset	-	-
Gain/(loss) on disposal of Subsidiary	-	-
Share of profits/(losses) of associates and joint ventures	53,477	(30,412)
Foreign exchange movement	21,738	(273,130)
Depreciation	12,099	9,575
<b>(Increase)/Decrease in Assets:</b>		
Trade and other receivables	(7,933)	3,087
Other current assets	13,074	80,914
<b>Increase/(Decrease) in Liabilities:</b>		
Payable to AHI	-	40,179
Insurance premium funding (Other payables)	11,026	-
Trade and other payables	(159,942)	(292,961)
Provisions	72,083	(22,898)
Statdrome Advance paid	-	(1,615,565)
<b>Net cashflows from/ (used in) operating activities</b>	(1,654,849)	(2,116,177)



## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

### 8. TRADE AND OTHER RECEIVABLES

Current	2021	2020
	\$	\$
Amounts receivable from:		
Sundry debtors	17,419	25,476
Goods and services tax recoverable	6,244	5,157
VAT Receivable	14,026	-
Cash advances	877	-
	38,566	30,633

#### (a) Risk exposure

Information about the Consolidated Entity's exposure to credit risk, foreign exchange risk and interest rate risk is in Note 23.

#### (b) Impaired receivables

None of the above receivables are impaired or past due.

#### ACCOUNTING POLICY NOTE

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

### 9. OTHER CURRENT ASSETS

	2021	2020
	\$	\$
Prepayments	23,374	377,224
Accrued interest	495	354
	23,869	377,578

### 10. FINANCIAL ASSETS

	2021	2020
	\$	\$
<b>Current</b>		
Bank deposits	1,030,168	8,661
<b>Non-Current</b>		
Interest free loan to Alara Resources LLC	444,427	422,342
Bank deposits (More than one year)	9,661	-
	1,484,256	431,003

### 11. INVESTMENT IN ASSOCIATES

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

	2021	2020
	\$	\$
<b>Opening balance</b>	192,827	162,415
Investment in Alara Resources LLC	-	-
Profit/(Loss) from equity accounted investments	(53,477)	30,412
<b>Subtotal</b>	139,350	192,827

#### 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.

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

### 12. BORROWING COST

	2021 \$	2020 \$
Borrowing Cost	766	-
Less: Amortization for the period	(33)	-
	733	-

### 13. PROPERTY, PLANT AND EQUIPMENT

	Motor Vehicles \$	Office Equipment \$	Plant and Equipment \$	Mine Properties & Development assets \$	Total \$
<b>Year ended 30 June 2020</b>					
Carrying amount at beginning	17,005	21,297	1,192	6,534,088	6,573,582
Additions	-	9,146	-	3,250,026	3,259,172
Disposal	-	-	-	-	-
Write-offs	-	-	-	-	-
Depreciation expense	(2,674)	(6,485)	(416)	-	(9,575)
Exchange Difference	437	272	36	142,037	142,782
Closing amount at reporting date	14,768	24,230	812	9,926,151	9,965,961
<b>Year ended 30 June 2020</b>					
Cost or fair value	30,125	179,954	23,552	9,926,151	10,159,782
Accumulated depreciation	(15,357)	(155,724)	(22,740)	-	(193,821)
<b>Net carrying amount</b>	14,768	24,230	812	9,926,151	9,965,961
<b>Year ended 30 June 2021</b>					
Carrying amount at beginning	14,768	24,230	812	9,926,151	9,965,961
Additions	66,595	6,581	-	3,251,950	3,325,126
Disposal	-	-	-	-	-
Write-offs	-	-	-	-	-
Depreciation expense	(4,227)	(7,623)	(249)	-	(12,099)
Exchange Difference	(1,201)	(972)	(66)	(795,068)	(797,306)
Closing amount at reporting date	75,935	22,216	497	12,383,033	12,481,681
<b>Year ended 30 June 2021</b>					
Cost or fair value	94,199	183,862	21,582	12,383,033	12,682,675
Accumulated depreciation	(18,264)	(161,647)	(21,085)	-	(200,996)
<b>Net carrying amount</b>	75,935	22,215	497	12,383,033	12,481,679

#### ACCOUNTING POLICY NOTE

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

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

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

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

### Mine properties and development assets

Mine property and development assets include costs incurred 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. Mine property and development assets are stated at historical cost less accumulated amortisation and any accumulated impairment losses recognised. The initial cost of an asset comprises its purchase price or construction cost and any costs directly attributable to bringing the asset into operation. Any ongoing costs associated with mining which are considered to benefit mining operations in future periods are capitalised.

### 14. EXPLORATION AND EVALUATION

	2021	2020
	\$	\$
Opening balance	5,161,876	4,919,660
- Exploration and evaluation expenditure	309,492	107,644
- Exchange differences	(560,400)	134,572
Closing balance	<u>4,910,968</u>	<u>5,161,876</u>

During the prior year, the Al Hadeetha Copper-Gold Project in Oman has been reclassified to Development Expenditure upon demonstrating commercial viability and commencement of development activities.

