



FULL YEAR REPORT

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

30 June 2026

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CORPORATE DIRECTORY

ABN: 27 122 892 719

Directors

Peter Lee	Executive Chair
Atmavireshwar Sthapak	Managing Director
Vikas Jain	Non-Executive Director
Sanjeev Kumar	Non-Executive Director
Devaki Khimji	Non-Executive Director
Farrokh Masani	Alternate Director

Joint Company Secretaries

Melissa Chapman
Catherine Grant-Edwards

Registered Office and Business Address

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West Perth WA 6005

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Australian Securities Exchange

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152-158 St Georges Terrace
Perth, Western Australia 6000
ASX Code: AUQ

DIRECTORS' REPORT

The Directors present their report on Alara Resources Limited (**Company** or **Alara** or **AUQ**) and the entities it controlled at the end of or during the financial year ended 30 June 2026 (the **Group** or **Consolidated Entity**).

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. Directors were in office for the entire year unless otherwise stated.

- Peter Lee – Executive Chair (appointed 23 January 2026)¹
- Atmavireswar Sthapak – Managing Director
- Vikas Jain – Non-Executive Director
- Sanjeev Kumar – Non-Executive Director
- Devaki Khimji – Non-Executive Director
- Farrokh Jimmy Masani – Alternate Director for Devaki Khimji
- John Shingleton – Non-Executive Chair (appointed 2 September 2025 and resigned 23 January 2026)²
- Stephen Gethin – Non-Executive Director (resigned 1 September 2025)³

Peter Lee

Executive Chair

MBA, P.Eng, FAusIMM, GAICD
 Appointed 23 January 2026

Experience

Mr. Lee is a seasoned mining and metallurgical executive with more than 24 years of senior leadership experience across Australia and Canada. He has held executive roles encompassing corporate governance, strategy, capital markets, and operations within ASX-listed companies, most recently serving as Chief Executive Officer of ChemX Materials Limited (ASX:CMX). He brings deep experience across the full mining and processing value chain, from pit to port, with broad multi-commodity exposure including iron ore, copper, gold, silver, lead, zinc, bauxite and alumina, manganese, and rare earth elements. As Executive Chair and trusted liaison between Australian and Omani stakeholders, Mr. Lee is recognised for his unwavering commitment to safety, operational discipline, ESG leadership, and prudent capital stewardship. He works closely with the Board, investors, regulators, and local communities to build enduring stakeholder relationships, uphold robust ASX governance standards and disciplined financial management, and support responsible resource development, sustained performance, enabling long-term shareholder value creation.

Other Directorships in Listed Companies in Past 3 Years

Nil

Atmavireswar Sthapak

Managing Director

M.Tech, Applied Geology
 Appointed Managing Director on 28 July 2020
 Appointed Executive Director on 3 February 2016
 Previously Non-Executive Director (22 September 2015 to 3 February 2016)

Experience

Atmavireswar Sthapak (MAusIMM) is a geologist specialising in mineral resource exploration, evaluation and development studies. He joined Alara in 2011 and has made significant contributions to the Company through his roles as Exploration Manager and Study Manager, based in Muscat. During his tenure, he was instrumental in the discovery of significant extensions to the VMS copper mineralisation at the Wash-hi project in Oman, as well as subsequent resource upgrades at the Wash-hi and Daris copper-gold deposits. He also played key roles in the Feasibility Study and the subsequent grant of the mining licence for the Wash-hi project. As Managing Director, Atmavireswar has played a leading role in taking the Wash-hi Majaza project through financing, construction and production ramp-up, culminating in the commencement of commercial copper concentrate production. Prior to joining Alara, his career included 10 years with ACC / ACC-CRA Ltd and 10 years with Rio Tinto (Australasia), where he received a Rio Tinto Discovery Award in 2009. Over his career, he has worked on mineral exploration projects associated with world-class deposits across four continents, including Mt Isa-type copper deposits in Australia and copper, gold and diamond operations in Australia, Asia, Africa and the Americas.

¹ ASX announcement dated 23 January 2026 titled "Chair Appointment/Resignation".

² ASX announcements dated 2 September 2025 titled "Appointment of New Chair" and 23 January 2026 titled "Chair Appointment/Resignation".

³ ASX announcement dated 2 September 2025 titled "Appointment of New Chair".

Other Directorships in Listed Companies in Past 3 Years

Nil

Vikas Jain

Non-Executive Director

MBA

Appointed 6 April 2016

Experience

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

Other Directorships in Listed Companies in Past 3 Years

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

Sanjeev Kumar

Non-Executive Director

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

Appointed 23 October 2020

Experience

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

Other Directorships in Listed Companies in Past 3 Years

Nil

Devaki Khimji

Non-Executive Director

Appointed 2 February 2022

Experience

Devaki Khimji is Managing Director of Oman-based Al Tasnim Group (Al Tasnim). A modern architect of transformation and progress, Ms. Devaki has redefined leadership at Al Tasnim Group through a bold blend of innovation, purpose-driven strategy, and operational excellence. Since joining the Group in 2012, she has played a pivotal role in elevating its performance, expanding its footprint, and future-proofing its operations. At the helm as Managing Director, Ms. Devaki has been instrumental in driving structural reforms across Al Tasnim Group — from streamlining business processes to enhancing administrative frameworks, with a strong focus on technology-driven transformation. Ms. Devaki has championed programs that have fostered a nurturing ecosystem for talent development, employee wellbeing, and community upliftment — aligning business goals with social impact.

Other Directorships in Listed Companies in Past 3 Years

Nil

Farrokh Jimmy Masani

Alternate Director

Appointed 2 February 2022

Experience

Farrokh J. Masani is the driving force behind Al Tasnim Group's transformation into a diversified, multi-sector enterprise with both national and international presence. Through a rare combination of Technical Knowledge, Entrepreneurial Drive, Strategic foresight and backed by 30 years of experience in Construction, Mining, and Business Management, he has led the Group's strategic evolution — expanding its footprint across Oman and into global markets with a strong focus on sustainability, innovation, and long-term value creation. Leveraging off this experience and an insatiable entrepreneurial spirit, Mr. Masani successfully steered Al Tasnim into the Mining sector and related Downstream Processing. An inherent ability to embrace change has also seen him being a strong proponent of Digital Transformation — taking efficiency to

new levels. He continues to be a key strategist and driver in Al Tasnim's journey towards a Resilient, Inclusive, and Globally Competitive Future. Mr Masani is the Alternative Director for Devaki Khimji.

Other Directorships in Listed Companies in Past 3 Years

Nil

Company Secretaries

The names and details of the Company Secretaries of the Company in office during the financial year and until the date of this report are as follows. The Company Secretaries were in office for the entire year unless otherwise stated.

- Dinesh Aggarwal – Company Secretary (resigned 26 February 2026)
- Melissa Chapman – Joint Company Secretary (appointed 26 February 2026)
- Catherine Grant-Edwards – Joint Company Secretary (appointed 26 February 2026)⁴

Melissa Chapman

Joint Company Secretary

B.Com, CPA, AGIA/ACIS, GAICD
 Appointed 26 February 2026

Experience

Ms Chapman has over 20 years of experience in the accounting profession. She has worked in Australia and the United Kingdom for both listed and private companies. Ms Chapman is a director of Bellatrix Corporate Pty Ltd, a company that provides company secretarial and accounting services to several ASX listed companies.

Catherine Grant-Edwards

Joint Company Secretary

B.Com, CA
 Appointed 26 February 2026

Experience

Ms Grant-Edwards has over 15 years of experience in accounting and finance. Ms Grant-Edwards is a director of Bellatrix Corporate Pty Ltd, a company that provides company secretarial and accounting services to several ASX listed companies.

Directors' Interests in Shares, Options and Performance Rights

As at the date of this report, the relevant (direct and indirect) interests of the Directors in securities of the Company are:

Director	Fully Paid Ordinary Shares	Options	Performance Rights
Peter Lee	-	-	3,000,000
Atmavireswar Sthapak	5,323,579	-	-
Vikas Jain	83,324,416	-	-
Sanjeev Kumar	-	-	-
Devaki Khimji	183,597,577	-	-
Farrokh Masani	14,553,584	-	-

⁴ ASX announcement dated 27 February 2026 titled "Change of Company Secretary and Registered Address".

Principal Activities

The principal activities of entities of the Consolidated Entity during the year were the exploration, evaluation of mineral concessions in Oman and ongoing production at the Al Wash-hi Majaza flagship asset.

Significant Changes in the State of Affairs

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

Dividends

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

Review of Operations

Al Wash-hi Majaza Copper-Gold Mine

Oman

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

The Al Wash-hi Majaza mine and processing plant (Al Wash-hi Mine) is owned by Alara's 51% subsidiary, Al Hadeetha Resources LLC (AHRL).



Figure 1 – Bird's eye view of the Al Wash-hi Majaza Mine, 30 June 2026

During the year, mining and processing operations demonstrated strong performance across safety, quality, and environmental monitoring, reflecting disciplined operational controls and adherence to established standards continuing to outperform above nameplate capacity.

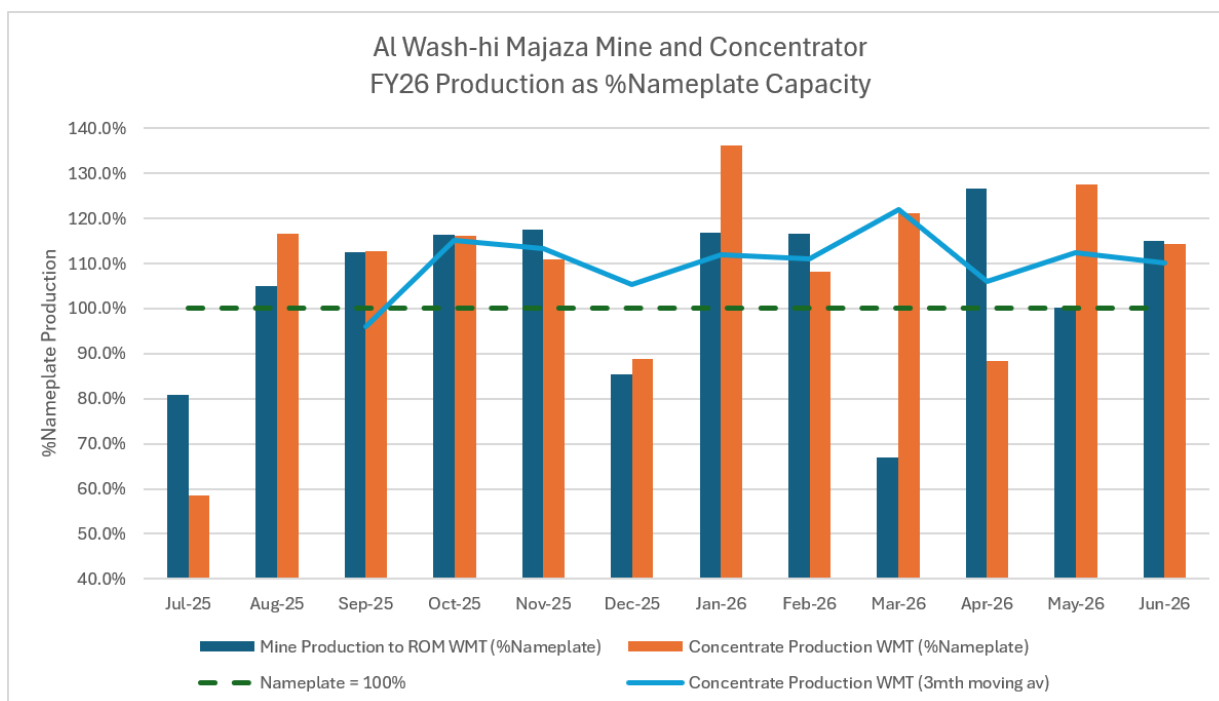


Figure 2 – Al Wash-hi Majaza Mine and Concentrator Production FY26

Al Wash-hi Majaza Copper-Gold Mine – Mineral Resources and Ore Reserves

As at 30 June 2026, the Al Wash-hi Majaza Mineral Resource (inclusive of Ore Reserves) is estimated at 12.90Mt at 0.85% Cu and 0.21 g/t Au, including Probable Ore Reserves of 7.48Mt at 0.87% Cu and 0.20 g/t Au, after adjusting for mining depletion to 30 June 2026 (30 June 2025: Mineral Resources of 13.80Mt at 0.86% Cu and 0.21 g/t Au, including Probable Ore Reserves of 8.38Mt at 0.88% Cu and 0.21 g/t Au). The reduction reflects mining depletion and minor reconciliation adjustments during the year. The

full Mineral Resources and Ore Reserves Statement, including the governance arrangements, internal controls and Competent Person statements required under ASX Listing Rules 5.21 and 5.22, is set out in Appendix A.

Al Wash-hi Concentrator Production and Sales Performance

Total Concentrate production for the financial year⁵ is presented in the table below.

Table 1 – FY26 Copper Concentrate Production

	Total for the period July 2025 - June 2026
Copper concentrate WMT ¹	42,844
Copper concentrate DMT ¹	38,285
Copper MT ¹	8,071

¹ Figures are approximate, due to rounding

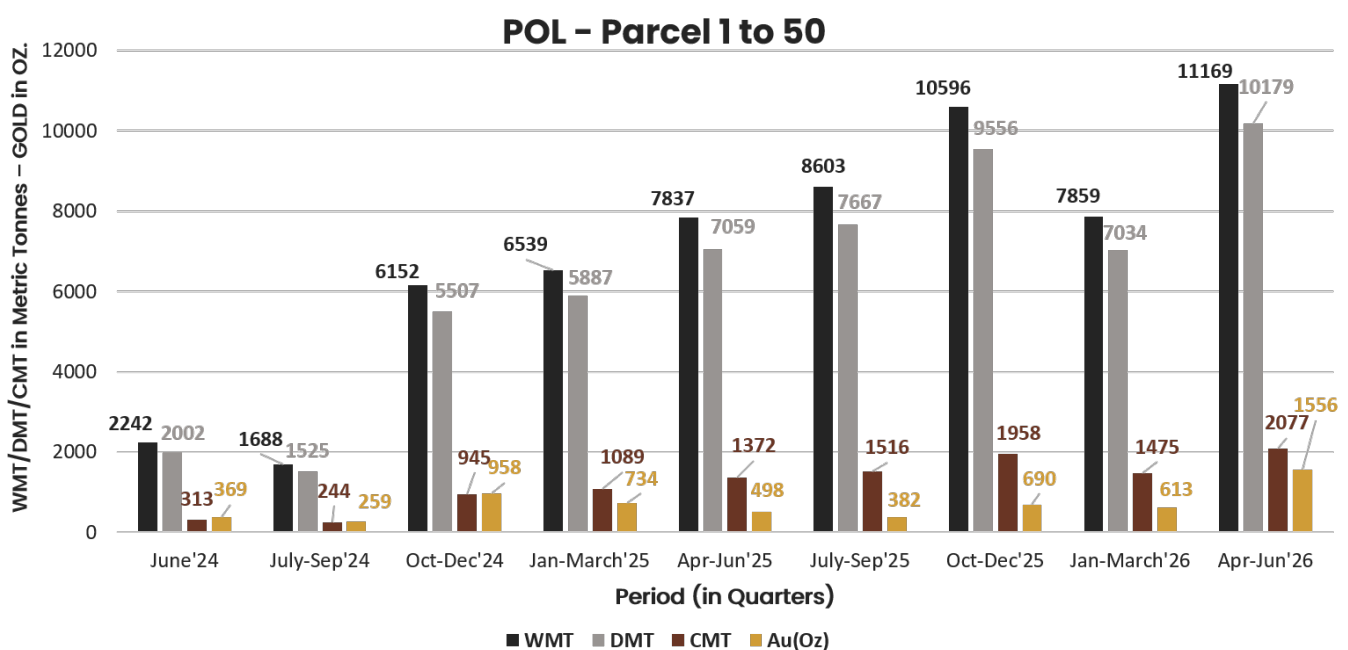


Figure 3 – AHRL Historical Sales data

Update on legal proceedings

On 31 December 2025, Alara advised the market⁶ that AHRL was served with legal proceedings in the Primary Administrative Circuit Court in Ibra, Oman. The proceedings were initiated by 16 local residents from villages near the mine site and name AHRL and several Omani government authorities as respondents. The claims seek suspension of project activities, compensation, and invalidation of project licences. AHRL disputes the claims and has appointed legal counsel in Oman to defend the matter.

