



# ASX ANNOUNCEMENT

2 November 2023

## Belararox Secures Rights to Acquire Project in the Zambian Copperbelt

### KEY HIGHLIGHTS

- Belararox has signed a non-binding terms sheet with Chemopharm Limited to acquire the Solwezi East and Chantente exploration licences located in the Zambian Copperbelt.
- The Solwezi East and Chantente exploration licences are located in the north of Zambia near the border shared with the Democratic Republic of the Congo.
- Five (5) key copper mines surround the tenures and are located within ~175km of the tenures: Sentinel (First Quantum), Lumwana (Barrick Gold Corp.), Kansanshi (First Quantum), Kipushi (Ivanhoe Mines), and Konkola (Vendanta Resources) copper mines.
- BRX has proposed to purchase from Chemopharm Limited, a company registered in Zambia, a 100% interest in two tenements (exploration licences) namely 19806-HQ-LEL (Solwezi East) and 19712-HQ-LEL (Chantente).
- As part of Belararox's ongoing technical due diligence, desktop studies and project planning are underway to validate the information from previous reports and to review copper targets.
- The proposed strategic acquisition will complement Belararox's existing portfolio consisting of the TMT copper project in Argentina and its Australian zinc-copper projects providing a strong value proposition for shareholders.

Belararox Ltd (ASX:BRX) (Belararox or the Company), an advanced mineral explorer focused on high-value clean energy metals, is pleased to announce the Company has secured the potential acquisition of a 100% interest in two (2) exploration licence tenements, Solwezi East and Chantente, in Zambia from Chemopharm Limited. The tenements consist of over 17,800 hectares in the Central African Copper Belt ("CACB"), within a region close to the northern Zambian border, with exploration and mining service providers that are dedicated to servicing the copper mines and exploration projects in the region. The location of the tenures relative to Zambia's capital city Lusaka is displayed in **Figure 1 on page 3**.

Neither Chemopharm nor any of its associates are related parties of, or material investors in, the Company.

The Central African Copperbelt constitutes a metallogenic province that hosts numerous world-class copper-cobalt deposits both in the Democratic Republic of the Congo ("DRC") and Zambia (refer to **Figure 3 on page 5**).

**Exploration Director - Argentina, Jason Ward, commented:** "This acquisition of the Solwezi East and Chantente projects present a unique opportunity to explore the Zambian Copperbelt and further diversify Belararox's portfolio of copper and base metals projects in world class metallogenic regions."

**Belararox's Managing Director, Arvind Misra, commented:** "Belararox's significant move involves a non-binding term sheet with Chemopharm to acquire Solwezi East and Chantente exploration licences in the Zambian Copperbelt, near the Congolese border. Our tenures lie within 175km of five major copper mines: Sentinel, Lumwana, Kansanshi, Kipushi, and Konkola. This enhances our copper project portfolio, demonstrating our commitment to increasing shareholder value. As part of the due diligence process, we're actively pursuing desktop studies and project planning to validate data, confirm copper results, and identify promising targets."



## PROPOSED ACQUISITION TERMS

The acquisition of the tenements ("Acquisition") is subject to the execution of a definitive legally binding agreement between the parties and other customary conditions precedent including:

- (a) the Company securing all shareholder and regulatory approvals both in Australia and Zambia required to complete the Acquisition including shareholder approval for the issue of the consideration securities referred to below;
- (b) completion of technical and legal due diligence by the Company in relation to the tenements satisfactory to the Company in its absolute discretion; and
- (c) the tenements being in good standing and full force and effect and free from any encumbrances or any liability to forfeiture or non-renewal under the relevant Zambian legislation and revelatory framework.