On 21 October 2010, Alara Saudi Operations Pty Limited, a wholly owned subsidiary of the Company, entered into a shareholders' agreement with mineral licences holder, United Arabian Mining LLC (**Manajem**). Pursuant to the shareholders' agreement a joint venture entity, Khnaiguiyah Mining Company LLC (**KMC**) (in which the Consolidated Entity has a 50% shareholding interest) was established and Manajem are required to transfer legal title to the mining licence and exploration licences over the Khnaiguiyah Project to KMC. The Consolidated Entity has obtained independent advice confirming that valid and legally enforceable rights existed for KMC to commercially exploit the Khnaiguiyah Project. The financial statements of previous Annual Reports were prepared on this basis with the asset carried at AUD 33,190,221 as at 30 June 2015. Following cancellation of the Khnaiguiyah Mining Licence, a provision for impairment of the carrying value of exploration and evaluation attributable to the Khnaiguiyah Project was made. This provision for impairment may be reversed in the future (see accounting policy note on mineral exploration and evaluation expenditure below).

Alara Oman Operations Pty Limited (a wholly owned Australian subsidiary) gained a 70% shareholding interest in a jointly controlled company, Al Hadeetha Resource LLC (Oman), on 23 November 2011. Further on 24 December 2018 the Group disposed of a 19% interest in Al Hadeetha Resources LLC to Al Tasnim Infrastructure Services LLC, reducing its continuing interest to 51%. The principal activity of the company is exploration, evaluation and development of mineral licences in Oman.

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

### ACCOUNTING POLICY NOTE

#### Mineral Exploration and Evaluation Expenditure

Exploration, evaluation and development expenditure incurred is accumulated (i.e. capitalised) in respect of each identifiable area of interest. These costs are only carried forward where they are expected to be recoverable through the successful development of the area or where activities in the area and includes areas that have not yet reached a stage that permits reasonable assessment of the existence or otherwise of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. Exploration and evaluation expenditure is written-off when it fails to meet at least one of the conditions outlined above or an area of interest is abandoned. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. When facts and circumstances suggest that the carrying amount exceeds the recoverable amount, the impairment loss will be measured in accordance with the Consolidated Entity's impairment policy (Note 1.7). This policy requires management to make certain estimates to future events and circumstances, in particular whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that recovery of the expenditure is not possible, the relevant capitalised amount will be written off to the statement of profit or loss and other comprehensive income.

#### Impairment of Non-Financial Assets

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

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## 15. TRADE AND OTHER PAYABLES

	2021 \$	2020 \$
<b>Current</b>		
Trade payables	979,725	267,424
Other payables	8,680	310
	988,405	267,734

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

## 16. UNEARNED INCOME

	2021 \$	2020 \$
<b>Current</b>		
Unearned income	8,079	8,817
	8,079	8,817

On 15 March 2017 Alara Oman Operations Pty Ltd (a wholly owned subsidiary of the Company) entered into an off-take agreement for the supply of copper concentrate from the Al Hadeetha Project to Statdrome Pte Ltd (Offtake Agreement). Under the Offtake Agreement, concentrate production from the Al Hadeetha Copper Project (Wash-hi Majaza site) will be shipped from the Sohar port (unless a smelter is operating in Oman). In June 2018 Statdrome made a pre-payment under the Offtake Agreement. The Statdrome advance bears interest at LIBOR plus four percent per annum. This amount represents unearned income. The amount of this liability in AUD is shown in the table above. On 3 May 2020, the advance received was repaid to Statdrome.

### (a) Risk exposure

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

### ACCOUNTING POLICY NOTE

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

## 17. PROVISIONS

	2021 \$	2020 \$
<b>Current</b>		
Employee benefits – annual leave	93,838	21,755
<b>Non-Current</b>		
Employee benefits – long service leave	-	-
	93,838	21,755

### 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. The non-current provision for long service leave is a provision towards the future entitlements of employees who will have completed the required period of long service and that is not expected to be taken or paid within the next 12 months.

### ACCOUNTING POLICY NOTE

#### Employee Benefits

##### (i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in other payables and accruals together with other employee benefit obligations.

##### (ii) Other long-term employee benefit obligations

The liability for long service leave and annual leave which is expected to be settled within 12 months after the end of the period in which the employee renders the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.



## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

### 18. FINANCIAL LIABILITIES

Financial liabilities	2021	2020
	\$	\$
<b>Non-Current</b>		
<b>Loan with unrelated third party</b>		
Opening balance	684,411	644,232
Add: Addition during the year	6,575	
Add: Interest	17,725	26,175
Add: Foreign exchange differences	(57,269)	14,004
Closing balance	651,442	684,411
<b>Vehicle Loan</b>		
Opening balance	-	-
Add: Addition during the year	60,180	-
Less: Unexpired Interest on Vehicle Loan	(9,903)	-
Closing balance	50,277	-
<b>Current</b>		
<b>Vehicle Loan</b>		
Opening balance	-	-
Add: Addition during the year	15,693	-
Less: Unexpired Interest on Vehicle Loan	(5,309)	-
Closing balance	10,384	-
<b>Insurance Premium Funding</b>		
Opening balance	-	-
Add: Addition during the year	11,025	-
Closing balance	11,025	-

- (i) On 16 April 2017, Al Hadeetha Resources LLC (**AHR**) (the joint venture company which conducts the Al Hadeetha Copper-Gold Project (Project), in which the Company is a 51% shareholder) entered into an unsecured loan agreement as borrower with Al Hadeetha Investments LLC (**Lender**) (an un-related company, which holds the remaining 30% of the shares in AHR). Under the agreement, AHR may draw down a maximum of USD 2 million (AUD 2,663,982; OMR 767,774) to assist with working capital for the Project (**AHI to AHR Loan**). The AHI to AHR Loan bears interest at LIBOR plus two percent per annum. The Loan will be in effect for the duration of the Project joint venture agreement, at which time AHR must repay any outstanding balance. AHR must make interim repayments equal to its available net cash profit (if any) at the end of each financial year. During the year AHR has not made any drawdowns under the Loan. The total amount drawn down (being the total amount owing by AHR under the Loan to the end of the year (after offsetting corresponding debit balance of OMR 18,095; AUD 62,436) OMR 188,795 (USD 489,073; AUD 651,442). If AHR determines at the end of any quarter or other period that it has a working capital shortfall it may draw down the whole or part of the shortfall, until the entire Loan amount is drawn down. The remaining, un-drawn balance of the Loan is OMR 561,276 (USD 1,462,086; AUD 1,947,485) (This is the undrawn balance based on the gross drawdown amount of loan without offsetting the corresponding debit balance of OMR 18,095; AUD 62,436).

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 17.7 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.

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# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## 19. ISSUED CAPITAL

	2021 No	2020 No	2021 \$	2020 \$
Fully paid ordinary shares	705,429,239	634,886,315	68,233,860	66,340,323

2020		No	\$
Balance as at 1 July 2019		629,017,589	66,107,405
- Share movement during the 2020 financial year		5,868,726	232,918
- Share issue costs during the 2020 financial year		-	-
Balance as at 30 June 2020		634,886,315	66,340,323
2021		No	\$
Balance as at 1 July 2020		634,886,315	66,340,323
- Share movement during the 2021 financial year		70,542,924	1,904,629
- Share issue costs during the 2021 financial year		-	(11,092)
Balance as at 30 June 2021		705,429,239	68,233,860

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

### Capital risk management

The Consolidated Entity's objective when managing its capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain a capital structure balancing the interests of all shareholders. The Board will consider capital management initiatives as is appropriate and in the best interests of the Consolidated Entity and shareholders from time to time. The Consolidated Entity had no external borrowings as at 30 June 2021, other than as disclosed in Note 18. The Consolidated Entity's non-cash investments can be realised to meet accounts payable arising in the normal course of business.

### Accounting Policy Note

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options, or for the acquisition of a business, are included in the cost of the acquisition as part of the purchase consideration.

## 20. RESERVES

	2021 \$	2020 \$
Foreign currency translation reserve	901,756	2,468,811
Transactions with minority interests	8,593,853	8,593,853
	9,495,609	11,062,664

### 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	2021 \$	2020 \$
<b>Employees' Options</b>				
Listed options exercisable at AUD 0.03; expiring 31 March 2022 - Atmavireshwar Sthapak	3 Dec 2020	5,000,000	-	-
Listed options exercisable at AUD 0.03; expiring 01 July 2022 - Stephen Gethin	3 Dec 2020	4,000,000	-	-
		9,000,000	-	-

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

### 21. SHARE-BASED PAYMENTS

There were no shares issued as a result of the exercise of any options during the year (2021: NIL).

#### ACCOUNTING POLICY NOTE

##### Director/Employee Options

The fair value of options granted by the Company to directors and employees is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured as at grant date and is expensed in full as at their date of issue where they are 100% vested on grant and otherwise over their vesting period (where applicable). The fair value at grant date is determined using the Black-Scholes valuation model that takes into account the exercise price, the term of the option, the vesting criteria, the unlisted nature of the option, the share price at grant date and the expected price volatility of the underlying shares in the Company, and the risk-free interest rate for the term of the option. Upon the exercise of options, the balance of the reserve relating to those options is transferred to share capital.