On 10 June 2026, the Company announced⁷ that after considering the evidence and submissions of all parties, the Court dismissed all substantive claims on their merits and ordered the plaintiffs to pay the costs of the proceedings. In its judgment, the Court found that:

- Relevant administrative approvals, permits and mining licence were lawfully issued;
- Plaintiffs had not established any environmental impacts arising from the project on the evidence before the Court;
- No proven actual and direct damage resulting from the challenged administrative decisions;
- No conclusive technical evidence establishing a causal connection between AHRL's activities and the damages alleged by the plaintiffs;

⁵ ASX announcement dated 1 July 2026 titled "Asset Delivers 51 Copper Concentrate Shipments for FY26".

⁶ ASX announcement dated 31 December 2025 titled "Proceeding in Oman Related to Al Wash-hi Majaza Project".

⁷ ASX announcement dated 10 June 2026 titled "Proceedings Related to Al Wash-hi Majaza Project Dismissed".

- The decision is consistent with the principles of the Sultanate of Oman's Basic Law, which guarantees freedom of economic activity, affirms that natural resources belong to the State and must be properly utilised, and commits the State to encouraging investment and providing the necessary conditions to support it — all in accordance with the law and;
- The Court also noted evidence from the relevant authorities confirming that the project had obtained all required approvals and that environmental monitoring and relevant compliance practices were being undertaken.

Alara and AHRL welcomed the Court's decision and remain committed to operating in accordance with all applicable licences, environmental requirements and regulatory obligations in the Sultanate of Oman.

Subsequent to the financial year end on 3 July 2026, the Company announced⁸ that the Claimants have lodged an Appeal with the Court of Appeal challenging the first instance of judgment. The appeal names AHRL as the first respondent, alongside the original four Government authorities as subsequent respondents. A hearing for the Appeal is scheduled for November 2026.

The Company will continue to monitor the matter and will update the market in line with its continuous disclosure obligations.

Exploration

During the year, Alara advanced a focused brownfield exploration programme at the producing Al Wash-hi Mine, aimed at increasing Mineral Resource confidence, supporting resource growth, and enhancing geological understanding of the orebody.

Phase 1 drilling was completed during the December 2025 quarter⁹, comprising 8,694 metres of diamond drilling across 24 holes. The programme was designed to improve confidence in existing Mineral Resources and support updated geological and structural interpretations. Data from the programme is being integrated with historical drilling and geological information to refine the three-dimensional geological model, providing an improved basis for future resource estimation, mine planning, grade control and production forecasting.

Phase 2 drilling commenced in December 2025 and was completed during the June 2026 quarter¹⁰. A total of 6,810 metres of diamond drilling across 36 holes was completed against a planned 7,000 metres. The programme targeted the southern extension of the Al Wash-hi orebody to assess mineralisation continuity along strike and at depth beyond the current resource limits.

Detailed geological logging, structural interpretation and sampling were completed during the reporting period. Assay results have been received for all analysed elements, with the outstanding gold assays expected shortly after year-end.

Initial geological interpretations from the Phase 2 programme indicate continuity of mineralisation within the southern extension area and support the potential for future resource growth and mine development opportunities. Infill drilling completed as part of the programme is also expected to improve confidence in future Mineral Resource estimation and grade forecasting in areas scheduled for future mining.

Following completion of the Phase 1 and Phase 2 drilling programmes, Alara is evaluating priorities for subsequent near-mine exploration programmes. Drilling to date indicates that mineralisation remains open along strike and at depth, highlighting the potential for further resource growth. The Company remains committed to advancing exploration activities to support resource expansion and maximise the long-term value and mine life of the Al Wash-hi operation.

Mineral Resources and Ore Reserve Independent External Audit

An independent external review and audit of the Al Wash-hi Mine Mineral Resources and Ore Reserves is currently being undertaken by an internationally recognised mining consultancy in collaboration with Alara's Competent Persons and technical team. The review reflects material changes resulting from exploration and mining activities during the reporting period.

Updated draft Mineral Resource and Ore Reserve statements have been completed and are under review. Subject to completion of the review process, the Company expects to release revised Mineral Resource and Ore Reserve Statements during Q2 FY27.

Orientation Geophysical Surveys

To support the evaluation and prioritisation of exploration targets within the Al Wash-hi concession, Alara commenced an orientation geophysical survey programme over the known Al Wash-hi Majaza deposit. The programme is designed to assess the effectiveness of selected geophysical methods in detecting known mineralisation and to determine their suitability for broader application across the Company's exploration portfolio.

⁸ ASX announcement dated 3 July 2026 titled "Update on Proceedings Relating to Al Wash-hi Majaza Project".

⁹ ASX announcement dated 29 January 2026 titled "Quarterly Activities/Appendix 5B Cash Flow Report" (quarter ended 31 December 2025).

¹⁰ ASX announcement dated 31 July 2026 titled "Quarterly Activities/Appendix 5B Cash Flow Report" (quarter ended 30 June 2026).

The programme comprises ground gravity, Induced Polarisation (IP) and resistivity surveys aimed at identifying geophysical responses associated with sulphide mineralisation and related alteration systems. During the reporting period, the ground gravity survey was completed, while the IP and resistivity surveys were underway.

Results from the orientation surveys are expected to improve Alara's understanding of the geophysical signatures associated with mineralisation at Al Wash-hi and assist in selecting the most effective exploration tools for future target generation and prioritisation. Subject to the outcomes of the programme, the Company intends to apply the most effective survey techniques to previously identified low-magnetic anomaly targets located west of the Al Wash-hi deposit. These surveys are expected to support target refinement and the generation of drill-ready exploration opportunities across the broader concession area.

Geopolitical situation

Geo-political tensions in the region continued to pose shipping challenges during the year, with ongoing logistical uncertainty, a shortage of containers, and ongoing disruption to port connections. While production, storage capacity and dispatch readiness remained strong, these external constraints caused shipment delays that marginally extended the timing of concentrate revenue inflows during the year.

Mullaq Copper-Gold Project

Oman

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

Al Hadeetha Resources LLC (AHRL) has developed a comprehensive exploration strategy for the Mullaq Copper-Gold Project, a promising greenfield prospect covering approximately 41 km² within the Block 22B Concession area. Situated in the rugged terrain of the Oman Mountains, about 160 km southeast of Muscat and 10 km east of Al Wash-hi Majaza plant, the Mullaq area lies within the geologically significant Samail Ophiolite complex, known for its copper-bearing layered gabbro formations. The Mullaq prospect remains a key greenfield opportunity within AHRL growth pipeline.

During the year, field programs comprising detailed geological mapping and systematic rock-chip sampling were completed across selected target areas to enhance the Company's understanding of the local geological setting and mineralisation controls. The completed programs have provided valuable information to guide the next phase of exploration. Alara is currently reviewing the results and assessing follow-up work programs, including the potential application of geophysical surveys and drill target definition studies.

Al Ajal Copper-Gold Project

Oman

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

The Al Ajal Prospect is located near the village of Al Ajal in the Taww area, approximately 20 km south of Barka, which lies along the northern coast of the Sultanate of Oman and is about 65 km west of Muscat.

During the year, follow-up engagements were initiated with the Ministry of Energy and Minerals for the renewal of the Al Ajal Exploration License. Historical exploration campaigns undertaken by Alara confirmed the presence of copper mineralisation within the license area. A Mining License application submitted earlier based on these results remains under review of the relevant authorities.

Upon identification and validation of prospective zones, the program will advance to initial test diamond drilling. Depending on the results from this phase, a more extensive drilling campaign will be launched to further assess the continuity and grade of mineralization. This structured, data-driven approach reflects AHRL's commitment to unlocking the mineral potential of the Al Ajal license through disciplined and technically sound exploration practices.

Al Hadeetha Mining – Block 22B

Oman

(Al Hadeetha Mining LLC (AHML): Alara - 27.5%; Al Hadeetha Investment Services LLC - 27.5%; Al Tasnim Mining LLC - 27.5% and South West Pinnacle Exploration Ltd - 17.5%)

Alara, through its joint venture operating entity Al Hadeetha Mining LLC (AHML), is advancing exploration activities within Block 22B in the Sultanate of Oman, targeting copper, gold, chromite and platinum group elements (PGEs).

Block 22B comprises a consolidated mineral concession incorporating a number of previously granted Exploration Licences, Prospecting Licences and Mining Licences under a single concession framework. The concession covers approximately 1,448 km² and is located approximately 120 km southeast of Muscat within the Samail Ophiolite Complex, a geological terrane known to host copper, chromite and associated mineral occurrences.

Exploration Activities

During the reporting period, Alara completed a regional exploration programme involving desktop studies, remote sensing, GIS interpretation, geological mapping and field reconnaissance aimed at improving geological understanding and generating exploration targets.

Desktop Studies

Historical exploration reports, geological mapping, government datasets, academic publications and publicly available geophysical and structural datasets were compiled and reviewed. This work established a regional geological framework for subsequent exploration activities.

Remote Sensing and GIS Interpretation

Remote sensing and GIS analysis was undertaken using satellite imagery and digital terrain datasets to identify:

- Structural trends and lineaments;
- Major lithological boundaries and contacts;
- Areas displaying potential hydrothermal alteration signatures;
- Drainage and geomorphological features; and
- Potential historical workings and quarry locations.

Interpretations derived from remote sensing were subsequently assessed through field verification.

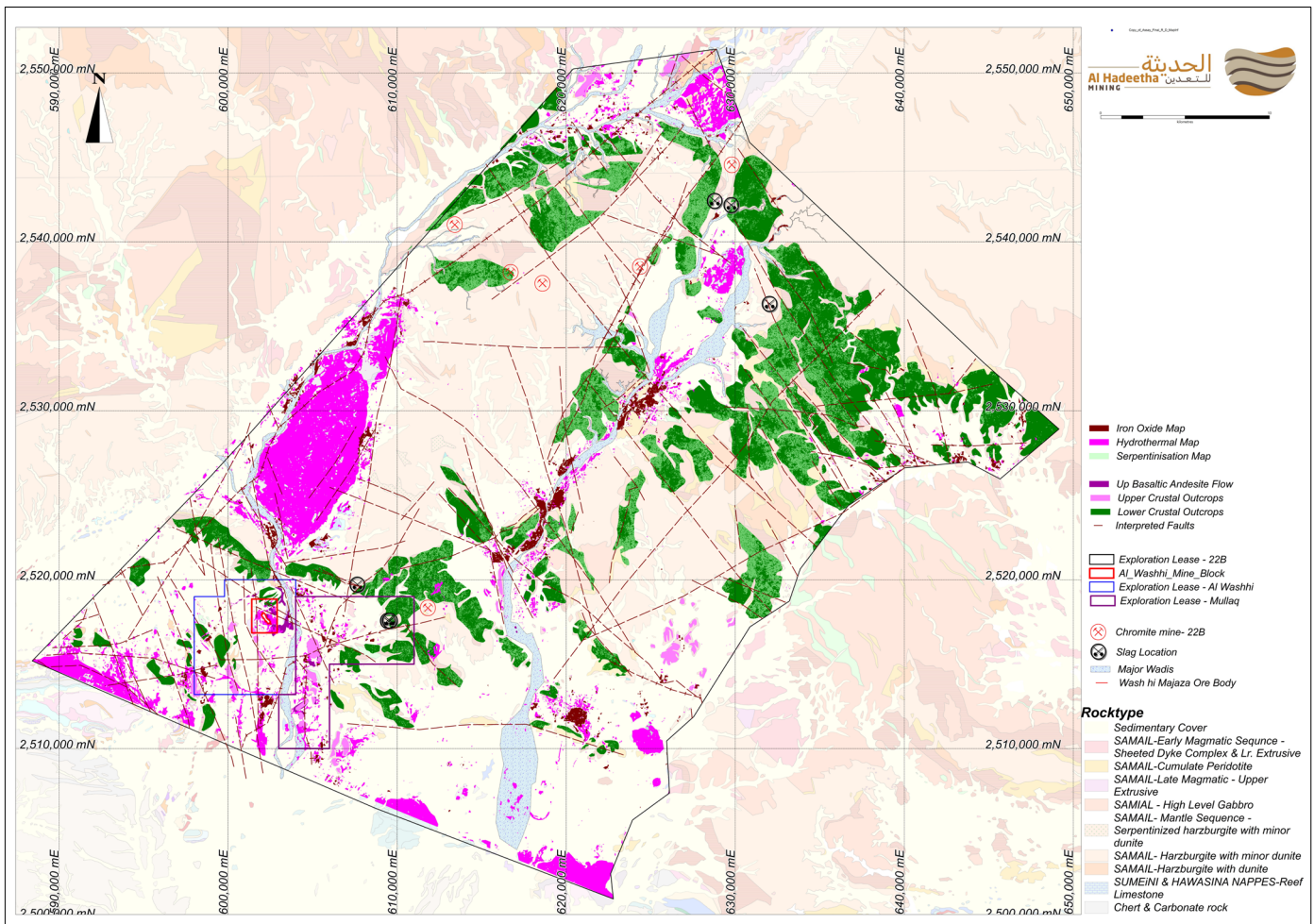


Figure 4 – Surface crustal map interpreted from satellite imagery studies

Geological Mapping and Field Reconnaissance

Field mapping and ground-truthing programmes were completed to validate remote sensing interpretations and assess the mineral potential of identified target areas.

Activities undertaken during the reporting period included:

- Verification of interpreted gossan occurrences;
- Verification of quarry locations;
- Identification of historical slag sites.

Field observations confirmed the occurrence of gossanous zones hosted within mafic and ultramafic lithologies, with iron oxide development commonly associated with fractures, shear zones and lithological contacts. Copper oxide mineralisation, including malachite, was visually observed in both float material and fracture infill. Historical mining and quarrying activity identified during fieldwork included chromite workings, historical copper-related workings and construction aggregate quarries.

Exploration Target Generation

An integrated assessment of geological mapping, remote sensing interpretations, field observations, historical workings and the regional structural framework led to the identification of ten priority exploration target areas within the concession.

The targets have been ranked using geological, structural and logistical criteria and will be systematically evaluated through detailed geological mapping, alterations, rock-chip sampling and other appropriate exploration techniques.

Rock-chip sampling programmes commenced during the reporting period, with laboratory assay results pending at the date of this report. Subject to assay results and interpretation, follow-up exploration may include infill sampling, trenching, pitting, ground geophysical surveys, and additional geological investigations aimed at refining priority targets for potential drill testing.

HeliTEM Airborne Survey

Subsequent to the end of the June 2026 quarter, Alara completed a concession-wide HeliTEM Airborne Electromagnetic (AEM) survey across Block 22B. (refer Figure 5).



Figure 5 – HeliTEM Airborne Electromagnetic Survey in Action

The survey was undertaken by Xcalibur Smart Mapping between 29 May 2026 and 4 July 2026¹¹. A total of 6,132 line kilometres of airborne geophysical data were acquired across the approximately 1,448 km² concession area. While final survey coverage was marginally below the original plan due to operational constraints and exclusion zones surrounding populated areas, the programme achieved its objective of providing comprehensive airborne electromagnetic coverage across the concession.