In consideration of the Acquisition, on completion, the Company will:

- (d) pay to Chemopharm \$100,000 in cash;
- (e) issue to Chemopharm or its nominee:
  - (i) 750,000 fully paid ordinary shares in the capital of the Company (subject to a 12-month period of voluntary escrow from the date of issue of the shares);
  - (ii) 1,000,000 unlisted options in the Company with an exercise price of \$0.95 and expiring on 1 June 2024 (subject to cancellation if the term of both tenements are not extended or renewed for at least a period of two years or mining leases are not granted in respect of both tenements);
  - (iii) 2,000,000 listed options in the Company (ASX: BRXOA) with an exercise price of \$0.66 and expiring on 13 July 2026 (1,000,000 of which will be subject to voluntary escrow until the term of both tenements are extended or renewed for at least a period of two years or mining leases are granted in respect of both tenements);
  - (iv) the following performance rights (convertible into quoted shares in the Company, expiring on 1 November 2027):
    - (A) 500,000 performance rights with the following vesting milestone: the extension or renewal of both tenements for at least a period of two years or the grant of mining leases in respect of both tenements;
    - (B) 1,000,000 performance rights with the following vesting milestone: on the acquisition of a further mining tenement by the Company in Zambia on terms satisfactory to the Company in all respects;
    - (C) 2,000,000 performance rights with the following vesting milestone: three drilling intersection of at least 30 metres at 0.5% copper metal or a polymetallic equivalent on a tenement;
    - (D) 1,000,000 performance rights with the following vesting milestone: upon a JORC compliant inferred resource being delineated on a tenement of greater than 250,000 t of contained copper metal or a polymetallic equivalent; and
    - (E) 2,000,000 performance rights with the following vesting milestone: upon a JORC compliant inferred resource being delineated on a tenement of greater than 500,000 t of contained copper metal or a polymetallic equivalent.

The Company proposes to seek shareholder approval for the issue of the above securities to Chemopharm for the purposes of Listing Rule 7.1. Subject to the execution of a definitive legally binding agreement between the parties, the Company anticipates that an extraordinary general meeting of the Company will be convened in January 2024 seeking shareholder approval for the issue of these securities.

On completion of the Acquisition, Chemopharm will hold a 7.49% interest in the Company on a fully diluted basis (assuming the issue of no further securities by the Company prior to completion of the Acquisition).



For BELARAROX LIMITED

## LOCATION

The tenements are located in the north of Zambia in the CABC which constitutes a metallogenic province that hosts numerous world-class copper-cobalt deposits both in the DRC and Zambia (refer to **Figure 1**). There are a host of mines with mineral resources that surround the tenements, and these are displayed in **Figure 2** on page 4.



**Figure 1:** Location of the Solwezi East and Chantente exploration licences relative to Zambia's Capital Lusaka



## FIVE (5) KEY COPPER MINES SURROUND THE TENEMENTS

There are five (5) key copper mines located within ~175 km of the Solwezi East and Chantente exploration licences:

- Sentinel mine – First Quantum Minerals Ltd (TSX:FM) – Total Mineral Resource 823.8Mt @ 0.44% Cu (First Quantum Minerals Ltd, 2023.a);
- Lumwana mine – Barrick Gold Corporation (NYSE:GOLD, TSX:ABX) – Total Mineral Resource 1,920 Mt @ 0.52% Cu (Barrick Gold Corporation, 2023);
- Kansanshi mine – First Quantum Minerals Ltd (TSX:FM) – Total Mineral Resource 1,011.5 Mt @ 0.65% Cu (First Quantum Minerals Ltd, 2023.b);
- Kipushi mine – Ivanhoe Mines Ltd (TSX:IVN, OTCQX:IVPAF) - Total Mineral Resource 12.92 Mt @ 0.84% Cu within the 7% Zn cut-off grade and 2.73 Mt @ 4.01% Cu within the 1.5% Cu cut-off grade within the same deposit (Peters, Robertson, Witley, Joughin, & Edwards, 2022); and
- Konkola mine – Vedanta Resources Limited – Total Mineral Resources 368.8Mt @ 3.17% Cu (Vedanta Resources Limited, 2019).

Note: Mineral Resources may be reported exclusive or inclusive of Mineral Reserves, dependent on the Company Policy that reported the results. For each deposit's respective cut-off grade refer to the original source document for the respective Total Mineral Resource. The copper grades have been presented here for a complete and full disclosure of the Mineral Resource, refer to the original source document for the respective Total Mineral Resource.

The locations of the five (5) key copper mines in the region are displayed relative to the tenements in **Figure 2**.