### 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 \$
<b>2021</b>				
Total segment revenues	11,116	663	-	11,779
Total segment loss/(profit)before tax	(1,112,876)	(542,903)	(14,692)	(1,670,471)
Total segment assets	3,527,013	19,794,225	-	23,321,238
Total segment liabilities	(552,903)	(1,260,547)	-	(1,813,450)
<b>2020</b>				
Total segment revenues	414,335	228,517	-	642,852
Total segment loss before tax	3,465,354	(951,327)	(2,528,993)	(14,966)
Total segment assets	2,686,298	21,148,196	-	23,834,494
Total segment liabilities	(490,495)	(492,222)	-	(982,717)

(a) Reconciliation of segment information	2021 \$	2020 \$
<b>(i) Total Segment Assets</b>		
Total Assets as per Statement of Financial Position	23,321,238	23,834,494
<b>(ii) Total Segment Revenues</b>		
Total Revenue as per Statement of Profit or Loss and Other Comprehensive Income	11,779	642,852
<b>(iii) Total Segment profit/(loss) before tax</b>		
Total Consolidated Entity profit/(loss) before tax	(1,670,471)	(14,966)

#### ACCOUNTING POLICY NOTE

##### Operating Segments

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

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# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## 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 financial receivables and payables of the Consolidated Entity in the table below are due or payable within 30 days. The financial investments are held for trading and are realised at the discretion of the Board.

The Consolidated Entity holds the following financial instruments:

	2021 \$	2020 \$
<b>Financial assets</b>		
Cash and cash equivalents	4,241,815	7,674,616
Financial instruments (term deposits)	1,039,829	8,661
Trade and other receivables	38,566	30,633
Financial asset	444,427	422,342
	5,764,637	8,136,252
<b>Financial liabilities at amortised cost</b>		
Trade and other payables	(988,405)	(267,734)
Financial liabilities	(723,128)	(684,411)
	(1,711,533)	(952,145)
<b>Net Financial Assets</b>	4,053,104	7,184,107

### (a) Market Risk

#### (i) Price risk

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

#### (ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to investments held in interest bearing instruments and its loan from third parties. The average interest rate applicable to funds held on deposit during the year was 0.25 % (2020: 1.15%).

	2021 \$	2020 \$
Cash at bank	4,136,880	7,467,091
Term deposits	104,393	207,286
Term deposits more than 90 days	1,039,829	8,661
Loan with unrelated third parties	(723,128)	(684,411)
	4,557,974	6,998,627

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:

	2021 \$	2020 \$
<b>Loan with unrelated third party</b>		
<b>Change in profit</b>		
Increase by 1%	(7,231)	(6,844)
Decrease by 1%	7,231	6,844
<b>Change in equity</b>		
Increase by 1%	(7,231)	(6,844)
Decrease by 1%	7,231	6,844



## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

	2021	2020
	\$	\$
<b>Revenue</b>		
<b>Change in profit</b>		
Increase by 3%	127,254	230,238
Decrease by 3%	(127,254)	(230,238)
<b>Change in equity</b>		
Increase by 3%	127,254	230,238
Decrease by 3%	(127,254)	(230,238)

### (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:

	2021	2020
	OMR	OMR
Cash and cash equivalents	817,141	1,621,512
Trade and other receivables	124,385	209,152
Trade and other payables	(245,804)	(44,068)
Non-current financial liabilities	(206,376)	(201,753)
	489,346	1,584,843

	2021	2020
	US \$	US \$
Cash and cash equivalents	71	-
	71	-

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

### (b) Credit risk

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

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

	2021	2020
	\$	\$
<b>Cash and cash equivalents</b>		
BB-	4,241,273	7,674,377
No external credit rating available	542	239
	4,241,815	7,674,616
<b>Trade and other receivables (due within 30 days)</b>		
No external credit rating available	38,566	30,633
	38,566	30,633

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.

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## (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:

2021	Less than 6 months \$	6-12 months \$	1-5 years \$	Total \$
<b>Financial assets</b>				
Cash and cash equivalents	4,241,815	-	-	4,241,815
Financial instruments (Term deposits)	-	1,030,168	9,661	1,039,829
Interest free loan to Alara Resources LLC	-	-	444,427	444,427
Trade and other receivables	38,566	-	-	38,566
	<u>4,280,381</u>	<u>1,030,168</u>	<u>454,088</u>	<u>5,764,637</u>
<b>Financial liabilities</b>				
Trade and other payables	(988,405)	-	-	(988,405)
Other financial liabilities	(16,087)	(5,322)	(701,719)	(723,128)
	<u>(1,004,492)</u>	<u>(5,322)</u>	<u>(701,719)</u>	<u>(1,711,533)</u>
<b>Net inflow/(outflow)</b>	<u>3,275,889</u>	<u>1,024,846</u>	<u>(247,631)</u>	<u>4,053,104</u>

2020	Less than 6 months \$	6-12 months \$	1-5 years \$	Total \$
<b>Financial assets</b>				
Cash and cash equivalents	7,674,616	-	-	7,674,616
Financial instruments (Term deposits)	-	8,661	-	8,661
Interest free loan to Alara Resources LLC	-	-	422,342	422,342
Trade and other receivables	30,633	-	-	30,633
	<u>7,705,249</u>	<u>8,661</u>	<u>422,342</u>	<u>8,136,252</u>
<b>Financial liabilities</b>				
Trade and other payables	(267,734)	-	-	(267,734)
Other financial liabilities	-	-	(684,411)	(684,411)
	<u>(267,734)</u>	<u>-</u>	<u>(684,411)</u>	<u>(952,145)</u>
<b>Net inflow/(outflow)</b>	<u>7,437,515</u>	<u>8,661</u>	<u>(262,069)</u>	<u>7,184,107</u>