The survey was designed to identify conductive subsurface anomalies that may be associated with sulphide mineralisation and geological features prospective for copper mineral systems, including volcanogenic massive sulphide (VMS) styles of mineralisation. The survey represents the first modern airborne electromagnetic dataset acquired across the entire Block 22B concession.

¹¹ ASX announcement dated 9 June 2026 titled "Airborne Geophysical Survey Commencement Concession 22B Oman".

Data processing, inversion modelling and interpretation are currently underway and are expected to be completed during Q2 FY27. The results will be integrated with geological, geochemical and historical exploration datasets to support target generation and prioritisation across the concession.

Priority anomalies identified through the interpretation process may be advanced through follow-up geological mapping, geochemical sampling, ground geophysical surveys and, where warranted, drill testing.

The identification of geophysical anomalies does not imply the presence of economically recoverable mineralisation, Mineral Resources or Ore Reserves. Further exploration and evaluation will be required to determine the significance of any identified targets.

Awtad Copper-Gold Project

Oman

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

The Awtad Project comprises the Block 8 exploration license which is located approximately 130km west of Muscat in Oman and encompasses an area of approximately 497 km².

The Block 8 exploration license is held by a joint venture between Alara and ACL and is the subject of an agreement for AIM listed Power Metals Resources plc (Power Metals) to earn up to 12.5% interest in the project.

During the year, a drilling programme was undertaken with the initial drilling targets based on geological observations, magnetic and gravimetric data, and trenching results generated through Power Metals Arabia's exploration work (refer ASX announcement released 30 January 2025¹²). The locations were ultimately adjusted in response to observations as the programme developed with a total of 724.35m drilled. A total of 156 half-core samples were cut using a diamond saw with 11 Quality Assurance (QA) samples distributed throughout the batch. All samples were prepared and analysed by ALS Arabia Biyaq in Oman. On 16 December 2025, Alara released the results of the drilling program¹³ which identified some significant sulphide mineralisation in what is interpreted to be the peripheral zone of a mineralised system. The >1 % Cu intersection in hole AM25DD001, along with the other geochemically anomalous zones, offer great encouragement and targets for the next phases of work.

The next phases of work include a full review of all results to better understand the geological associations with mineralisation, with an emphasis on the breccia units. This would facilitate the planning of a follow-up trenching and drilling programme. Exploration activities were temporarily paused during the second half of the year in line with travel limitations affecting the Power Metal Resources team amid evolving geopolitical conditions in the region.

For more details, please refer to ASX announcement dated 16 December 2025 titled "Block 8 Oman Drilling Program Results" Tabulated drillhole results and JORC Code, 2012 Edition – Table 1 Block 8 was provided as Annexure of the announcement.

¹² ASX announcement dated 30 January 2025 titled "Block 8 Initial Exploration Results".

¹³ ASX announcement dated 16 December 2025 titled "Block 8 Oman Drilling Program Results".

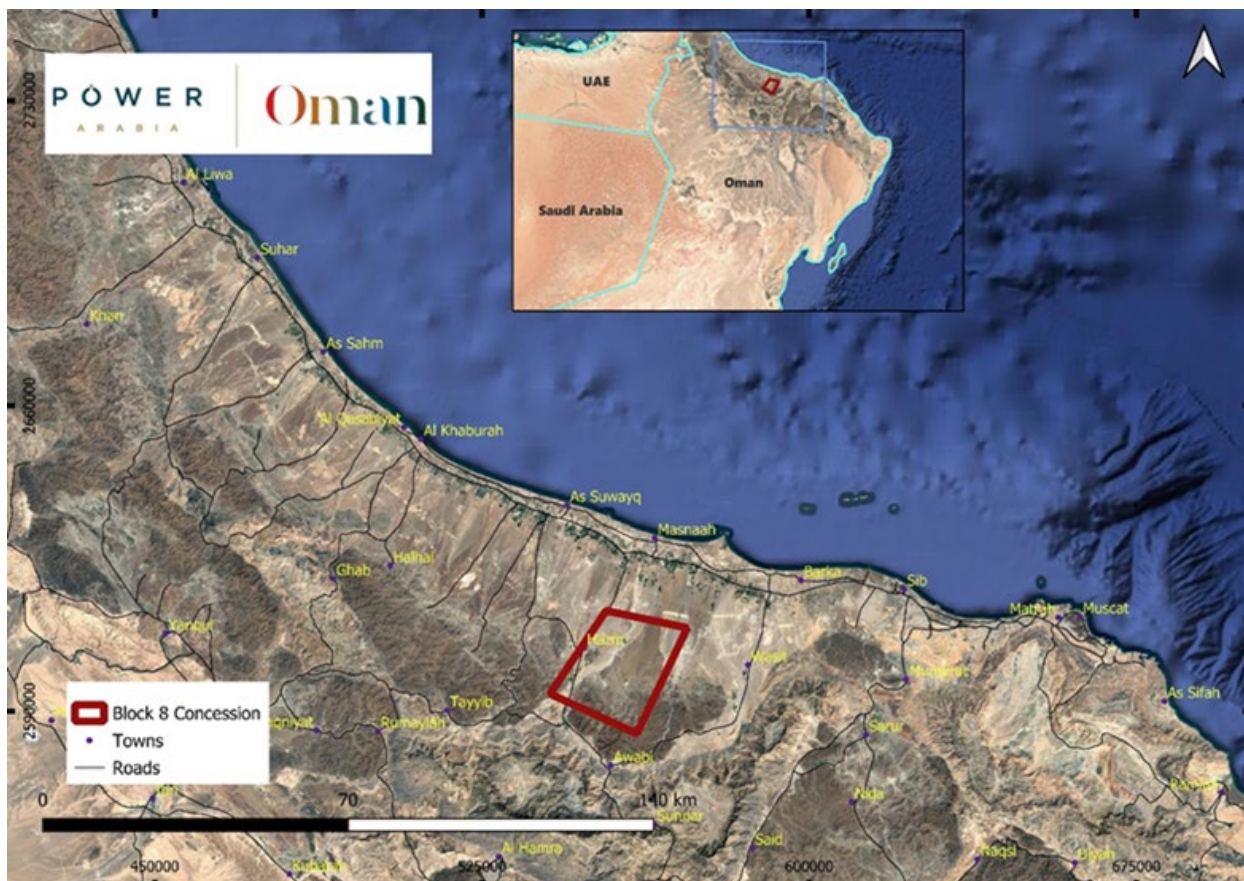


Figure 6 – Location of Block 8 exploration license

Daris Copper-Gold Project

Oman

(Daris Resources LLC (DRL): Alara – 50%; Al Tamman Trading and Establishment LLC – 50%)

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

The Daris East Mining License application is still pending. The Daris East mineral resource, consisting of measured + indicated categories equal to 240,024t @ 2.37%Cu¹⁴, has been subject to an objection from the Ministry of Housing owing to its proximity to land recently allocated to local communities. Negotiations with the Ministry of Housing on an earlier submitted proposal are ongoing. Following advice from the Environment Authority that consent agreements be secured with local community members who have been allocated land plots and those who have constructed residential structures in proximity to the applied Mining License area, proactive engagement and ongoing consultation with the local community continued during the reporting period.

Daris 3A5 Mining License

In August 2025, the Ministry of Energy and Minerals awarded a Mining License over the Daris 3A5 prospect¹⁵. Daris 3A5 forms a part of the Daris Copper-Gold Project. This achievement marked a major strategic milestone for Alara, strengthening its leadership position in Oman's rapidly evolving mining sector. The Daris Copper-Gold Project (Alara 50% interest, with the right to increase to 70%) is located approximately 150km west of Muscat and covers an expansive area of ~587km² (Block 7) under a mineral exploration license.

¹⁴ Resource categories: Measured 129,155t @ 2.48%Cu and Indicated 110,870t @ 2.24%Cu (at cut-off grade of 0.5%Cu). The information in the JORC Resource tables were initially prepared and first disclosed under the JORC Code 2004 (refer ASX Announcement 1 February 2013 'December 2012 Quarterly Report'). The Mineral Resource Estimate has not been updated since to comply with JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

¹⁵ ASX announcement dated 5 August 2025 titled "New Mining Licence Awarded".

The 3A5 mining license was awarded over a portion of Block 7 with an area of 0.65 km². Block 7, including the 3A5 mining license, is operated by Daris Resources LLC, a joint venture company in which Alara holds management and commercial rights.

With the Daris 3A5 mining license secured, Alara anticipates that it will now raise funds to conduct further exploration work over the project which includes geophysical surveys to plan drill hole locations, diamond core drilling programme, mineral resource estimate, metallurgical test work, mineral reserve definition, initiation of mining studies, progress detailed mine planning activities and advance discussions for roll treatment arrangements with existing copper concentrators in Oman.

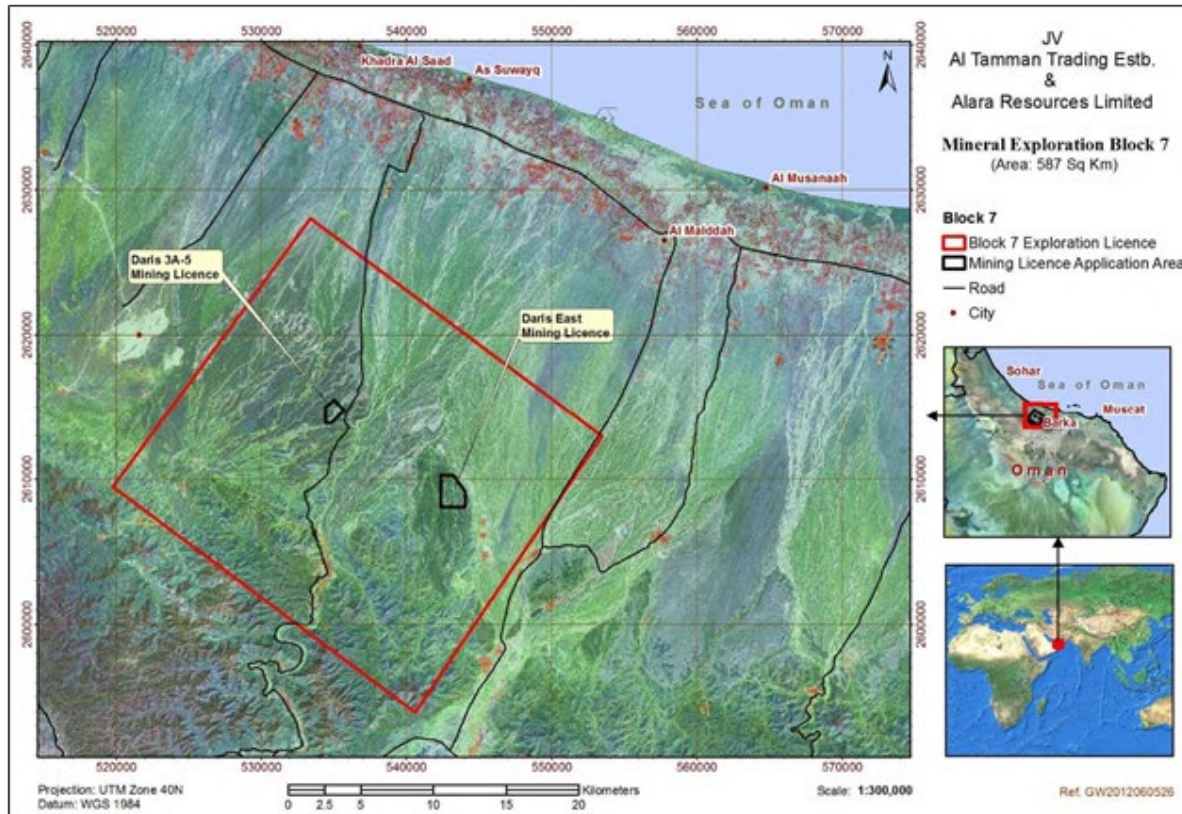


Figure 7 – Map Showing Block 7 Exploration License and Two Daris ML Areas

Alara Resources LLC

Oman

(Alara Resources LLC (ARL): Alara – 35%; Al Tasnim Infrastructure LLC – 30%; South West Pinnacle Exploration Ltd – 35%)

Alara Resources LLC (ARL) is a prominent service provider in Oman, delivering contract mining and geological services that support the continued expansion of the country's mining sector. The Company is currently engaged to provide contract mining services to the Al Wash-hi Majaza Project, operated by Al Hadeetha Resources LLC (AHRL). The company currently owns four drill rigs and has been providing contract drilling services to local Oman based mining companies. ARL has ordered two additional multi-purpose reverse circulation (RC) rigs, which are expected to be delivered by the end of FY27 Q2. Additionally, ARL has successfully completed both stages of its ISO audit, with certification expected to be received by the end of FY27 Q2.



Figure 8 – ARL drill rigs in action and a visit attended by ISO Auditors

Competent Person Statement

The Competent Person statements relating to the Exploration Results, Mineral Resources and Ore Reserves referred to in this Review of Operations are set out in Appendix A – Mineral Resources and Ore Reserves Statement.

Operating Results

Consolidated	2026 \$	2025 \$
Total revenue	135,345,734	55,315,545
Total expenses	(114,450,846)	(74,342,673)
Profit/(Loss) before tax	20,894,888	(19,027,128)
Income tax expense	(1,229,021)	-
Profit/(Loss) after tax	19,665,867	(19,027,128)

Profit/(Loss) per Share

Consolidated	2026 \$	2025 \$
Basic Profit/(loss) per share (cents)	1.41	(1.41)
Diluted Profit/(loss) per share (cents)	1.41	(1.41)
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic loss per share	803,087,541	718,087,541
Weighted average number of ordinary shares outstanding during the year used in the calculation of diluted loss per share	803,087,541	718,087,541

Cash Flows

Consolidated	2026 \$	2025 \$
Net cash flow used in operating activities	(1,914,996)	8,620,828
Net cash flow from investing activities	(13,972,008)	(1,874,920)
Net cash flow provided by financing activities	31,403,984	1,260,308
Net change in cash held	15,516,980	8,006,216
Effect of exchange rates on cash	(581,878)	67,667
Cash and cash equivalents at beginning of the financial year	12,429,695	4,355,812
Cash held at year end	27,364,797	12,429,695

Financial Position

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

Consolidated	2026 \$	2025 \$
Total assets	200,761,934	181,037,079
Total liabilities	175,142,315	178,641,872
Total equity	25,619,619	2,395,207

Risk Management

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of these risks are, however, highly unpredictable and the extent to which the Board can effectively manage them is limited.

A summary of the key risk areas of the Company are listed below:

Risks specific to the Company	General risks
- Control risk - Potential for dilution to existing shareholders - Future capital needs and additional funding - Regulatory intervention risk - Operating risk - Title risks - Operations in Oman - Geopolitical risk and regional instability - Exchange rate risk - Exploration success - Mineral resource estimates - Environmental risk - Commodity prices, including copper and gold - Reliance on key personnel and consultants - Speculative nature of investment - Community relations - Competition - Climate change - Insurance coverage risk - Reputation risk	- ASX quotation - Economic risks - Unforeseen expenses - Security market risk - Litigation risk - Taxation risk - Highly speculative nature of investment

Further details regarding the above risks identified as having potential for operational, financial and company performance impact are as follows:

Risks specific to the Company

Control risk: Al Tasnim Infrastructure LLC (ATI) holds a significant interest in the Company (19.88%) and may exert influence over matters requiring Shareholder approval, including Director elections and major transactions. This concentration may also discourage a takeover or scheme proposal.

Potential for dilution to existing Shareholders: Future equity raisings, including placements to new investors, may dilute the holdings of existing Shareholders who do not participate.

