



BELARAROX

The below information reflects Belararox Limited's (ACN 649 500 907) (**Company**) intended use of funds and Pro Forma Consolidated Statement of Financial Position based on the actual amount of funds raised under the Prospectus (\$5,066,004).

The references to Sections in the notes to the tables are references to Sections of the Company's Prospectus.

Use of Funds

The Company intends to apply funds raised from the Minimum Offer over the first 2 years following admission of the Company to the Official List as follows:

Funds available	Amount (\$5,066,004 capital raise)	%
Cash on hand ¹	\$563,861	10.02%
Funds from the Offer (before costs)	\$5,066,004	89.98%
Total	\$5,629,865	100%
Exploration Expenditure ²	\$2,100,000	37.30%
Drilling Expenditure ²	\$1,079,000	19.17%
Future Acquisition Costs ³	\$750,000	13.32%
Working capital (including corporate overheads) ^{4,5}	\$989,650	17.58%
Estimated costs of the Offer ⁶	\$711,215	12.63%
Total	\$5,629,865	100%

Notes:

- 1 Balance as at 30 June 2021. Refer to the financial information set out in Section 5 of the Prospectus for further details.
- 2 Please see Section 3.3 of the Prospectus for details on proposed exploration and drilling expenditure.
- 3 Refer to Section 3.3 of the Prospectus for further details. The Company has not identified any potential acquisition opportunities as at the Prospectus Date but has allocated funds to review opportunities if they are presented. To the extent no acquisitions are undertaken, the remaining funds will be allocated to exploration.
- 4 Refer to Section 3.3 of the Prospectus for further details Comprising employee and Director salaries, office, accounting and audit fees, ASX listing fees and other miscellaneous costs associated with operating a listed company.
- 5 To the extent that: (a) the Company's exploration activities warrant further exploration activities or (b) the Company is presented with additional acquisition opportunities, the Company's working capital will fund such further exploration and acquisition costs (including due diligence investigations and expert's fees in relation to such acquisitions). Any amounts not so expended will be applied toward administration costs for subsequent periods.
- 6 Please see Section 9.11 of the Prospectus for further information on costs of the Offer.



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Pro Forma Consolidated Statement of Financial Position

	Notes	Audited 30/06/2021 \$	Subsequent Events \$	Pro Forma Adjustments \$5,066,004 Raise \$	Pro Forma Financial Position \$5,066,004 Raise \$
Assets					
Current assets					
Cash and cash equivalents	5.8(a)	563,861	-	4,354,789	4,918,650
GST receivable		7,474	-	-	7,474
Prepayments		15,000	-	-	15,000
Total current assets		586,335	-	4,354,789	4,941,124
Non-current assets					
Exploration and evaluation expenditure		112,500	-	-	112,500
Total non-current assets		112,500	-	-	112,500
Total assets		698,835	-	4,354,789	5,053,624
Liabilities					
Current liabilities					
Trade and other payables		102,185	-	-	102,185
Total current liabilities		102,185	-	-	102,185
Net assets		596,650	-	4,354,789	4,951,439
Equity					
Issued capital		715,000	-	4,490,312	5,205,312
Share-based payment reserve		2,257	38,818	618,823	659,898
Accumulated losses		(120,607)	(38,818)	(754,346)	(913,771)
Total equity		596,650	-	4,354,789	4,951,439

The Pro Forma Statement of Financial Position has been derived from the audited historical statement of financial position as at 30 June 2021, after reflecting the below:

Pro Forma Transactions:

- (a) The variation in the terms of the existing 4,000,000 Performance Rights on issue which included the revision of the exercise price of Series A and Series B Performance Rights to \$0.35 and \$0.45 respectively. This change has been reflected in the valuation of the Performance Rights



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as at 30 June 2021. Please refer to Section 5.8(c) of the Prospectus for further detail of the key inputs used in the valuation of these Performance Rights;

- (b) the issue of 25,330,020 fully paid ordinary shares in the Company at \$0.20 each, to raise \$5,066,004 before costs;
- (c) the vesting of the residual expense associated with the 4,000,000 performance rights already on issue (\$618,823) (refer to Note 5.8(c) of the Prospectus for further details);and
- (d) the payment of cash costs related to the Minimum Offer is estimated to be \$711,215. Those costs which directly related to the issue of new shares have been offset against contributed equity, while the remaining costs have been expensed to the profit and loss account as detailed as follows:

\$5,066,004 Raise	
Offset against contributed equity	575,692
Expensed to profit and loss	135,523
Total	711,215

Subsequent Events:

- (e) the issue of a further 250,000 performance rights to Mr Stephen Lowe, Non-Executive Director on 1 July 2021 which are exercisable at nil cost and expire 36 and 48 months after the IPO. The allocation of Performance Rights to the director is as follows (refer to Note 5.8(c) of the Prospectus for details of the key inputs).

	Number of PR's Issued	Fair value per PR	PR Value
Steve Lowe - Series A	125,000	0.16854	21,068
Steve Lowe - Series B	125,000	0.14200	17,750
Total	250,000		38,818

Signed for and on behalf of the Company

Neil Warburton
Non-Executive Chairman
Belarox Limited