## (d) Fair Value of Financial Assets and Liabilities

The carrying amount of financial instruments recorded in the financial statements represents their fair value determined in accordance with the accounting policies disclosed in Note 1. The aggregate fair value and carrying amount of financial assets at reporting date are set out in Notes 7, 8 and 10. The financial liabilities at reporting date are set out in Note 15 and 18.

## (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.

### ACCOUNTING POLICY NOTE

#### Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the entity commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately. Subsequent to initial recognition, these instruments are measured as set out below:

- **Financial assets at fair value through profit or loss** - A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the profit or loss in the period in which they arise.
- **Loans and receivables** - Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.
- **Financial liabilities** - Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation.

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the Consolidated Entity is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price. The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques, including but not limited to recent arm's length transactions, reference to similar instruments and option pricing models. The Consolidated Entity may use a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Other techniques, such as estimated discounted cash flows, are used to determine fair value for other financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Consolidated Entity for similar financial instruments. The Consolidated Entity's investment portfolio (comprising listed and unlisted securities) is accounted for as a "financial assets at fair value through profit or loss" and is carried at fair value based on the quoted last bid prices at reporting date.

## 24. COMMITMENTS

	2021 \$	2020 \$
<b>(a) Lease Commitments</b>		
Non-cancellable operating lease commitments:		
Within 1 year	14,045	8,376
1-5 years	-	-
After 5 years	-	-
Total	14,045	8,376

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.

## 25. CONTROLLED ENTITIES

Investment in Controlled Entities	Controlled entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-21	Jun-20
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			
Khnaiguiyah Mining Company LLC	AKO	Inactive	Saudi Arabia			

## 26. JOINTLY CONTROLLED ENTITIES & INVESTMENTS IN ASSOCIATES

Investment in Jointly Controlled Entities	Controlled entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-21	Jun-20
Daris Resources LLC	AOO	Exploration	Oman	1-Dec-10	50%	50%
Alara Resources LLC	AOO	Mining Services	Oman	2-Oct-10	35%	35%

## 27. RELATED PARTY TRANSACTIONS

### (a) Controlled and Jointly Controlled Entities

Details of the interest in controlled entities and jointly controlled entities are set out in Notes 25 and 26.

### (b) Transactions with other related parties

The following transactions occurred with related parties during the year ending 30 June 2021:

# Notes to the Consolidated Financial Statement for the year ended 30 June 2021

## (i) Director loan agreement

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:

	2021 \$	2020 \$
Short term employee benefits:		
Remuneration including bonuses and allowances	1,108,572	1,076,295
<b>Total short term employee benefits</b>	<b>1,108,572</b>	<b>1,076,295</b>
Long term benefits	-	59,105
<b>Total other long-term benefits</b>	<b>-</b>	<b>59,105</b>
Post-employment benefits:		
Defined benefit pension plans	-	-
Defined contribution pension plans	2,314	-
<b>Total post-employment benefits</b>	<b>2,314</b>	<b>-</b>
Termination benefits	-	-
Share-based payments	-	-
<b>Total remuneration</b>	<b>1,110,886</b>	<b>1,135,400</b>