Future capital needs and additional funding: The Company expects to need further funding until the Al Wash-hi operation generates enough cash to fully fund the business. There is no assurance that funding will be available on acceptable terms. A shortfall could delay project development and affect the Company's ability to continue as a going concern.

Regulatory intervention risk: Given its concentrated share register and past Takeovers Panel proceedings, the Company may be subject to further regulatory scrutiny or third-party applications. These could affect corporate or capital management initiatives.

Operating risk: The Al Wash-hi concentrator is operating at or above nameplate capacity, but performance may be affected by equipment failure, geological variability, weather, logistics or other unforeseen events.

Title risks: The Company's projects depend on Omani mining and exploration licences, several of which are at various stages of application or grant, including Daris East. Certain Daris licences are yet to be transferred to the joint venture company. There is no assurance that licences will be granted, renewed or transferred on acceptable terms.

Operations in Oman: All of the Company's projects are in Oman and are exposed to local political, regulatory, fiscal and economic conditions. These include changes to mining, taxation, foreign exchange and local-content policies.

Geopolitical risk and regional instability: Conflict in the Middle East near the Strait of Hormuz has disrupted shipping, raised freight and insurance costs, and delayed concentrate sales receipts. Production has not been affected. Mitigating steps include alternative shipping routes (including India and the port of Duqm), three to four months of critical spares, and concentrate storage capacity. These steps may not be sufficient if the conflict escalates.

Exchange rate risk: Funds are raised in Australian dollars, while revenue and expenditure are largely in foreign currencies. Adverse currency movements may increase costs or reduce earnings.

Exploration success: Block 22B, Block 8 and Daris are early-stage projects. There is no assurance that they will yield an economically mineable resource. The Company's 10% interest in the Block 8 joint venture limits its control unless that interest is increased.

Mineral resource estimates: The Al Wash-hi mineral resource and ore reserve estimates are JORC-compliant judgements based on sample data. They may change as more information becomes available, which may necessitate revised mine plans.

Environmental risk: The Company's operations are subject to Omani environmental regulation. Environmental incidents, stricter laws or approval delays could increase costs or disrupt activities.

Commodity prices, including copper and gold: Earnings are closely linked to copper and gold prices. These prices are set in US dollars and are driven by global factors outside the Company's control.

Reliance on key personnel and consultants: The Company's success depends on retaining its Directors, management and key consultants.

Speculative nature of investment: The Company's Shares carry no guarantee of dividends, return of capital or market value. Performance depends on sustained mining operations, exploration success and positive technical studies.

Community relations: Maintaining good relations with local communities in Oman is essential to land access and ongoing operations. Poor relations could lead to disputes or disruption.

Competition: New supply from other copper and gold producers may lower commodity prices and affect the Company's future earnings.

Climate change: Physical risks such as more extreme weather, and transition risks such as emissions regulation, may increase costs or affect operations.

Insurance coverage risk: Not every operational, environmental or political risk can be insured on acceptable terms. An uninsured loss could adversely affect the Company's financial position.

Reputation risk: Actual or perceived events that damage the Company's reputation in Oman could weaken community relations, investor confidence and project progress.

General risks

ASX quotation: The Company must continue to comply with the ASX Listing Rules to maintain quotation of its Shares. A suspension or loss of quotation would affect liquidity and value.

Economic risks: General economic conditions, interest rates, inflation and exchange rates may affect the Company's activities, its access to funding and the value of its securities.

Unforeseen expenses: The Company may incur unplanned operating, construction or legal costs.

Security market risk: The Company's share price may fluctuate for reasons unrelated to its performance, including market sentiment, sector conditions and trading liquidity.

Litigation risk: Legal claims, with or without merit, may be costly to defend and may have a material effect on the Company's financial position.

Taxation risk: Changes in tax laws, how those laws are interpreted, or the outcome of tax audits, including on tax residency, may increase the tax the Company pays.

Highly speculative nature of investment: The risks above are not exhaustive. Other factors may also affect the Company's financial performance and the value of its Shares.

Comprehensive treatment on the above risks can be found in the prospectus the Company lodged with ASIC and the ASX dated 8 July 2026¹⁶.

Corporate Governance

The Company's Corporate Governance Statement for the year ended 30 June 2026 which reports against ASX Corporate Governance Council's Principles and Recommendations may be accessed from the Company's website at www.alararesources.com.

Issued Capital

The issued capital of the Company as at the date of this report are as follows:

Fully paid ordinary shares	Unlisted options	Performance Rights
923,549,989	179,521,885	3,000,000

Unlisted Options

No unlisted options were issued during the reporting period.

Likely Developments and Expected Results

The Company intends to continue exploration, evaluation and development activities in relation to its other mineral exploration licences in Oman, and to apply for and participate in auction processes for the award of further exploration licences in Oman and Saudi Arabia, in the 2026-27 financial year. The likely results of these activities will depend on a range of geological, technical and economic factors.

Environmental Regulation and Performance

The Consolidated Entity holds licences and abides by Acts and Regulations issued by the relevant mining and environmental protection authorities of the countries in which the Consolidated Entity operates. These licences, Acts and Regulations specify limits and regulate the management of discharges to the air, surface waters and groundwater associated with exploration and mining operations as well as the storage and use of hazardous materials. There have been no significant breaches of the Consolidated Entity's licence conditions.

Remuneration Report

This report details the nature and amount of remuneration for each key management person of the Company in accordance with the requirements of the Corporations Act 2001 and its regulations. The information provided in this remuneration report has been audited as required by Section 308(3c) of the *Corporations Act 2001*.

Key Management Personnel

The remuneration report details the remuneration arrangements for those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The key management personnel (**KMP**) of the Company are the directors during the year being:

Directors	
Peter Lee	Executive Chair (appointed 23 January 2026)
Atmavireshwar Sthapak	Managing Director
Vikas Jain	Non-Executive Director
Sanjeev Kumar	Non-Executive Director
Devaki Khimji	Non-Executive Director
Farrokh Masani	Alternate Director
John Shingleton	Non-Executive Chair (appointed 2 September 2025 and resigned 23 January 2026)
Stephen Gethin	Non-Executive Director (resigned 1 September 2025)
Executives	
Avigyan Bera	Chief Executive Officer – Al Hadeetha Resources LLC

¹⁶ ASX announcement dated 8 July 2026 titled "Prospectus".

Directors

Company Secretary

Dinesh Aggarwal

Company Secretary

Remuneration Policy

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

The Company embodies the following principles in its remuneration framework:

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

Remuneration Structure

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

Director Remuneration

Objective

The Board seeks to set aggregate remuneration (for Directors) at a level which provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure

Each Non-Executive Director receives a fee for serving as a Director of the Company and on relevant Board Committees, if applicable. The level of each Non-Executive Director's fee is commensurate with the workload and responsibilities undertaken. According to the Company's Constitution and the ASX Listing Rules, the aggregate remuneration of Non-Executive Directors must not exceed an amount determined by the Shareholders from time to time at a General Meeting (Non-Executive Fee Pool). An amount up to the Non-Executive Fee Pool is then allocated among the Non-Executive Directors as Directors' fees, as determined by the Board. The Non-Executive Fee Pool, set by Shareholders at the Annual General Meeting held on 26 May 2011 is currently AUD \$275,000 per annum which is comparable to other entities.

Managing Director and Senior Executive Remuneration

Objective

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

Consequences of Company Performance on Shareholder Wealth

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

Item	2026	2025	2024	2023	2022
Total Equity (AUD)	25.62m	2.4m	20.9m	29.1m	22.9m
Basic earnings/(loss) per share (cents)	1.41	(1.41)	(0.81)	(0.27)	(0.19)
Net Profit/(Loss) attributable to members (AUD)	11,296,651	(10,149,002)	(5,792,626)	(1,914,019)	(1,316,222)
Market Capitalisation (AUD)	34.5m	27.3m	35.9m	20.1m	31.0m

Fixed Remuneration

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

Performance Related Benefits/Variable Remuneration

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

Special Exertions and Reimbursements

Pursuant to the Company's Constitution, each:

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

Post-Employment Benefits

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

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

Long-Term Benefits

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

Details of Remuneration Provided to Key Management Personnel

Details of the name and amount of emoluments of each KMP during the current financial year are:

Key Management Person	Performance based	Short-term benefits				Post-employment benefits				Other long-term benefits	Equity based benefits	Total
		Fixed	At risk STI	Option related	Cash payments	Super-annuation	Termination	Other	Options			
2026	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$
Executive Director												
Atmavireswar Sthapak	3%	97%	-	-	390,380	39,072	15,544	-	-	-	32,529	477,525
Peter Lee	20%	80%	-	-	118,946	-	20,000	-	-	16,674	-	168,725
Non-Executive Directors:												
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	50,000
Sanjeev Kumar	-	100%	-	-	24,887	-	-	-	-	2,986	-	27,873
Devaki Khimji	-	100%	-	-	50,000	-	-	-	-	-	-	50,000
Farrokh Masani	-	-	-	-	-	-	-	-	-	-	-	-
John Shingleton	-	100%	-	-	30,000	-	-	-	-	-	-	30,000
Stephen Gethin	-	100%	-	-	6,250	-	-	-	-	-	-	6,250
Company Secretary:												
Dinesh Aggarwal (iv)	-	100%	-	-	52,044	-	-	-	-	-	-	52,044
Chief Executive Officer – AHRL												
Avigyan Bera	17%	83%	-	-	76,290	107,759	37,859	-	-	-	-	221,908
Total	-	-	-	-	798,797	146,831	73,403	-	-	19,660	32,529	1,084,325

Details of the name and amount of emoluments of each KMP during the financial year ended 30 June 2025 are:

Key Management Person	Performance based	Fixed	At risk STI	Option related	Cash payments		Short-term benefits			Post-employment benefits		Other long-term benefits	Equity based benefits	Total
					Salary and fees	Allowances ⁽ⁱ⁾	Cash Bonus	Non-cash ⁽ⁱⁱ⁾	Other ⁽ⁱⁱⁱ⁾	Super-annuation	Termination	Other	Options	
2025	%	%	%	%	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Executive Director														
Atmavireswar Sthapak	-	100%	-	-	379,939	23,746	-	-	4,365	-	-	31,662	-	439,712
Non-Executive Directors:														
Stephen Gethin	-	100%	-	-	75,000	-	-	-	-	-	-	-	-	75,000
Vikas Jain	-	100%	-	-	50,000	-	-	-	-	-	-	-	-	50,000
Sanjeev Kumar	-	100%	-	-	24,887	-	-	-	-	2,862	-	-	-	27,749
Devaki Khimji	-	100%	-	-	27,500	-	-	-	-	-	-	-	-	27,500
Farrokh Masani	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Company Secretary:														
Dinesh Aggarwal	-	100%	-	-	52,049	-	-	-	-	-	-	-	-	52,049
Chief Executive Officer – AHRL														
Avigyan Bera	13%	87%	-	-	105,908	59,456	23,746	-	-	-	-	-	-	189,110
Total	-	-	-	-	715,283	83,202	23,746	-	4,365	2,862	-	31,662	-	861,120

Notes

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

Equity Based Benefits

During the year, the Company issued 3,000,000 performance rights (subject to vesting conditions) to Peter Lee.

Options Lapsed During the Year

No options lapsed or were cancelled during the year.

Equity instruments held by Key Management Personnel

Shares

The numbers of ordinary shares in the Company held during the financial year by each director including their personally related parties, and any nominally held, are set out below.

Name of Director	Balance at 1 July 2025	Participation in placement	Balance at appointment or resignation as director	Balance at 30 June 2026
Peter Lee	-	-	-	-
Atmavireswar Sthapak	3,862,051	-	-	3,862,051
Vikas Jain	37,745,930	25,000,000	-	62,745,930
Sanjeev Kumar	-	-	-	-
Devaki Khimji	99,650,067	60,000,000	-	159,650,067
Farrokh Masani	12,142,581	-	-	12,142,581
John Shingleton	-	-	-	-
Stephen Gethin	1,500,000	-	(1,500,000)	-
Total	154,900,629	85,000,000	(1,500,000)	238,400,629

Options

There were no options held by key management personnel during the year.

Performance Rights

During the year a total of 3,000,000 performance rights were issued to Peter Lee. The performance rights are subject to the following vesting conditions:

- 1,000,000 vest upon Mr Lee remaining employed by the Company and the maximum volume weighted average price (VWAP) of shares across any 30 sequential trading days is three times the Company's VWAP at the date of Mr Lee's appointment as a director of the Company (Appointment Date) on or before 1 March 2027
- 1,000,000 vest upon Mr Lee remaining employed by the Company and the maximum VWAP of shares across any 30 sequential trading days is five times the Company's VWAP at the Appointment Date on or before 1 December 2027
- 1,000,000 vest upon Mr Lee remaining employed by the Company and the maximum VWAP of shares across any 30 sequential trading days is ten times the Company's VWAP at the Appointment Date on or before 1 December 2028

Employment Contracts and Service Agreements

The following service agreements and remuneration arrangements were in place during the year:

(a) Executive Chair – Peter Lee

- The agreement commenced on 23 January 2026
- Annual base salary (inclusive of superannuation) of AUD \$300,000 per annum plus an additional AUD \$10,000 per annum for each directorship held by Mr Lee in any of the Company's subsidiaries
- Either party may terminate the agreement by providing three months' notice
- Long-term incentive: Issue of 3,000,000 performance rights (subject to vesting conditions) as detailed within the remuneration report

(b) Managing Director – Atmavireshwar Sthapak

- The agreement commenced on 22 September 2015
- Annual base salary of AUD \$390,380 per annum
- Housing allowance of up to AUD \$39,072 per annum
- Vehicle allowance – up to AUD \$18,000 per annum, plus reimbursement of the costs of keeping the vehicle fuelled, maintained and registered
- Compulsory statutory "end of service" payments due under Oman Labour Law
- Standard annual leave (20 days) and personal/sick leave (10 days paid) entitlements plus any additional entitlements prescribed under Oman Labour Law
- Either party may terminate the agreement by providing three months' notice

(c) Non-Executive Director – Vikas Jain

- The agreement commenced on 13 April 2016 and is ongoing (subject to the provisions of the Corporations Act 2001)
- Remuneration of \$50,000 per annum payable monthly

(d) Non-Executive Director – Sanjeev Kumar

- The agreement commenced on 23 October 2020 and is ongoing (subject to the provisions of the Corporations Act 2001)
- Remuneration of \$27,873 per annum payable monthly

(e) Non-Executive Director – Devaki Khimji

- The agreement commenced on 2 February 2022 and is ongoing (subject to the provisions of the Corporations Act 2001)
- Remuneration of \$50,000 per annum payable monthly

(f) Chief Executive Officer (AHRL) Avigyan Bera

- The agreement commenced on 18 October 2020 and is ongoing
- Remuneration of \$221,908 per annum including bonuses payable monthly

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 they are 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 2026 General Meeting held on 7 August 2026¹⁷. The ESOP was developed to assist in the recruitment, reward, retention and motivation of employees (excluding Directors) of Alara. Under the ESOP, the Board will nominate personnel to participate and will offer options to subscribe for shares to those personnel. A summary of the terms of ESOP is set out in Annexure A to Alara's Notice of General Meeting and Explanatory Statement for its 2026 General Meeting (GM).

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 2025 Annual General Meeting

At the Company's most recent Annual General Meeting (**AGM**), a resolution to adopt the Remuneration Report for the previous reporting period was put to a shareholders' vote and passed unanimously on a show of hands with the proxies received also indicating 99.74% support for adopting the Remuneration Report. No comments were made on the Remuneration Report at the AGM.

Engagement of Remuneration Consultants

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

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

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

----- End of Remuneration Report -----

¹⁷ ASX announcements dated 8 July 2026 titled "Notice of General Meeting" and 7 August 2026 titled "Results of General Meeting".

