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ASX Announcement
25 October 2024

Rights Issue Update-Underwriting Agreements

On 20 September 2024, Clara Resources Australia Ltd ACN 122 957 322 (ASX: C7A) (**Company** or **C7A**) announced a non-renounceable rights issue to Eligible Shareholders of two (2) New Shares for every three (3) Shares held at an Issue Price of $0.01 per New Share (**Offer**).

C7A is pleased to subsequently announce that Cerberus Advisory, lead manager for the Offer has agreed to partially underwrite acceptances under the Offer up to approximately 28.5m shares ($285,000 at the price of the Rights Issue). Fees payable to Cerberus with respect to this underwriting are unchanged from those already outlined in prior disclosure documents.

As part of this underwriting agreement, Cerberus has entered into the following sub-underwriting agreements in respect of a portion of the shortfall in the company's entitlement issue from current directors of C7A and directors to be appointed as outlined below:

Name of Sub-underwriter	Amount Underwritten
Peter Westerhuis (MD & CEO)	$110,000
Peter and Helen Fitzgerald Associates of Director-Designate Alex Fitzgerald	$175,000

A summary of the termination events is set out in Annexure 1 to this announcement. If the Underwriter terminates the Underwriting Agreement, the Sub- underwriters are released from liability to sub- underwrite.

The Underwriting and sub-underwriting Agreements together represent approximately 17% of the rights issue total of $1.67m.

The Board of the Company has authorised the release of this announcement to the market.

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Annexure 1 – Termination Events

Termination events
The Underwriter, in its sole discretion, may terminate its obligations under this Agreement if:
(**Offer Withdrawn**): the Offer is withdrawn by the Company; or

(**Corrective Disclosure**):

- the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of an occurrence as described in clause ?, forms the view on reasonable grounds that a corrective document should be lodged to comply with the Corporations Act and the Company fails to lodge a corrective document in such form and content and within such time as the Underwriter may reasonably require; or

- the Company lodges a corrective document without the prior written agreement of the Underwriter (which agreement the Underwriter may not unreasonably withhold); or

- (**Misleading Documents**): subject always to clause **Error! Reference source not found.**, it t ranspires that there is a statement in the Offer Document that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Offer Document or if any statement in the Offer Document becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Offer Document is or becomes misleading or deceptive or likely to mislead or deceive;

- (**Restriction on allotment**): the Company is prevented from allotting the Underwritten Shares within the time required by this Agreement, the Corporations Act, any statute, regulation or order of a court of competent jurisdiction by ASIC or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (**ASIC application**): an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Offer, provided that the Underwriting Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn;

- (**Takeovers Panel**): the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel and is not withdrawn or disposed of by the Underwriting Notice Deadline Date, either of which in the Underwriter's reasonable opinion has a Material Adverse Effect;

- (**Indictable offence**): a director or senior manager of the Company is charged with an indictable offence; or

(**Termination Events**): any of the following events occurs:

- (**Default**): default or breach by the Company under this Agreement of any terms, condition, covenant or undertaking and the default or breach is either incapable of remedy or is not remedied within 5 Business Days after the Underwriter notifies the Company of the default or breach or by the Underwriting Notice Deadline Date, whichever is earlier;

- (**Incorrect or untrue representation**): any representation, warranty or undertaking given by the Company in this Agreement is or becomes untrue or incorrect;

- (**Contravention of constitution or Act**): a material contravention by the Company of any provision of its constitution, the Corporations Act or any other applicable legislation or any policy or requirement of ASIC;

- (**Adverse change**): an event occurs (or is reasonably likely to occur) which gives rise to (or is reasonably likely to give rise to) a Material Adverse Effect or any adverse change or any development including a prospective adverse change after the date of this Agreement in the assets, liabilities, financial position, trading results, profits, losses, prospects, business or operations of the Company;

- (**Misleading information**): any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Issue or the affairs of the Company is or becomes misleading or deceptive or likely to mislead or deceive;

- (**Change in Act or policy**): there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;

(**Prescribed Occurrence**): a Prescribed Occurrence occurs;

- (**Suspension of debt payments**): the Company suspends payment of its debts generally;
- (**Event of Insolvency**): an Event of Insolvency occurs in respect of the Company;
- (**Judgment against the Company**): a judgment in an amount exceeding $100,000 is obtained against the Company and is not set aside or satisfied within seven days;
- (**Litigation**): litigation, arbitration, administrative or industrial proceedings are after the date of this Agreement commenced against the Company;
- (**Board and senior management composition**): there is a change in the composition of the Board or a change in the senior management of the Company before the issue of the Underwritten Shares without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);
- (**Change in shareholdings**): a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company;
- (**Timetable**): there is a delay in any specified date in the Timetable which is greater than 3 Business Days, without the prior written consent of the Underwriter (such consent not to be unreasonably delayed or withheld);

- (**Force Majeure**): a Force Majeure Event affecting the Company's business or any obligation under the Agreement lasting in excess of seven days occurs;
- (**Certain resolutions passed**): the Company passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (**Capital Structure**): the Company alters its capital structure in any manner not contemplated by the Offer Document or permitted by this Agreement;
- (**Investigation**): any person is appointed under any legislation in respect of companies to investigate the affairs of the Company; or