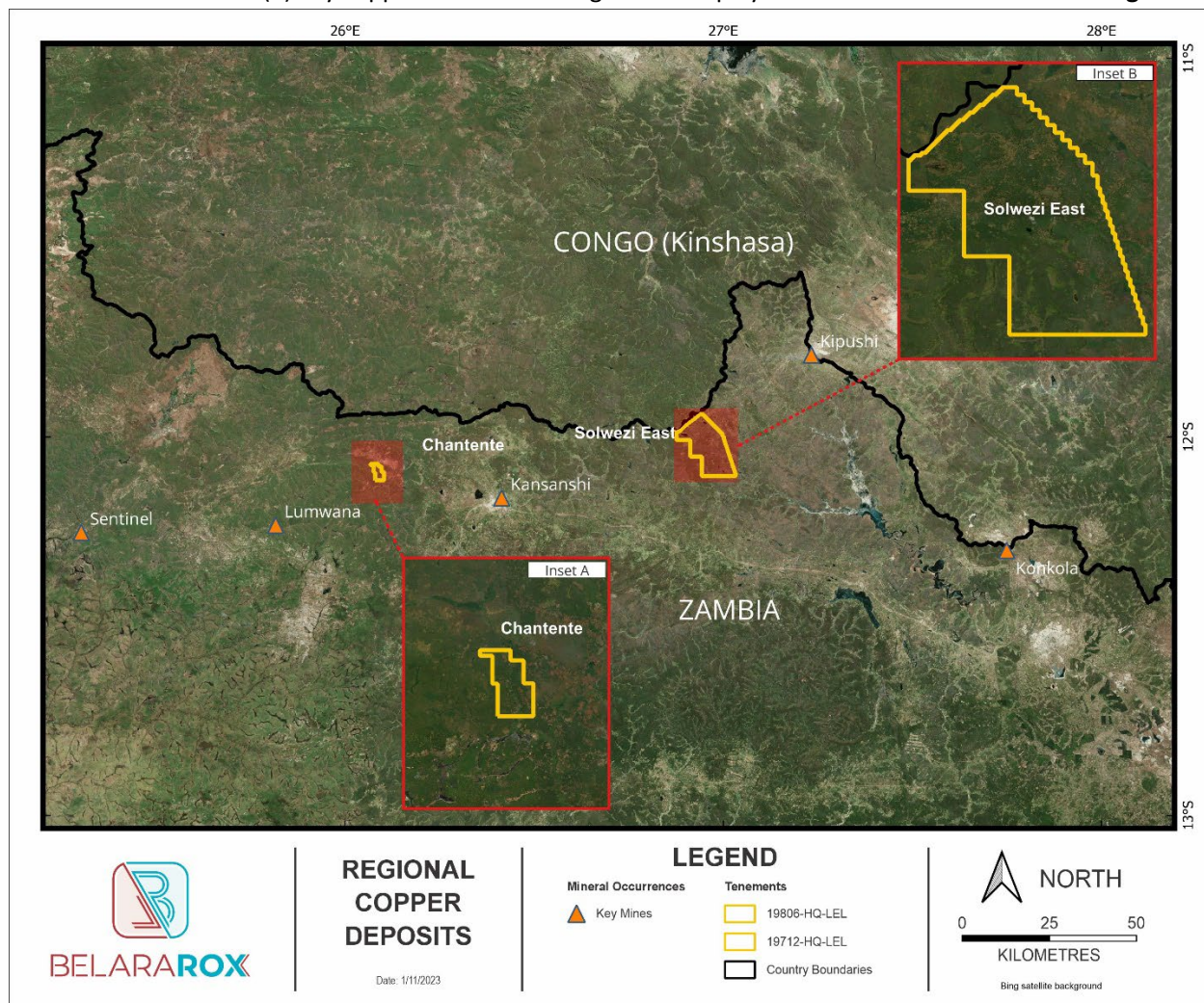


Figure 2: The five (5) key copper mines located within ~175 km of the Solwezi East and Chantente exploration licences [Data sourced and modified from (USGS, 2023)]

The geology of the area includes the Lufilian Arc which has been subdivided into 4 main structural domains where the DRC deposits are all in the External Fold and Thrust Belt while all major deposits in Zambia are in the Domes region where the deposits are spatially associated with the older basement rocks (refer to **Figure 2**). The tenements are in the Domes region 27 km northeast of the Solwezi dome within 15 km of the Kansanshi mine (refer to **Figure 3**).