Directors' Meetings

The number of director's meetings held during the year and the number of meetings attended by each director were as follows:

Name of Director	Board	
	Meetings Attended	Number eligible to Attend
Peter Lee	5	5
Atmavireswar Sthapak	10	10
Vikas Jain	9	10
Sanjeev Kumar	10	10
Devaki Khimji	1	10
Farrokh Masani (Alternate Director for Devaki Khimji)	9	10
John Shingleton	3	4
Stephen Gethin	1	1

Directors' and Officers' Insurance

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

Directors' Deeds

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

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

Legal Proceedings on Behalf of Consolidated Entity (Derivative Actions)

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

Auditor

Details of the amounts paid or payable to the Company's auditors (In.Corp Audit & Assurance Pty Ltd for the year ended 30 June 2026 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
\$153,330	\$4,380	\$157,710

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 29.

Events Subsequent to Reporting Date

On 3 July 2026, the Company announced that the claimants in the proceedings relating to the Al Wash-hi Majaza Project had lodged an appeal with the Court of Appeal challenging the first instance judgment, which had dismissed all substantive claims against AHRL. A hearing for the appeal is scheduled for November 2026.

On 8 July 2026, the Company announced the launch¹⁸ of a partially underwritten non-renounceable Entitlement Offer of three (3) New Shares for every 20 shares held by Eligible Shareholders at an issue price of \$0.032 per New Share, to raise funds up to approximately \$3.84 million (before costs) (the Rights Issue). On 18 August 2026, results of the Rights Issue were announced¹⁹ confirming that the Company had received valid applications from Eligible Shareholders for a total of approximately 154,694,273 New Shares under the Offers, equivalent to approximately \$4.95M, well beyond the targeted \$3.84M raise. Total shares outstanding at as 30 September 2026 are 923,549,989 owing to the issuance of 120,462,448 shares (the Rights Issue) upon 803,087,541 shares (pre-Rights Issue).

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

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



Peter Lee

Executive Chair

30 September 2026

¹⁸ ASX announcement dated 8 July 2026 titled "Entitlement Offer to Raise Up To \$3.84 Million".

¹⁹ ASX announcement dated 18 August 2026 titled "Results of Entitlement Offer".

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 copper and gold, 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.

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

To the directors of Alara Resources Limited:

As lead auditor of the audit of Alara Resources Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

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

In.Corp Audit & Assurance Pty Ltd



Graham Webb
Director

30 September 2026

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

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
Revenue	3	134,435,351	55,122,260
Other income	3	910,383	193,285
Share of profit of associates	11	613,840	321,403
Foreign exchange losses		(25,020)	(319,191)
Production expenses		(73,295,078)	(26,467,724)
Employee benefit expenses		(9,052,696)	(7,848,433)
Occupancy costs		(219,986)	(100,401)
Finance expenses		(7,436,850)	(7,140,199)
Corporate expenses		(662,851)	(172,845)
Administration expenses		(4,903,649)	(3,423,027)
Depreciation expense		(23,097,250)	(25,395,882)
Doubtful Debts reversal / (provision)		3,628,694	(3,796,374)
PROFIT/(LOSS) BEFORE INCOME TAX		20,894,888	(19,027,128)
Income tax expense	4	(1,229,021)	—
PROFIT/(LOSS) FOR THE YEAR		19,665,867	(19,027,128)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:		-	-
Exchange differences on translation of foreign operations		602,094	817,542
Total other comprehensive income		602,094	817,542
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		20,267,961	(18,209,586)
Profit/(loss) attributable to:			
Owners of Alara Resources Limited		11,296,651	(10,149,002)
Non-controlling interest		8,369,216	(8,878,126)
		19,665,867	(19,027,128)
Total comprehensive income/(loss) for the year attributable to:			
Owners of Alara Resources Limited		11,898,743	(9,331,460)
Non-controlling interest		8,369,217	(8,878,126)
		20,267,961	(18,209,586)
Earnings/(loss) per share:			
Basic earnings/(loss) per share cents	6	1.41	(1.41)
Diluted earnings/(loss) per share cents	6	1.41	(1.41)

The accompanying notes form part of the Consolidated Financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	2026 \$	2025 \$
CURRENT ASSETS			
Cash and cash equivalents	7	27,364,797	12,429,695
Trade and other receivables	8	18,692,614	5,474,978
Other current assets	9	278,154	172,935
Inventories	12	22,105,208	14,239,105
Advance to Subcontractors		1,991,303	2,143,062
Financial assets	10	47,107	49,575
TOTAL CURRENT ASSETS		70,479,183	34,509,350
NON-CURRENT ASSETS			
Financial assets	10	7,831,088	962,040
Investment in Associates	11	1,396,704	676,119
Borrowing costs	13	131	138
Property, plant and equipment	14	23,726,712	30,893,182
Mine properties	14	92,159,993	106,533,165
Development assets	14	–	2,578,190
Exploration and evaluation	15	4,436,508	4,884,895
Deferred tax assets	4	731,615	–
TOTAL NON-CURRENT ASSETS		130,282,751	146,527,729
TOTAL ASSETS		200,761,934	181,037,079
CURRENT LIABILITIES			
Trade and other payables	16	36,501,591	71,908,408
Provisions	17	11,986,721	4,411,887
Income Tax	4	1,215,743	–
Financial liabilities	18	27,728,859	28,096,277
TOTAL CURRENT LIABILITIES		77,432,914	104,416,572
NON CURRENT LIABILITIES			
Provisions	17	891,320	882,848
Deferred tax liabilities	4	693,094	–
Financial liabilities	18	96,124,987	73,342,452
TOTAL NON CURRENT LIABILITIES		97,709,401	74,225,300
TOTAL LIABILITIES		175,142,315	178,641,872
NET ASSETS		25,619,619	2,395,207
EQUITY			
Issued capital	19	71,665,492	68,722,146
Reserves	20	8,088,323	15,878,946
Accumulated losses		(55,532,146)	(75,234,619)
Parent interest		24,221,669	9,366,473
Non-controlling interest		1,397,950	(6,971,266)
TOTAL EQUITY		25,619,619	2,395,207

The accompanying notes form part of the consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

For the Year Ended 30 Jun 2026	Note	Issued Capital	Share based Payments Reserve	Legal Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Non-Controlling Interest	Total
		\$	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2024		68,722,146	–	–	6,467,551	(56,491,767)	1,906,860	20,604,790
Options expired		–	–	–	–	–	–	–
Foreign currency translation reserve		–	–	–	817,542	–	–	817,542
Transaction with Minority Interest		–	–	–	–	–	–	–
(Loss) for the year		–	–	–	–	(10,148,999)	(8,878,126)	(19,027,125)
Total comprehensive income for the year		–	–	–	817,542	(10,148,999)	(8,878,126)	(18,209,583)
Transactions with owners in their capacity as owners:								
Share placement		–	–	–	–	–	–	–
Balance as at 30 June 2025		68,722,146	–	–	7,285,093	(66,640,766)	(6,971,266)	2,395,207
Balance as at 1 July 2025		68,722,146	–	–	7,285,093	(66,640,766)	(6,971,266)	2,395,207
Foreign currency translation reserve		–	–	–	602,094	–	–	602,094
Transactions with minority interests		–	–	–	–	–	–	–
Profit for the year		–	–	–	–	11,296,651	8,369,216	19,665,867
Transfer to Legal Reserve		–	–	188,032	–	(188,032)	–	–
Total comprehensive income for the year		–	–	188,032	602,094	11,108,619	8,369,216	20,267,961
Transactions with owners in their capacity as owners:								
Issue of shares	19	3,400,000	–	–	–	–	–	3,400,000
Share issue costs	19	(456,654)	–	–	–	–	–	(456,654)
Issue of performance rights	20	–	13,105	–	–	–	–	13,105
Balance as at 30 Jun 2026		71,665,492	13,105	188,032	7,887,187	(55,532,147)	1,397,950	25,619,619

The accompanying notes form part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 \$	2025 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		125,969,206	52,223,309
Payments to suppliers and employees (Inclusive of GST and VAT)		(121,227,369)	(37,418,593)
Interest received		829,063	67,659
Interest & other finance costs paid		(7,485,896)	(6,251,547)
NET CASHFLOWS USED IN OPERATING ACTIVITIES	7b	(1,914,996)	8,620,828
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for plant and equipment		(1,101,515)	(77,006)
Payments for development and exploration expenditure		(5,907,315)	(1,959,943)
Proceeds from disposal of plant and equipment		-	16,822
Payments for security deposits		(6,632,266)	-
Payments for other-current assets		(330,912)	(149,428)
Proceeds from disposal of financial assets		-	294,635
NET CASHFLOWS USED IN INVESTING ACTIVITIES		(13,972,008)	(1,874,920)
CASH FLOWS FROM FINANCING ACTIVITIES			
Share issue costs		(477,500)	-
Proceeds from shareholders		3,400,000	622,994
Proceeds from borrowings		82,418,299	6,007,091
Repayment of borrowings		(53,936,815)	(5,369,777)
NET CASHFLOWS PROVIDED BY FINANCING ACTIVITIES		31,403,984	1,260,308
NET INCREASE IN CASH AND CASH EQUIVALENTS HELD		15,516,980	8,006,216
Cash and cash equivalents at beginning of the financial year		12,429,695	4,355,812
Effect of exchange rate changes on cash		(581,878)	67,667
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	7	27,364,797	12,429,695

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. MATERIAL ACCOUNTING POLICY INFORMATION

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

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

1.1. Basis of preparation

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

Compliance with IFRS

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

Reporting Basis and Conventions

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

Going Concern Assumption

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

Whilst the Group has recorded a net profit after tax for the year ended 30 June 2026 of AUD 19,665,867 (2025: Loss AUD (19,027,128)), it has incurred cash outflows from operating and investing activities of AUD 15,887,004 (2025: inflows of AUD 6,745,908). As at 30 June 2026 whilst the Group has cash and cash equivalents of AUD 27,364,797 (2025: AUD 12,429,695) it has a deficiency of net current assets of AUD (6,953,731) as at 30 June 2026 (2025: AUD (69,907,222)).

Related-party creditors of Al Hadeetha Resources LLC (AHRL), including the other shareholders in that company, which have contracts for the provision of various mining and construction services to AHRL, have agreed to defer current liabilities owing to them of AUD 32,076,447. Amounts deferred bear interest at 10% per annum. These creditors agreed to waive interest payable up until 30 June 2026. Informal discussions have taken place with these creditors to waive interest for a further 6 months to 31 December 2026.

The Group entered into an unsecured loan agreement with Al Hadeetha Investments LLC on 16 April 2017 for a maximum of USD 2 million to assist in relation to working capital funding requirements. As at balance date, the Consolidated Entity has drawn down OMR 288,096 (USD 747,020). The balance of USD 1,252,980, it is not practical for AHRL to draw further on this facility at this time. AHRL owes AHI and/or its related parties (together referred to as AHI) amounts which exceed the undrawn balance under this loan facility, as payables for services provided by AHI, payment of which AHI has deferred. On a review of this facility AHR determined that were it to seek to draw further on it, it is reasonable to expect that AHI would require it to apply the amount drawn in paying down the trade payables. Accordingly, the total available amount of this loan is and will be reported as equal to the amount currently drawn down.

AHRL has subordinated the AHI and Alara loans to Sohar International Bank (SIB), hence AHRL is restricted from paying these loans until the SIB loans are fully paid off. The Company's 51% subsidiary Al Hadeetha Resource LLC (AHRL) has a finance facility of OMR 36.98 million (AUD139.04 million) (Facility) from Sohar International Bank (Sohar) for construction of mining and processing infrastructure at AHRL's Wash-hi – Majaza copper-gold project. The Facility is secured over AHRL's mining property, mine development assets and corporate guarantees by stakeholders of AHRL, including an Alara wholly owned subsidiary, Alara Oman Operations Pty. Ltd. The interest rate for the Facility is 6.00% per annum for amounts drawn in OMR, reviewed annually. The Facility has a term of 9 year and 9 months, including a moratorium period of 2 years and 9 months for Term Loan 1 and for Term Loan 2, there is a moratorium period of 1 year 3 months. Both the moratorium periods of Term loans 1 and 2 have now been completed. After the moratorium and agreed deferred period, the principal of the facility is repayable in 25 equal quarterly instalments for Term Loan 1 and 2 and 30 equal quarterly instalments for Term Loan 3 & 4. The Term Loans 3 and 4 are still under moratorium period of 12 months. Interest is payable monthly throughout the term of the loans. There have been no breaches

of the covenants or other provisions of the Facility in the reporting period or subsequently up to the date of this report. SIB is a well-known and respected Bank in Oman. The Group's due diligence in connection with entering the Facility involved reviewing publicly available information regarding SIB and making enquiries of other AHRL shareholders, which are large Omani conglomerates each with extensive knowledge of the Omani banking industry.

The Company raised AUD 3.40 million through a Share Placement in July 2025. Subsequently to the 2025 raise, the Company raised AUD 3.84 million through a Rights Issue in August 2026. Directors considered a cash flow forecast for the 12 months from the date of this report which indicates that the Consolidated Entity will have a shortfall of cash required to meet its commitments of approximately AUD 2.80 million over that period.

To enable the Consolidated Entity to meet future expenditure plans, it is anticipated Alara will be required to raise funds of approximately AUD 6 Million from the issue of equity through a Share Placement in Q2 FY27. To be prudent, these factors indicate some material uncertainty related to going concern.

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

Current Middle East geopolitical tensions have also endured with no measurable impact on production and experienced only minor inconvenience with shipping movements.

1.2. Foreign Currency Translation and Balances

Functional and presentation currency

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

Transaction and balances

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

Consolidated entity

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

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

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

1.3. Joint Arrangements

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

Joint operations

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

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

1.4. Critical Accounting Judgements and Estimates

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

Exploration and evaluation expenditure

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

Impairment of plant and equipment, mine properties and development assets

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

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

1.4.1 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.

1.4.2 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, other than AASB 18. This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and replaces IAS 1 'Presentation of Financial Statements' with many of the original disclosure requirements retained. There will be no impact on the recognition and measurement of items in the financial statements, however the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The Group will adopt this standard from 1 July 2027, and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income from this point.

2. PARENT ENTITY INFORMATION

The following information provided relates to the Company, Alara Resources Limited, as at 30 June 2026.

	2026 \$	2025 \$
Statement of Financial Position		
Current assets	747,220	81,135
Non-current assets	13,754,790	14,469,120
Total assets	14,502,010	14,550,255
Current liabilities	800,933	2,097,926
Non-current liabilities	4,025,919	5,346,952
Total liabilities	4,826,852	7,444,878
Net assets	9,675,158	7,105,377
Issued capital	71,665,492	68,722,146
Option Reserve	13,105	–
Accumulated losses	(62,003,439)	(61,616,769)
Total equity	9,675,158	7,105,377
(Loss) for the year	(386,670)	(2,353,685)
Total comprehensive income for the year	(386,670)	(2,353,685)

3. REVENUE

	2026 \$	2025 \$
Revenue		
Sale of Copper	134,435,351	55,122,260
Interest income	852,255	82,897
Other Income	58,128	110,388
Totals	135,345,734	55,315,545

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 revenue is recognised on a receipts basis.