## 28. CONTINGENT ASSETS AND LIABILITIES

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

- (a) **Shareholders' Agreement – Daris Resources LLC – Daris Copper-Gold Project (Oman)** – On 28 August 2010, Alara Oman Operations Pty Limited, a wholly owned subsidiary of the Company, entered into a shareholders' agreement with Daris Copper Project concession holder, Al Tamman Trading Establishment LLC (ATTE). Under the agreement Alara may invest up to USD 7m in a joint venture company Daris Resources LLC (DRL) to gain up to a 70% shareholding. Daris Resources LLC (DRL) was incorporated in Oman on 1 December 2010 (Alara 50%: ATTE 50%). To the extent that further funding is required, Alara is entitled to advance up to USD 4m to DRL as a loan (on commercial terms and repayable as a priority before distribution of dividends) – convertible into equity in DRL to take Alara's interest to 70%. DRL has exclusive rights (to be further formalised under a management agreement with ATTE) to manage, operate and commercially exploit the concession. DRL is governed by a 6-member board of directors with 3 nominees (including the Chairman) from Alara and 3 from ATTE.
- (b) **Shareholders' Agreement – Alara Resources LLC (Oman)** – On 8 August 2010, Alara Oman Operations Pty Limited (AOOPL), a wholly owned subsidiary of the Company, entered a shareholders' agreement with Sur United International Co. LLC (Sur) under which a joint venture company Alara Resources LLC (ARL) was established to identify and exploit mineral exploration opportunities in Oman. Alara contributed 100% of ARL's initial capital of 150,000 Omani Rials (RO) (then equivalent to approx. AUD 425,000) for a 70% interest in ARL, with Sur then holding the balance of 30%. Alara transferred a 35% shareholding in ARL to South-West Pinnacle Exploration Ltd in 2018. In January 2019 Sur transferred its 30% shareholding in ARL to Al Tasnim Infrastructure Services LLC. ARL now conducts the business of drilling and exploration services.
- (c) **Shareholders' Agreement – Al Hadeetha Copper-Gold Project (Oman)** – On 23 November 2011, Alara Oman Operations Pty Limited (AOOPL), a wholly owned subsidiary of the Company, entered into a shareholders' agreement with Al Hadeetha Investments LLC (AHI) to regulate the two companies' investment in Al Hadeetha Resources LLC (AHRL). On 18 November 2018 AOOPL sold a 19% interest in AHR to Al Tasnim Infrastructure Services LLC (Al Tasnim). AHRL is governed by a 4-member Board of Directors, with two Directors appointed by Alara (including the Chairman) and one appointed by AHI (provided it continues to own at least 21% of the AHRL shares) and one appointed by Al Tasnim (provided that it continues to own at least 19% of the AHRL shares).
- (d) **Directors' Deeds** – The Company has entered into deeds of indemnity with each of its Directors indemnifying them against liability incurred in discharging their duties as directors/officers of the Consolidated Entity. As at the reporting date, no claims have been made under any such indemnities and accordingly, it is not possible to quantify the potential financial obligation of the Consolidated Entity under these indemnities.
- (e) **Bayan Mining LLC JV Agreement** – On 16 July 2015 Saudi Investments Pty Ltd (a wholly owned subsidiary of the Company) entered into a JV agreement with Bayan Mining LLC. 40,000,000 shares are to be issued upon satisfaction of all of the conditions precedent, which includes the granting of the Khnaiguiyah mining licence to Bayan or the JV.
- (f) **Loan to unrelated party (AHI) (Oman)** – On 26 October 2017 Al Hadeetha Investments LLC (AHI) gave a bank guarantee of OMR 30,000 to the Omani Ministry of the Environment as security for performance of the environmental obligations of AHRL in connection with the Al Wash-hi Majaza Project mining licence. AHI was required to deposit the amount of the face value of the bank guarantee with its bank as



## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

security in the event that the bank guarantee is called upon. Pursuant to an agreement between the Consolidated Entity and AHI, the Consolidated Entity paid OMR 20,000 to AHI on or about that date, representing an approximation of its share of liability to contribute to the costs of remediating any unmet environmental obligations of AHR. This amount will be returned to the Consolidated Entity in the event that AHRL performs its environmental obligations in relation to that mining licence.

### 29. SUBSEQUENT EVENTS

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

#### **Al Wash-hi Majaza Project (“Project”) development**

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

*[The remainder of this page is intentionally blank]*

## Notes to the Consolidated Financial Statement for the year ended 30 June 2021

The Directors of the Company declare that:

1. The Financial Statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows and accompanying notes as set out on pages 19 to 42, are in accordance with the *Corporations Act 2001* and:
  - (a) Comply with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
  - (b) Give a true and fair view of the Consolidated Entity's financial position as at 30 June 2021 and of its performance for the year ended on that date;
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
3. The Remuneration Report disclosures set out (within the Directors' Report) as the audited Remuneration Report comply with section 300A of the *Corporations Act 2001*;
4. The Company has included in the notes to the Financial Statements an explicit and unreserved statement of compliance with the International Financial Reporting Standards.
5. The Directors have received the declarations required to be made to the Directors by the Managing Director (the person who performs the chief executive officer function) and Chief Financial Officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2021.

This declaration is made in accordance with a resolution of the Directors made pursuant to section 295(5) of the *Corporations Act 2001*.



**Atmavreshwar Sthapak**  
Managing Director  
29 September 2021



Level 1, Lincoln House, 4 Ventnor Avenue, West Perth WA 6005  
P.O. Box 8716, Perth Business Centre WA 6849  
Phone (08) 9486 7094 www.rothsay.com.au

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ALARA RESOURCES LIMITED**

**Report on the Audit of the Financial Report**

**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 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of significant accounting policies and the directors' declaration of the Company.

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

- (i) giving a true and fair view of the Group's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- (ii) 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.