Sale of Copper

Sale of Copper revenue is recognised when control transfers to the customers i.e. control passes and sales revenue is recognised when the product is delivered to the vessel or vehicle at port of loading for transportation of goods to the customers' destination. Sales of copper concentrate are recorded on a provisional basis in accordance with standard parameters for want of actual specifications and the differential sales value is recorded only on receipt of actual documents. Final prices for copper concentrate are normally determined between 30 and 180 days after delivery to the customer. There are subsequent adjustments made to the initial transaction price for the difference in the LME rate considered during the initial transaction and the quotational price; and for any mismatch in the grade of copper concentrate and other parameters. Revenue from the sale of significant by-products, such as gold and silver, is included in the sales revenue. The revenue recorded represents 90% of the provisional price payable for the consignments under the offtake agreement. The remaining 10% of the final price payable for the shipments is recognised when settled. Copper sales are made under an offtake agreement with Trafigura Pte Ltd. Key terms of the offtake agreement

are: Term - Eight years and two months from the commencement of copper concentrate production at the Project, which occurred in May 2024 (Term); Deliverable quantity – the full copper and gold concentrate production of the Washi-hi Project for the Term; Pricing - based on the official London Metal Exchange cash settlement quotation for Grade A copper at the time of delivery.

4. INCOME TAX EXPENSE

	2026 \$	2025 \$
The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate for the reporting period of 30% (prior period: 25%) and the reported tax expense in profit or loss are as follows:		
1. Tax expense comprises:		
Current tax expense	1,236,939	279,179
Deferred tax expense - temporary differences	996,874	-
Deferred tax expense - utilisation of tax losses	62,422	-
Deferred tax assets - now recognised	(1,058,997)	-
Utilisation of unused tax losses previously unrecognised	-	(279,179)
Blackhole expenditure	(8,217)	-
Tax expense	1,229,021	-
Deferred tax expense (income), recognised directly in other comprehensive income	-	-
Deferred Tax Asset/(Liability) originating through equity	20,929	-
2. Accounting profit/(loss) before tax	20,894,888	(19,027,129)
Income tax expense to accounting profit/(loss):		
Prima facie income tax expense at the Australian tax rate of 30% (prior period: 25%)	6,268,466	(4,756,782)
Non-assessable income	(300,653)	-
Controlled foreign company assessable income	671,057	438,660
Non-deductible expenses	126,354	155,680
Deferred tax asset temporary differences not brought to account	-	289,569
Deferred tax asset losses not brought to account	-	2,449,321
Recoupment of prior-year tax losses not previously brought to account	-	(279,179)
Deferred tax asset temporary differences not previously brought to account, now brought to account	185,651	-
Deferred tax asset losses not previously brought to account, now brought to account	(2,520,135)	-
Blackhole expenditure	(8,216)	-
Tax rate differential	(3,193,503)	1,702,731
Income tax expense	1,229,021	-
3. Unrecognised deferred tax assets, unused tax losses and unused tax credits		
Deferred tax assets - temporary differences	-	268,256
Deferred tax assets - losses	-	621,052
Deferred tax assets - capital losses	491,989	409,991
Deferred tax assets - Oman losses	123,074	3,537,983
Net unrecognised deferred tax assets	615,063	4,837,283
4. Recognised deferred tax balances		
Deferred tax assets - temporary differences	56,948	119,685
Deferred tax assets - losses	674,667	-
Deferred tax liabilities	(693,094)	(119,685)
Net recognised deferred tax asset/(liability)	38,521	-

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

AASB policy notes on income taxes—governed by AASB 112 Income Taxes require entities to account for current and future tax consequences via asset and liability recognition on the statement of financial position. Deferred Tax Assets are recognized based on amounts recoverable in future periods from deductible temporary differences, unused tax losses, or unused tax credits. Deferred Tax Liabilities are recognized based on the amounts payable in future periods originated from taxable temporary differences.

Tax consolidation legislation

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

5. AUDITOR'S REMUNERATION

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

	2026 \$	2025 \$
In.Corp Audit & Assurance Pty Ltd – Auditors of the Consolidated Entity (Audit and review of financial reports)	80,058	47,275
RSM Chartered Accountants – Auditors of Oman-controlled entities (Audit and review of financial reports)	73,272	50,834
RSM Chartered Accountants – Other services	4,380	-
	157,710	98,109

6. EARNINGS/(LOSS) PER SHARE

	2026	2025
Basic profit (loss) per share (cents)	1.41	(1.41)
Diluted profit (loss) per share (cents)	1.41	(1.41)
Profit / (loss) used to calculate earnings/(loss) per share (\$)	11,296,651	(10,149,002)
Weighted average number of ordinary shares during the period used in calculation of basic earnings/(loss) per share	803,087,541	718,087,541
Weighted average number of ordinary shares during the period used in calculation of diluted earnings/(loss) per share	803,087,541	718,087,541

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. At 30 June 2026, the Company had 179,521,885 warrants on issue related to a finance facility with Trafigura, which are only exercisable to convert the outstanding

balance into shares in the event of default. As at 30 June 2026, the Company was not in default and therefore the warrants are not factored into the diluted earnings per share calculation.

7. CASH AND CASH EQUIVALENTS

	2026	2025
	\$	\$
Cash in hand	1,969	1,227
Cash at bank	27,347,828	12,428,468
Term deposits	15,000	-
	27,364,797	12,429,695

The effective interest rate on short-term bank deposits in the reporting period was 3.75% (2025: 3.75%) with an average maturity of 365 days.

(a) Risk exposure

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

(b) Reconciliation of Profit/(Loss) after Tax to Net Cash Flow	2026	2025
From Operations	\$	\$
Profit after income tax	19,665,867	(19,027,128)
Share of (profits) of associates	(613,840)	(321,403)
Foreign exchange movement	(741,950)	(93,620)
Depreciation	23,097,250	25,395,882
(Increase)/Decrease in Assets:		
Trade and other receivables	(14,031,656)	(4,291,258)
Other current assets	(113,308)	(28,809)
Inventories	(8,575,091)	(6,886,488)
Deferred Tax Assets	(731,615)	-
Increase/(Decrease) in Liabilities:		
Trade and other payables	(28,947,760)	6,469,024
Provisions	7,168,270	7,404,628
Income Tax	1,215,743	-
Deferred Tax Liabilities	693,094	-
Net cashflows from/ (used in) operating activities	(1,914,996)	8,620,828

8. TRADE AND OTHER RECEIVABLES

Current	2026	2025
	\$	\$
Amounts receivable from:		
Trade debtors	15,310,164	7,137,172
Less: Provision for doubtful debts	-	(3,753,404)
	15,310,164	3,383,768
Goods and services tax recoverable	16,965	31,330
VAT receivable	3,365,485	2,059,880
	18,692,614	5,474,978

(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

Receivables have been impaired relating to pending shipment settlements based on settled shipments to date. Impaired receivables have been reversed on the basis that maximum of the total invoice value has been recovered on shipments in the current year.

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

	2026	2025
	\$	\$
Prepayments	277,497	172,421
Accrued interest	657	514
	278,154	172,935

10. FINANCIAL ASSETS

	2026	2025
	\$	\$
Current		
Bank deposits	47,107	49,575
Non-Current		
Interest free loan to Alara Resources LLC	435,028	435,028
Loan to Other Entities – Alara Resources LLC	193,508	182,178
Advance to Al Hadeetha Mining LLC	371,725	135,868
Security deposits	6,830,827	208,966
	7,878,195	1,011,615

11. INVESTMENT IN ASSOCIATE

	2026	2025
	\$	\$
Opening Balance	676,119	354,716
Investment in new associate (AHML)	106,745	-
Profit from equity accounted investments	613,840	321,403
Subtotal	1,396,704	676,119

ACCOUNTING POLICY NOTE

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

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

12. INVENTORIES

	2026	2025
	\$	\$
Raw materials, at cost	5,812,462	7,927,899
Finished goods, at cost	8,565,003	895,868
Spare parts, at cost	7,727,743	5,415,338
Subtotal	22,105,208	14,239,105

ACCOUNTING POLICY NOTE

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

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

13. BORROWING COSTS

	2026	2025
	\$	\$
Borrowing costs	1,169	879
Less: Amortisation	(1,038)	(741)
	131	138

14. PROPERTY, PLANT AND EQUIPMENT

	Plant and Equipment	Mine Properties	Development assets	Total
	\$	\$	\$	\$
Year ended 30 June 2025				
Carrying amount at beginning	36,423,933	100,537,641	10,450,327	147,411,901
Transfer from development	6,675,217	15,372,755	(22,047,972)	-
Additions	907,986	-	13,882,118	14,790,104
Disposals	(38,847)	-	-	(38,847)
Depreciation expense	(13,939,089)	(11,456,792)	-	(25,395,882)
Exchange differences	863,984	2,079,559	293,716	3,237,259
Closing amount at reporting date	30,893,182	106,533,165	2,578,190	140,004,536
As at 30 June 2025				
Cost or fair value	49,470,203	120,480,421	2,578,190	172,528,814
Accumulated depreciation	(18,577,021)	(13,947,256)	-	(32,524,278)
Net carrying amount	30,893,182	106,533,165	2,578,190	140,004,536
Year ended 30 June 2026				
Carrying amount at beginning	30,893,182	106,533,165	2,578,190	140,004,536
Transfer from development	5,013,818	1,868,431	(6,882,249)	-
Additions	376,647	719,399	4,663,881	5,759,927
Depreciation expense	(11,222,183)	(11,875,067)	-	(23,097,250)
Exchange differences	(1,334,752)	(5,085,935)	(359,822)	(6,780,508)
Closing amount at reporting date	23,726,712	92,159,993	-	115,886,705
As at 30 June 2026				
Cost or fair value	52,415,907	117,084,383	-	169,500,290
Accumulated depreciation	(28,689,195)	(24,924,390)	-	(53,613,585)
Net carrying amount	23,726,712	92,159,993	-	115,886,705

ACCOUNTING POLICY NOTE

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

Class of Fixed Asset	Depreciation Rate
Office Equipment	10 – 37.5%
Motor Vehicles	33.3%
Plant and Equipment	10 – 33.3%
Mine Properties	10 year life

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

Mine properties and development assets

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

15. EXPLORATION AND EVALUATION

	2026	2025
	\$	\$
Opening balance	4,884,895	4,689,128
Reinstatement of Foreign Reserve balance relating to prior Years	-	29,980
- Additions	20,684	-
- Exchange differences	(469,071)	165,787
Closing balance	4,436,508	4,884,895

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

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

ACCOUNTING POLICY NOTE

Mineral Exploration and Evaluation Expenditure

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

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

Impairment of Non-Financial Assets

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

16. TRADE AND OTHER PAYABLES

	2026	2025
	\$	\$
Current		
Trade payables	36,366,205	71,241,445
Other payables	135,386	666,963
	36,501,591	71,908,408

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

(a) Risk exposure

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

17. PROVISIONS

	2026	2025
	\$	\$
Current		
Employee benefits – annual leave	734,903	617,137
Provision for royalty	11,251,818	3,794,750
	11,986,721	4,411,887
Non-current		
Provision for restoration and rehabilitation	891,320	882,848
	891,320	882,848

ACCOUNTING POLICY NOTE
Amounts not expected to be settled within the next 12 months

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

Provision for royalty

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

Provision for restoration and rehabilitation

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

18. FINANCIAL LIABILITIES

Financial liability	2026	2025
	\$	\$
Non-Current		
Loan – Sohar International Bank		
Opening balance	68,245,462	71,669,942
Add: Additions during the year	43,643,823	3,105,227
Less: Transferred to current	(16,043,394)	(4,610,755)
Add: Interest	5,890,412	4,854,824
Less: Repayments	(5,890,412)	(8,350,265)
Add/ (Less): Foreign exchange differences	(3,398,302)	1,576,489
Closing balance	92,447,589	68,245,462

Financial liability	2026 \$	2025 \$
Loan – Trafigura PTE Ltd		
Opening balance	3,949,146	5,418,886
Add: Interest	375,918	888,302
Less: Repayments	(375,918)	–
Less: Reclassify to current	(1,250,910)	(2,553,673)
Add/ (Less): Foreign exchange differences	(196,417)	195,631
Closing balance	2,501,819	3,949,146
Loan From Associate – Alara Resources LLC		
Opening balance	92,154	92,154
Add: Additions during the year	–	–
Closing balance	92,154	92,154
Loan with unrelated third party		
Opening balance	1,055,690	888,548
Add: Addition during the year	–	71,613
Add: Interest	80,300	78,244
Add/ (Less): Foreign exchange differences	(52,564)	17,285
Closing balance	1,083,425	1,055,690
Vehicle Loan		
Opening balance	–	14,118
Add: Additions during the year	–	–
Less: Deletion during the year	–	(14,392)
Less: Unexpired interest on vehicle loan	–	–
Add/ (Less): Foreign exchange differences	–	274
Closing balance	–	–
Total Financial Liabilities – Non-Current	96,124,987	73,342,452
Current		
Loan – Trafigura PTE Ltd		
Opening balance	2,553,673	–
Add: Reclassify from non-current	1,250,910	2,553,673
Less: Repayments	(2,551,276)	–
Add/ (Less): Foreign exchange differences	(2,397)	–
Closing balance	1,250,910	2,553,673
Advance from shareholders		
Opening balance	622,994	–
Add: Addition during the year	–	622,994
Closing balance	622,994	622,994
Loan – Sohar International Bank		
Opening balance	24,894,243	19,067,338
Add: Transferred from non-current	16,043,394	4,610,755
Add: Additions during the year	38,774,476	2,901,864
Less: Repayments	(52,622,830)	(1,874,337)
Add/ (Less): Foreign exchange differences	(1,239,523)	188,623
Closing balance	25,849,760	24,894,243
Vehicle Loan		

Financial liability	2026	2025
	\$	\$
Opening balance	14,391	15,508
Add: Additions during the year	–	15,027
Less: Repayments	(14,279)	(15,856)
Less: Unexpired interest on vehicle loan	604	(636)
Add/ (Less): Foreign exchange differences	(716)	348
Closing balance	–	14,391
Insurance Premium Funding		
Opening balance	10,976	17,144
Add: Addition during the year	52,850	52,606
Less: Payments	(58,631)	(58,774)
Closing balance	5,195	10,976
Total Financial Liabilities – Current	27,728,859	28,096,277
Total Financial Liabilities	123,853,846	101,438,729

- I. On 16 April 2017, Al Hadeetha Resources LLC (AHRL) (the joint venture company which conducts the Al Hadeetha Copper-Gold Project (Project), in which the Company is a 51% shareholder) entered into an unsecured loan agreement as borrower with Al Hadeetha Investment Services LLC (Lender) (an un-related company, which holds the remaining 30% of the shares in AHR). Under the agreement, AHR may draw down a maximum of USD 2 million (AUD 3,052,480; OMR 771,277) to assist with working capital for the Project (AHI to AHR Loan). The AHI to AHR Loan bears interest at LIBOR plus two percent per annum. The Loan will be in effect for the duration of the Project joint venture agreement, at which time AHR must repay any outstanding balance. AHR must make interim repayments equal to its available net cash profit (if any) at the end of each financial year. During the year AHR has not made any drawdowns under the Loan. The total amount drawn down (being the total amount owing by AHR under the Loan to the end of the year OMR 288,096 (USD 747,020; AUD 1,083,425). In relation to the balance amount of OMR 483,181, (USD 1,252,980; AUD 1,969,055) it is not practical for AHR to draw further on this facility at this time. AHR owes AHI and/or its related parties (together referred to as AHI) amounts which exceed the undrawn balance under this loan facility, as payables for services provided by AHI, payment of which AHI has deferred. On a review of this facility AHR determined that were it to seek to draw further on it, it is reasonable to expect that AHI would require it to apply the amount drawn in paying down the trade payables. Accordingly, the total available amount of this loan is and will be reported as equal to the amount currently drawn down

Although the AHI to AHR Loan is shown as a liability in the consolidated financial statements, loans by entities within the Alara Consolidated Entity to AHR, which is also within that Consolidated Entity (Consolidated Entity AHR Loans) are not shown in the consolidated financial statements. The Consolidated Entity AHR Loans total AUD 22.47 million and are subject to the same loan terms as the AHI to AHR Loan. The Consolidated Entity AHR Loans are repayable on the same basis as the AHI to AHR Loan. Therefore, if AHR makes a loan repayment to AHI, AHR will also be required to make a loan repayment to its lenders within the Alara Consolidated Group on a pro-rata basis. AHRL has subordinated the AHI and Alara loans to SIB Bank, relating to existing terms. Secondly, Al Hadeetha Investment is related company to AHRL.

- II. The Company's 51% subsidiary Al Hadeetha Resource LLC (AHRL) has a finance facility of OMR 36.98 million (AUD139.066 million) (Facility) from Sohar International Bank (Sohar) for construction of mining and processing infrastructure at AHRL's Wash-hi – Majaza copper-gold project. The Facility is secured over AHRL's mining property and mine development assets and by corporate guarantees by stakeholders of AHRL, including an Alara wholly owned subsidiary. The interest rate for the Facility is 6.00% per annum for amounts drawn in OMR, reviewable annually. The Facility has a term of 9 year and 9 months, including a moratorium period of 2 years and 9 months. The bank has agreed to defer three quarters equated instalments. After the moratorium and agreed deferred period, the principal of the Facility is repayable in 25 equal quarterly instalments for Term Loan 1 and 2 and 30 equal quarterly instalments for Term Loan 3 & 4. Interest is payable monthly throughout the term. There have been no breaches of the covenants or other provisions of the Facility in the reporting period or subsequently to the date of this report. Sohar is a well-known and respected Bank in Oman. The Group's due diligence in connection with entering the Facility involved reviewing publicly available information regarding Sohar and making enquiries of other AHRL shareholders, which are large Omani conglomerates each with extensive knowledge of the Omani banking industry.
- III. In July 2023 the Company entered a loan agreement with Trafigura Pte Ltd for finance of USD 3.45 million (AUD 5.0035 million, at a USD:AUD exchange rate of 1.4503 at approximately the time of drawdown) (Trafigura Loan). The interest

rate payable under the Trafigura Loan is SOFR +5.15% per annum. The Trafigura Loan has a maturity date of 30 June 2029 and a moratorium on principal payments until 30 September 2025. 179,521,885 Options have been issued to secure USD 3.45m loan, exercisable on default under the loan at 30 day VWAP minus 10%.

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

19. ISSUED CAPITAL

	2026 No	2025 No	2026 \$	2025 \$
Fully paid ordinary shares	803,087,541	718,087,541	71,665,492	68,722,146
2025		No		\$
Balance as at 1 July 2024		718,087,541		68,722,146
- Share movement during the 2025 financial year		-		-
Balance as at 30 June 2025		718,087,541		68,722,146
2026		No		\$
Balance as at 1 July 2025		718,087,541		68,722,146
- Shares issued		85,000,000		3,400,000
- Share issue costs		-		(456,654)
Balance as at 30 June 2026		803,087,541		71,665,492

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

Capital risk management

The Consolidated Entity's objective in managing capital is to safeguard its ability to continue as a going concern, enabling it to provide returns to shareholders and benefits to other stakeholders while maintaining a capital structure that balances the interests of all shareholders. The Board reviews capital management initiatives periodically and implements measures it deems appropriate and in the best interests of the Consolidated Entity and its shareholders. Financial liabilities as at 30 June 2026 are disclosed in Note 18. The Consolidated Entity's non-cash investments can be realised as necessary to meet accounts payable arising in the normal course of business

20. RESERVES

	2026 \$	2025 \$
Shared based payment reserve	13,105	-
Legal reserve	188,032	-
Foreign currency translation reserve	7,887,186	7,285,094
Total	8,088,323	7,285,094

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.

Legal Reserve

Omani companies must set aside 10% of annual net profits after tax into a legal reserve fund until the reserve reaches one-third (33.33%) of the company's share capital.

Share based payment reserve:

Share-based payment reserve is a separate equity account used to track the cumulative, non-cash expense of compensating employees or suppliers with company stock or stock options.

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

	Grant Date	Vesting Date	Number of rights	Fair Value \$
Performance Rights				
Tranche 1 Performance Rights: nil exercise price, expiring 1 March 2027 – Peter Lee	23 Jan 2026	On 30-day VWAP ≥ \$0.1066	1,000,000	16,800
Tranche 2 Performance Rights: nil exercise price, expiring 1 December 2027 – Peter Lee	23 Jan 2026	On 30-day VWAP ≥ \$0.1776	1,000,000	17,100
Tranche 3 Performance Rights: nil exercise price, expiring 1 December 2028 – Peter Lee	23 Jan 2026	On 30-day VWAP ≥ \$0.3552	1,000,000	16,200
Total			3,000,000	50,100

21. SHARE-BASED PAYMENTS

Performance Rights granted during the year and the inputs used in determining their fair value are set out below:

Grant Date	Description	Vesting criteria	Share price at grant date	Risk free rate	Price volatility	Fair value per right \$
23 Jan 2026	Tranche 1 Performance Rights – 1,000,000 rights granted to the Executive Chair for nil consideration, nil exercise price, expiring 1 March 2027. Valued using Monte Carlo simulation (100,000 iterations), nil dividend yield.	Company's shares achieving a 30-day VWAP of at least \$0.1066 (3 times the 30-day VWAP at 22 January 2026), and continuous service to the Company.	\$0.041	4.059%	95%	\$0.0168
23 Jan 2026	Tranche 2 Performance Rights – 1,000,000 rights granted to the Executive Chair for nil consideration, nil exercise price, expiring 1 December 2027. Valued using Monte Carlo simulation (100,000 iterations), nil dividend yield.	Company's shares achieving a 30-day VWAP of at least \$0.1776 (5 times the 30-day VWAP at 22 January 2026), and continuous service to the Company.	\$0.041	4.059%	95%	\$0.0171
23 Jan 2026	Tranche 3 Performance Rights – 1,000,000 rights granted to the Executive Chair for nil consideration, nil exercise price, expiring 1 December 2028. Valued using Monte Carlo simulation (100,000 iterations), nil dividend yield.	Company's shares achieving a 30-day VWAP of at least \$0.3552 (10 times the 30-day VWAP at 22 January 2026), and continuous service to the Company.	\$0.041	4.126%	95%	\$0.0162

Movement in Performance Rights during the year:

Grant date	Expiry date	Exercise price	Opening balance	Movement during the year				As at 30 June 2026	
				Granted	Exercised	Lapsed	Closing balance	Vested and exercisable	Fair value \$
Employees	Peter Lee								
23 Jan 2026	1 Mar 2027	–	–	1,000,000	–	–	1,000,000	–	16,800
23 Jan 2026	1 Dec 2027	–	–	1,000,000	–	–	1,000,000	–	17,100
23 Jan 2026	1 Dec 2028	–	–	1,000,000	–	–	1,000,000	–	16,200
Total		–	–	3,000,000	–	–	3,000,000	–	50,100
Weighted average exercise price		–	–	–	–	–	–	–	

The share based payments expense for the year is \$13,105.

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 \$
2026				
Total segment revenues	-	134,435,351	-	134,435,351
Total segment loss/(profit)before tax	(379,681)	21,290,020	(15,450)	20,894,889
Total segment assets	3,964,769	196,797,165	-	200,761,934
Total segment liabilities	(4,940,002)	(170,202,313)	-	(175,142,315)

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

(a) Reconciliation of segment information

	2026 \$	2025 \$
(i) Total Segment Assets		
Total Assets as per Statement of Financial Position	200,761,934	181,037,079
(ii) Total Segment Revenues		
Total Revenue as per Statement of Profit or Loss and Other Comprehensive Income	134,435,351	55,315,545
(iii) Total Segment profit/(loss) before tax		
Total Consolidated Entity (loss) before tax	20,894,889	(19,027,128)

ACCOUNTING POLICY NOTE

Operating Segments

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

23. FINANCIAL RISK MANAGEMENT

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

The Consolidated Entity holds the following financial instruments:

	2026 \$	2025 \$
Financial assets		
Cash and cash equivalents	27,364,797	12,429,695
Security Deposits	6,877,934	258,541
Trade and other receivables	18,692,614	5,474,978
Financial assets	1,000,261	753,074
	53,935,606	18,916,288
Financial liabilities at amortised cost		
Trade and other payables	(36,501,590)	(71,908,408)
Financial liabilities	(123,853,846)	(101,438,728)
	(160,355,436)	(173,347,136)
Net Financial Assets	(106,419,830)	(154,430,848)

(a) Market Risk

i. Price risk

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

ii. Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Consolidated Entity's exposure to market risk for changes in interest rates relate primarily to interest bearing instruments and its loan from third parties. The average interest rate applicable to funds held on deposit during the reporting period was 3.75% (2025: 3.75%).

	2026 \$	2025 \$
Cash at bank	27,347,828	12,428,468
Term deposits	15,000	-
Term deposits more than 90 days	-	258,541
Loan with unrelated third parties	-	-
Current financial liabilities	(27,728,859)	(28,096,276)
Non-current financial liabilities	(96,124,987)	(73,342,452)
	(96,491,018)	(88,751,719)

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:

	2026	2025
	\$	\$
Financial Liability		
Change in profit		
Increase by 1%	(1,238,538)	(1,014,387)
Decrease by 1%	1,238,538	1,014,387
Change in equity		
Increase by 1%	(1,238,538)	(1,014,387)
Decrease by 1%	1,238,538	1,014,387
	2026	2025
	\$	\$
Revenue		
Change in profit		
Increase by 3%	4,033,061	1,658,855
Decrease by 3%	(4,033,061)	(1,658,855)
Change in equity		
Increase by 3%	4,033,061	1,658,855
Decrease by 3%	(4,033,061)	(1,658,855)

(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:

	2026	2025
	OMR	OMR
Cash and cash equivalents	5,934,890	2,958,464
Trade and other receivables	11,583,980	6,668,709
Trade and other payables	(10,072,051)	(25,705,987)
Financial liabilities	(29,137,238)	(21,046,898)
	(21,690,419)	(37,125,712)

	2026	2025
	US \$	US \$
Cash and cash equivalents	3,180,136	3,573,724
	3,180,136	3,573,724

The Consolidated Entity's exposure to foreign exchange risk is mitigated by having comparable asset and liability balances in OMR and US dollars. Therefore, a sensitivity analysis has not been performed.

(b) Credit risk

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

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

	2026 \$	2025 \$
Cash and cash equivalents		
AA- / BB-	27,362,828	12,428,468
No external credit rating available	1,969	1,227
	27,364,797	12,429,695
Trade and other receivables (due within 30 days)		
No external credit rating available	18,692,614	5,474,978
	18,692,614	5,474,978

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

(c) Liquidity risk

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

	Less than 12 months	1-5 years	Total
2026	\$	\$	\$
Financial assets			
Cash and cash equivalents	27,364,797	-	27,364,797
Financial assets (term deposits)	47,107	6,830,827	6,877,934
Interest free loan to Alara Resources LLC	-	435,028	435,028
Loan to other entities - interest loan	-	193,508	193,508
Advance to AHML	-	371,725	371,725
Trade and other receivables	18,692,614	-	18,692,614
	46,104,518	7,831,088	53,935,606
Financial liabilities			
Trade and other payables	(36,501,590)	-	(36,501,590)
Borrowings	(27,728,859)	(96,124,987)	(123,853,846)
	(64,230,449)	(96,124,987)	(160,355,436)
Net inflow/(outflow)	(18,125,931)	(88,293,899)	(106,419,830)

	Less than 12 months	1-5 years	Total
	\$	\$	\$
2025			
Financial assets			
Cash and cash equivalents	12,429,695	-	12,429,695
Financial assets (term deposits)	49,575	208,966	258,541
Interest free loan to Alara Resources LLC	-	435,028	435,028
Loan to other entities - interest loan	-	182,178	182,178
Advance to AHML	-	135,868	135,868
Trade and other receivables	5,474,978	-	5,474,978
	17,954,248	962,040	18,916,288
Financial liabilities			
Trade and other payables	(71,908,408)	-	(71,908,408)
Borrowings	(28,096,276)	(73,342,452)	(101,438,728)
	(100,004,684)	(73,342,452)	(173,347,136)
Net inflow/(outflow)	(82,050,436)	(72,380,412)	(154,430,848)

(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 Notes 16 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.

24. COMMITMENTS

	2026	2025
	\$	\$
(a) Lease Commitments		
Non-cancellable operating lease commitments:		
Within 1 year	48,606	1,049
1-5 years	-	-
After 5 years	-	-
Total	48,606	1,049

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

(b) Capital Commitments:	2026	2025
2025	\$	
\$		
Al Hadeetha Resources LLC - < 12 months	955,000	Nil
-		

25. CONTROLLED ENTITIES

Investment in Controlled Entities	Controlled Entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-26	Jun-25
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 Resources 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 SPC	AOO	Administration	Oman	18-Feb-20	100%	100%
Sita Mining Company LLC	ASO	Inactive	Saudi Arabia	13-Jun-10	70%	70%
Khnaiguiyah Mining Company LLC	AKO	Inactive	Saudi Arabia	10-Jan-2011	50%	50%
Alara Saudi Ventures Pty Ltd	AUQ	Administration	Australia	1 March 2022	100%	100%
Daris Resources LLC	AOO	Exploration	Oman	1-Dec-10	50%	50%

26. INVESTMENTS IN ASSOCIATES

Investment in Jointly Controlled Entities	Controlled entity	Principal Activity	Country of Incorporation	Date of Incorporation	Jun-26	Jun-25
Alara Resources LLC	AOO	Mining Services	Oman	2-Oct-10	35%	35%
Al Hadeetha Mining LLC	AOO	Exploration	Oman	18-Sep-24	27.5%	27.5%

27. RELATED PARTY TRANSACTIONS
Controlled and Jointly Controlled Entities

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

Transactions with other related parties

The following transactions occurred with related parties during the year ended 30 June 2026:

Related parties	Relationship	Purchase of goods and services (AUD)	Management fee, rent and salaries (AUD)	Balance outstanding (AUD)
Alara Resources LLC	Associate	31,409,987	18,243	16,135,922
Alara Operations SPC	Subsidiary	663,370	972,446	667,217
Al Naba Infrastructure LLC	Entity controlled by director of subsidiary	31,758	-	405,276
Al Naba Supplies and Catering Services LLC	Entity controlled by director of subsidiary	2,129,733	-	811,639
Al Tasnim Enterprises LLC	Entity controlled by director of subsidiary	8,937,476	-	10,190,226
Al Tasnim Manufacturing LLC	Entity controlled by director of subsidiary	1,168,215	-	2,052,490
Al Naba Services LLC	Entity controlled by director of subsidiary	511,284	-	163,789
Al Naba Shipping LLC	Entity controlled by director of subsidiary	3,918,839	-	1,090,352
Al Naba Group LLC	Entity controlled by director of subsidiary	8,826	-	-
Al Hadeetha Investment Services LLC (Note 1)	Associate	135,382	-	94,015
Al Ariq Equipment LLC	Entity controlled by director of subsidiary	2,332	-	955
Gulf Testing Solutions Enterprise	Entity controlled by director of subsidiary	1,855,127	-	464,566
Khalid Hamed Saif Al Busaidi	Entity controlled by director of subsidiary	-	136,980	-
Al Naba Automobile LLC	Entity controlled by director of subsidiary	66,623	-	-

The following transactions occurred with related parties during the year ended 30 June 2025:

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

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

Director loan agreements

There were no Directors' loans 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:

	2026 \$	2025 \$
Short-term benefits	1,019,031	1,319,972
Long term benefits	32,529	42,470
Post-employment benefits	19,660	2,862
Share based payments	13,105	-
Total remuneration	1,084,325	1,365,305

28. CONTINGENT ASSETS AND LIABILITIES

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

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

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

(c) Guarantee on Sohar Loan – Alara Oman Operations Pty Limited, a wholly owned subsidiary, has provided a guarantee to Sohar International SAOG for the full liability of AHRL (51% owned by Alara) under a loan of OMR 24.8 million (AUD 93.248 million) used to finance the construction of the Al Wash-hi Majaza copper-gold project.