**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 period. 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.



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ALARA RESOURCES LIMITED (continued)

<i>Key Audit Matter - Cash and Cash Equivalents</i>	<i>How our Audit Addressed the Key Audit Matter</i>
<p>The Group's cash and cash equivalents make up 80% of total current assets by value and are considered to be the key driver of the Group's operations and exploration activities.</p> <p>We do not consider cash and cash equivalents to be at a high risk of significant misstatement, or to be subject to a significant level of judgement.</p> <p>However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p>Our procedures over the existence of the Group's cash and cash equivalents included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Testing a sample of cash payments to determine they were bona fide payments, were properly authorised and recorded in the general ledger;</li> <li>• Checking the appropriateness of foreign exchange rates used for cash and cash equivalents denominated in foreign currencies; and</li> <li>• Agreeing significant cash holdings to independent third-party confirmations.</li> </ul> <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>
<p><b><i>Key Audit Matter - Exploration and Evaluation Expenditure and Mine Properties and Development Assets</i></b></p> <p>The Group incurred significant expenditure on exploration and evaluation and mine properties and development assets during the year.</p> <p>We do not consider exploration and evaluation and mine properties and development assets to be at a high risk of significant misstatement, or to be subject to a significant level of judgement. However due to the materiality in the context of the financial statements as a whole, this is considered to be an area which had an effect on our overall strategy and allocation of resources in planning and completing our audit.</p>	<p><b><i>How our Audit Addressed the Key Audit Matter</i></b></p> <p>Our procedures in assessing exploration and evaluation and mine properties and development assets included but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• We assessed the reasonableness of capitalising exploration and evaluation expenditure in accordance with AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>.</li> <li>• We considered whether there were any indicators of impairment;</li> <li>• We tested a sample of expenditure to supporting documentation to ensure they were bona fide payments; and</li> <li>• We documented and assessed the processes and controls in place to record expenditure.</li> </ul> <p>We have also assessed the appropriateness of the disclosures included in the financial report.</p>





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ALARA RESOURCES LIMITED (continued)

***Other Information***

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2021, 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 there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

***Directors' Responsibility for the Financial Report***

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group 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 cease operations, or have no realistic alternative but to do so.

***Auditor's Responsibility 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: [www.auasb.gov.au/Home.aspx](http://www.auasb.gov.au/Home.aspx).

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
ALARA RESOURCES LIMITED (continued)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters.

We describe those matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

***Report on the Remuneration Report***

***Opinion on the Remuneration Report***

We have audited the remuneration report included in the directors' report for the year ended 30 June 2021.

In our opinion the remuneration report of Alara Resources Limited for the year ended 30 June 2021 complies with section 300A of the *Corporations Act 2001*.

***Responsibilities***

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.

Rothsay Auditing

Dated 29 September 2021

Daniel Dalla  
Partner

### JORC Competent Persons Statements

The information in this announcement that relates to the feasibility study of the Al Hadeetha copper-gold project is based on information compiled by Mr Shanker Madan, who is a Member of the Australasian Institute of Mining and Metallurgy, and consultant to Alara Resources. Mr Madan has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2012 edition. Mr Madan consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to Ore Reserve of the Al Hadeetha Project was compiled by Mr Harry Warries, who is a Fellow of the Australasian Institute of Mining and Metallurgy, and a consultant to Alara Resources. Mr Warries has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' In assessing the appropriateness of the Ore Reserve estimate, Mr Warries has relied on various reports, from both internal and external sources, in either draft or final version, which form part of or contribute to the Al Hadeetha Project Feasibility Study. These reports are understood to be compiled by persons considered by Alara to be competent in the field on which they have reported. Mr Warries consents to the inclusion in the report of the information in the form and context in which it appears.

The information in this announcement that relates to JORC Resources of the Daris Copper Gold Project and the Al Hadeetha Copper-Gold Project (Oman) are based on, and fairly represents, information and supporting documentation prepared by Mr Ravi Sharma, who is a Chartered Member of The Australasian Institute of Mining and Metallurgy, Registered Member of The Society for Mining, Metallurgy and Exploration. Mr Sharma was a principal consultant to Alara Resources and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking to qualify as a Competent Person as defined in the JORC Code, 2012 edition. Mr Sharma approves and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### 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.

## Securities Information

As of 25 October 2021

### Issued Securities

	Ordinary Fully paid shares quoted on ASX	Listed options	Unlisted options	Total
	705,429,239	-	9,000,000	
<b>Total</b>	<b>705,429,239</b>	<b>-</b>	<b>9,000,000</b>	<b>714,429,239</b>

4 million options were issued to Chairman Mr. Stephen Gethin on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options expire on 1 July 2022.

5 million options were issued to Managing Director Mr. Atmavireshwar Sthapak on 3 December 2020. Each option is exercisable over one fully paid, ordinary, share in the Company and has an exercise price of AUD 0.03 per share. The options vest upon the Company achieving the first production of saleable copper concentrate, provided this occurs by 31 March 2022. If the Company:

- does not achieve the first production of saleable copper concentrate, as determined by the Board, acting reasonably, by that date the options will not become exercisable; or
- achieves the first production of saleable copper concentrate by that date but the Managing Director does not exercise any given option within one (1) year after the date on which that first production occurs, any options which have not been exercised will lapse at the end of the last day of that year.