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

29. SUBSEQUENT EVENTS

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

On 3 July 2026, the Company announced that the claimants in the proceedings relating to the Al Wash-hi Majaza Project had lodged an appeal with the Court of Appeal challenging the first instance judgment, which had dismissed all substantive claims against AHRL. A hearing for the appeal is scheduled for November 2026.

On 8 July 2026, the Company announced a partially underwritten non-renounceable Entitlement Offer of three (3) New Shares for every twenty (20) shares held by Eligible Shareholders at an issue price of \$0.032 per New Share to raise up to approximately \$3.84 million (before costs). On 18 August 2026, the Company announced the results of the Entitlement Offer, having received valid applications for approximately 154,694,273 New Shares (approximately \$4.95 million). In closing the rights issue, a total of 120,462,448 new shares were issued, bringing Alara's total shares outstanding to 923,549,989.

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

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

As at 30 June 2026

Basis of Preparation

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

Determination of Tax Residency

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

In assessing tax residency, the Consolidated Entity has applied the following interpretations:

(a) Australian Tax Residency

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

(b) Foreign Tax Residency

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

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

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

DIRECTORS' DECLARATION

In the Directors' opinion:

- *the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;*
- *the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;*
- *the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the financial year ended on that date*
- *there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and*
- *the information disclosed in the attached consolidated entity disclosure statement is true and correct.*

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Peter Lee

Executive Chair

30 September 2026

ALARA RESOURCES LIMITED INDEPENDENT AUDITOR'S REPORT

To the members of Alara Resources Limited

Opinion

We have audited the financial report of Alara Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- a) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of this report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the "Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred cash outflows from operating and investing activities of \$15,887,004 during the year ended 30 June 2026 and as of that date the Group's current liabilities exceeded its current assets by \$6,953,731. As stated in Note 1, these events or conditions along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter - Mine Properties, Plant and Equipment, and Development Assets	How our Audit Addressed the Key Audit Matter
As disclosed in Note 14 to the financial statements, the carrying value of mine properties, plant and equipment and development assets amounted to \$115,886,705 as at 30 June 2026. The recognition and recoverability of these assets was considered a key audit matter due to: - the carrying value represents a significant portion of the Group's total assets; and - the significant management judgement required in assessing whether impairment indicators exist, including assumptions about future copper prices, production volumes, operating costs, and discount rates.	Our procedures in assessing the carrying value of mine properties, plant and equipment, and development assets included, but were not limited to: - Reviewing the group's mining licences; - Assessing the basis of capitalising costs in accordance with AASB 116 <i>Property, Plant and Equipment</i>; - Testing a sample of additions to supporting documentation to ensure they were bona fide payments and were accurately accounted for; - Assessing the updated NPV model provided by management to support the carrying value of mine properties, plant and equipment and development assets; - Assessing the reasonableness of management's assessment for the existence of impairment indicators; and - Reviewing the appropriateness of the related disclosures included in the financial report.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Key Audit Matter - Revenue recognition	How our Audit Addressed the Key Audit Matter
As disclosed in Note 3 to the financial statements, the Group's revenue from the sale of copper concentrate amounted to \$134,435,351 for the year ending 30 June 2026. This was considered to be a key audit matter due to: - the significance of revenue to the Group's results and performance; and - judgement required in estimating final settlement amounts for shipments of copper concentrate not yet finalised	Our procedures in assessing the accounting treatment of the Group's revenue included but were not limited to: - Reviewing the Group's sale contract with its customer to understand the terms of upfront and contingent payments; - Documenting and assessing the processes and controls in place to recognise revenue - Verifying all shipments to associated invoices and receipts, to the extent of completed shipments - Reviewing the accounting policy for revenue recognition and ensuring it was in accordance with <i>AASB 15 Revenue</i>; - Assessing expected credit losses on amounts receivable at balance date; and - Assessing the appropriateness of the disclosures included in the financial report.
Key Audit Matter - Financial Liabilities	How our Audit Addressed the Key Audit Matter
As disclosed in Note 18 to the financial statements, the Group has significant borrowing arrangements. The recognition, measurement, and classification of these arrangements was considered a key audit matter due to: - their importance in financing the Group's current and future exploration activities; - Assessing the group's compliance with financial covenants; and - ensuring accurate classification between current and non-current liabilities.	Our procedures in assessing financial liabilities included, but were not limited to: - Reviewing the terms and conditions of the various financing agreements; - Agreeing material financial liabilities to independent third-party confirmations and other supporting documentation; - Reviewing management's assessment of compliance with financial covenants; and - Assessing the appropriateness of the disclosures included in the financial report.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

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

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2026, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report (other than consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

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

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

ALARA RESOURCES LIMITED

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

Opinion on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2026.

In our opinion the remuneration report of Alara Resources Limited for the year ended 30 June 2026 complies with section 300A of the *Corporations Act 2001*.

Responsibilities for the Remuneration Report

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

In.Corp Audit & Assurance Pty Ltd



Graham Webb
Director

30 September 2026

APPENDIX A – MINERAL RESOURCES AND ORE RESERVES STATEMENT

Al Wash-hi Majaza Copper-Gold Mine – Mineral Resources and Ore Reserves as at 30 June 2026

The Mineral Resources and Ore Reserves for the Al Wash-hi Majaza Copper-Gold Mine as at 30 June 2026 are set out below. They are reported in accordance with the JORC Code (2012 Edition) and ASX Listing Rule 5.21.

Mineral Resources Statement

Table 2 – Al Wash-hi Majaza Mineral Resources as at 30 June 2026 and 30 June 2025 (inclusive of Ore Reserves)

Mineral Resources (inclusive of Ore Reserves)	30 June 2026 (FY26)			30 June 2025 (FY25)		
	Tonnage (Mt)	Cu (%)	Au (g/t)	Tonnage (Mt)	Cu (%)	Au (g/t)
Measured	-	-	-	-	-	-
Indicated	10.26	0.87	0.20	11.15	0.88	0.21
Inferred	2.64	0.78	0.23	2.64	0.78	0.23
Total	12.90	0.85	0.21	13.80	0.86	0.21

Table 3 – Al Wash-hi Majaza Mineral Resources as at 30 June 2026 and 30 June 2025 (exclusive of Ore Reserves)

Mineral Resources (exclusive of Ore Reserves)	30 June 2026 (FY26)			30 June 2025 (FY25)		
	Tonnage (Mt)	Cu (%)	Au (g/t)	Tonnage (Mt)	Cu (%)	Au (g/t)
Measured	-	-	-	-	-	-
Indicated	2.75	0.73	0.16	2.75	0.73	0.16
Inferred	2.64	0.78	0.23	2.64	0.78	0.23
Total	5.39	0.75	0.19	5.39	0.75	0.19

Ore Reserves Statement

Table 4 – Al Wash-hi Majaza Ore Reserves as at 30 June 2026 and 30 June 2025

Ore Reserves	30 June 2026 (FY26)			30 June 2025 (FY25)		
	Tonnage (Mt)	Cu (%)	Au (g/t)	Tonnage (Mt)	Cu (%)	Au (g/t)
Proved	-	-	-	-	-	-
Probable	7.48	0.87	0.20	8.38	0.88	0.21
Total	7.48	0.87	0.20	8.38	0.88	0.21

Notes:

1. Mineral Resources and Ore Reserves are reported on a 100% basis in accordance with the JORC Code (2012 Edition) and ASX Listing Rules 5.21 and 5.22. Alara's attributable interest is 51%.
2. Mineral Resources are reported inclusive and exclusive of Ore Reserves. Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. Ore Reserves include allowances for mining dilution and ore loss.
3. The 30 June 2026 estimates have been depleted for mining to 30 June 2026 using the June end-of-period pit survey. The 30 June 2025 estimates are as reported in the 2025 Annual Report released to ASX on 14 November 2025²⁰.
4. Tonnages are reported in millions of tonnes (Mt) and grades to two decimal places. Figures have been rounded and totals may not add due to rounding.

Basis of Preparation and Comparison with Previous Year

The Mineral Resource and Ore Reserve position presented in this Directors' Report has been derived from the Company's previously reported Mineral Resource and Ore Reserve estimates, as reported in the Company's 2025 Annual Report released to

²⁰ ASX announcement dated 14 November 2025 titled "Annual Report to shareholders", released together with "Release of Revised Annual Report for Financial Year 2025".

ASX on 14 November 2025, adjusted to reflect mining depletion associated with production activities undertaken to 30 June 2026. Minor adjustments have also been made following reconciliation of production data with the geological and resource models to reflect actual material extracted and associated grades.

The Mineral Resources and Ore Reserves as at 30 June 2026 are compared with those as at 30 June 2025 (as reported in the 2025 Annual Report released to ASX on 14 November 2025) in Tables 2 to 4 above. Mineral Resources (inclusive of Ore Reserves) decreased by 0.90Mt, from 13.80Mt at 0.86% Cu and 0.21 g/t Au to 12.90Mt at 0.85% Cu and 0.21 g/t Au, and Ore Reserves decreased by 0.90Mt, from 8.38Mt at 0.88% Cu and 0.21 g/t Au to 7.48Mt at 0.87% Cu and 0.20 g/t Au. Mineral Resources (exclusive of Ore Reserves) are essentially unchanged at 5.39Mt (30 June 2025: 5.40Mt), with the difference due to rounding.

The net reduction is attributable to mining depletion from production during the year, together with minor adjustments arising from reconciliation of production with the resource and grade control models. No Mineral Resources or Ore Reserves were added during the year, and there were no changes to the geological interpretation, cut-off grades, estimation methodology or modifying factors.

Independent Review

As at the date of this Report, an independent review of the Company's Mineral Resource and Ore Reserve estimates is being undertaken by an external Competent Person from SRK. The review is expected to be completed in Q2 FY27. Following completion of the review and receipt of the requisite Competent Person sign-off and consent, the Company intends to release updated Mineral Resource and Ore Reserve statements incorporating all material changes, as applicable, arising from mining depletion, exploration activities, geological information and relevant modifying factors. The updated statements will be released in accordance with the JORC Code and applicable ASX Listing Rules.

Governance Arrangements and Internal Controls

Alara's Mineral Resource and Ore Reserve estimates are prepared and reported in accordance with the JORC Code (2012 Edition) and the ASX Listing Rules. The governance arrangements and internal controls applied include: estimation by, or under the supervision of, appropriately qualified and experienced Competent Persons; internal peer review of geological models, estimation parameters and modifying factors by the AHRL technical team; regular reconciliation of mine production and processing data against the resource and reserve models; quality assurance and quality control procedures for drilling, sampling and assaying, including certified reference materials, blanks and duplicates analysed at an accredited laboratory; and periodic independent external review, currently being undertaken by SRK. The Board reviews the annual Mineral Resources and Ore Reserves Statement prior to its release.

Competent Person Statement

Mineral Resources and Ore Reserves

The information in this Report that relates to Mineral Resources and Ore Reserves is based on, and fairly represents, information and supporting documentation compiled by Manish Tomar, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM). Mr Tomar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Tomar is an employee of Al Hadeetha Resources LLC, the entity operating the Al Wash-hi Majaza Copper-Gold Mine, and which is 51% owned by Alara Resources Limited. Mr Tomar consents to the inclusion in this Report of the matters based on his information in the form and context in which they appear.

Exploration Results

The information in this report that relates to Exploration Results is based on information compiled by Mr Manish Tomar, MSc, MAusIMM (CP) who is a member of The Australasian Institute of Mining and Metallurgy (AusIMM).

Mr Manish Tomar, is a full-time employee of Al Hadeetha Resources LLC, the JV entity of Alara Resources, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, as well as to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012).

Mr Manish Tomar consents to the inclusion in this report of the matters based on his information in the form and context in which they appear. The Exploration Results reported herein relate to geological mapping, surface rock-chip sampling, geochemical analysis and exploration targeting undertaken within the Al Wash-hi Western Prospect, Mullaq Exploration Licence and Block 22B Concession Area, Sultanate of Oman.

Where the report refers to historical exploration data generated by previous operators, the Company has not independently verified all of the original data but has reviewed the information and considers it appropriate for use as contextual information

to support exploration targeting. The Company is not aware of any new information or data that materially affects the information included in this report.

The shareholder information set out below is applicable at 29 September 2026.

Shares

The total number of Shares on issue was 923,549,989, held by 2,043 registered Shareholders. 1,058 shareholders hold less than a marketable parcel, based on the market price of a share as at 29 September 2026. Each Share carries one vote per Share without restriction.

Escrowed Shares

The Company does not have any Escrowed Shares on issue.

Twenty Largest Holders - Shares (ASX:AUQ)

	Registered Holder	Holding	%
1	AL TASNIM INFRASTRUCTURE LLC	183,597,577	19.88%
2	Vikas Jain, Piyush Jain and South West Pinnacle Exploration Limited	116,903,768	12.66%
3	BNP Paribas Nominees Pty Ltd	70,222,971	7.60%
4	Vikas Malu	64,142,050	6.95%
5	MS MENG MENG	41,844,441	4.53%
6	AL HADEETHA INVESTMENT SERVICES LLC	36,225,000	3.92%
7	Citicorp Nominees Pty Ltd	26,542,758	2.87%
8	MR TYRONE JAMES GIESE & MRS ALISHA-BELLA HUGHES <GIESE FAMILY ACCOUNT>	20,654,966	2.24%
9	FERGUSON SUPERANNUATION PTY LTD <FERGUSON SUPERFUND A/C>"	14,950,000	1.62%
10	MR FARROKH JIMMY MASANI	14,553,584	1.58%
11	PROGESYS INTERNATIONAL FZC	14,527,028	1.57%
12	WEENIE'S SACRED SITE PTY LTD <WEENIE FAMILY A/C>	14,200,000	1.54%
13	MR PRADEEP GOYAL	11,500,000	1.25%
14	Anthony Cullen	11,443,477	1.24%
15	AUM FAMILY SUPER PTY LTD <D2M2 AGGARWAL SF A/C>	9,839,083	1.07%
16	PETER KELVIN RODWELL	9,422,858	1.02%
17	THORPE ROAD NOMINEES PTY LTD <IAN TREGONING FAMILY NO2 A/C>	6,999,642	0.76%
18	S C DUNN RETIREMENT INVESTMENT PTY LTD <SC & BN DUNN SUPER FUND A/C>	5,998,551	0.65%
19	MR PAUL PIKE	5,882,275	0.64%
20	WHITECHURCH DEVELOPMENTS PTY LTD	5,750,605	0.62%
TOTAL TOP 20		685,200,634	74.19%
BALANCE OF REGISTER		238,349,355	25.81%
TOTAL		923,549,989	100.00%

Distribution Schedule

Size of holdings	Number of Shares	%	Number of Shareholders
1 - 1,000	249,438	0.03%	801
1,001 - 5,000	528,328	0.06%	223
5,001 - 10,000	1,123,473	0.12%	135
10,001 - 100,000	21,100,876	2.28%	545
100,001 and over	900,547,874	97.51%	339
TOTAL	923,549,989	100.00%	2,043

Substantial Holders

Set out below are all substantial holders who have given notice of a holding of more than 5% of the Company's voting rights:

Substantial Holder	Holding	%
Al Tasnim Infrastructure LLC	183,597,577	19.88%
Vikas Jain, Piyush Jain and South West Pinnacle Exploration Limited	116,903,768	12.66%
Vikas Malu	64,142,050	6.95%

On-market Buy Back

There is no current on-market buy back in progress.