### Distribution of Ordinary Fully Paid Shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	861	286,053	0.041%
1,001 - 5,000	261	602,791	0.085%
5,001 - 10,000	123	1,030,444	0.146%
10,001 - 100,000	329	13,357,467	1.894%
100,001 - and over	252	690,152,484	97.834%
<b>Total</b>	<b>1,826</b>	<b>705,429,239</b>	<b>100%</b>

### Unmarketable parcels

Less than market parcel	Number of Holders	Number of Units	% of Total Issued Capital
1 - 29,411	1,378	4,271,545	0.606%
29,412 - Over	448	701,157,694	99.394%
<b>Total</b>	<b>1,826</b>	<b>705,429,239</b>	<b>100%</b>

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### Top 20 Ordinary Fully Paid Shareholders

Rank	Shareholder	Shares Held	% Issued Capital
1.	Al Tasnim Infrastructure LLC	99,650,067	14.126
2.	Mr Vikas Malu	64,142,050	9.093
3.	Ms Meng Meng	41,824,437	5.929
4.	Citicorp Nominees Pty Limited	38,637,601	5.477
5.	Mr Vikas Jain	37,745,930	5.351
6.	Al Hadeetha Investment Services LLC	31,500,000	4.465
7.	Metal Corners Holdings Co	31,012,217	4.396
8.	Mr Piyush Jain	24,199,437	3.430
9.	Mr Jay Hughes + Mrs Linda Hughes <Inkese Super A/C>	20,600,000	2.920
10.	Whitechurch Developments Pty Ltd <White church S/F A/C>	20,575,550	2.917
11.	Mr Tyrone James Giese	17,456,189	2.475
12.	BNP Paribas Noms Pty Ltd <UOB KH P/L AC UOB KH DRP>	16,575,689	2.350
13.	Ferguson Superannuation Pty Ltd	12,790,543	1.813
14.	Mr Pradeep Kumar Goyal	11,781,549	1.670
15.	Mr Mohammed Saleh Alshaiikh	11,347,387	1.609
16.	Mr Farrokh Jimmy Masani	10,422,687	1.477
17.	Mr Anthony Cullen + Mrs Sue Cullen <AC&SJ Cullen Super Fund A/C>	9,758,544	1.383
18.	Mr Peter Kelvin Rodwell	9,422,858	1.336
19.	Mr Warren William Brown + Mrs Marilyn Helena Brown	8,664,286	1.228
20.	AUM Family Super Pty Ltd <D2M2 Aggarwal Super Fund A/C>	6,055,725	0.858
<b>Total</b>		<b>524,162,746</b>	<b>70.881%</b>

### Substantial Shareholders Disclosure

Rank	Shareholder	Shares Held	% Issued Capital
1.	Al Tasnim Infrastructure LLC	99,650,067	14.126
2.	Mr Vikas Malu	64,142,050	9.093
3.	Ms Meng Meng	41,824,437	5.929
4.	Citicorp Nominees Pty Limited	38,637,601	5.477
5.	Mr Vikas Jain	37,745,930	5.351
<b>Total</b>		<b>282,000,085</b>	<b>39.976%</b>

### On-Market Buy Back

There is no current on-market buy back.

## Corporate Directory

### Board of Directors

Stephen Gethin	Non-Executive Chairman
Atmavireshwar Sthapak Vikas Jain	Managing Director Non-Executive Director and Chair of Audit Committee
Sanjeev Kumar	Non-Executive Director
Dinesh Aggarwal	Company Secretary

### Share Registry

Advanced Share Registry Ltd  
110 Stirling Highway  
Nedlands, Western Australia 6009  
Telephone: +61 8 9389 8033  
Facsimile: +61 8 9262 3723

Level 6, 225 Clarence Street  
Sydney, New South Wales 2000  
Telephone: +61 2 8096 3502  
E-mail: [admin@advancedshare.com.au](mailto:admin@advancedshare.com.au)  
Website: [www.advancedshare.com.au](http://www.advancedshare.com.au)

### Registered Office and Business Address

Suite 1.02, 110 Erindale Road  
Balcatta Western Australia 6021

PO Box 963  
Balcatta, Western Australia 6914

Telephone: + 61 8 9240 4211  
E-mail: [info@alararesources.com](mailto:info@alararesources.com)

### Auditors

Rothsay Auditing  
Level 1, Lincoln House  
4 Ventnor Avenue,  
West Perth WA 6005  
Telephone: +61 8 9486 7094  
Website: [www.rothsayresources.com.au](http://www.rothsayresources.com.au)

### Australian Securities Exchange

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

ASX Code: AUQ

### Corporate Governance Statement

The Company's Corporate Governance Statement  
is available on the Company's Website:  
[www.alararesources.com](http://www.alararesources.com)

Website: [www.alararesources.com](http://www.alararesources.com)

**Alara Resources Limited**

Suite 1.02, 110 Erindale Road, Balcatta, Western Australia 6021

T +61 8 9240 4211 | E [info@alararesources.com](mailto:info@alararesources.com)

[www.alararesources.com](http://www.alararesources.com)