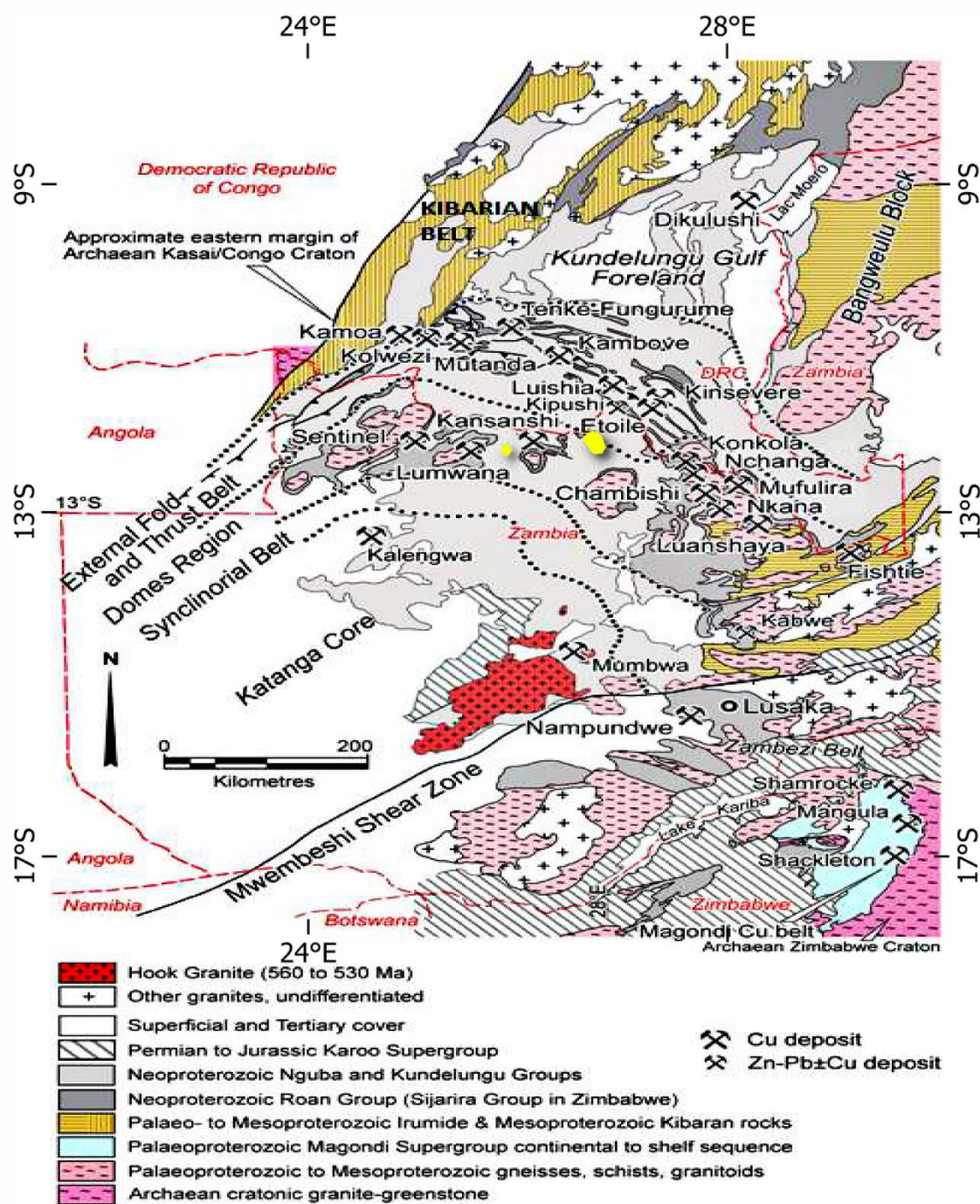


Figure 3: Geological map of Katanga, location of the Copperbelt with the tenements located in yellow on the map [Modified from (Umpungu & Kalau, 2018)]

Potential copper mineralisation within the tenements is expected to consist of one (1) or more of the following types:

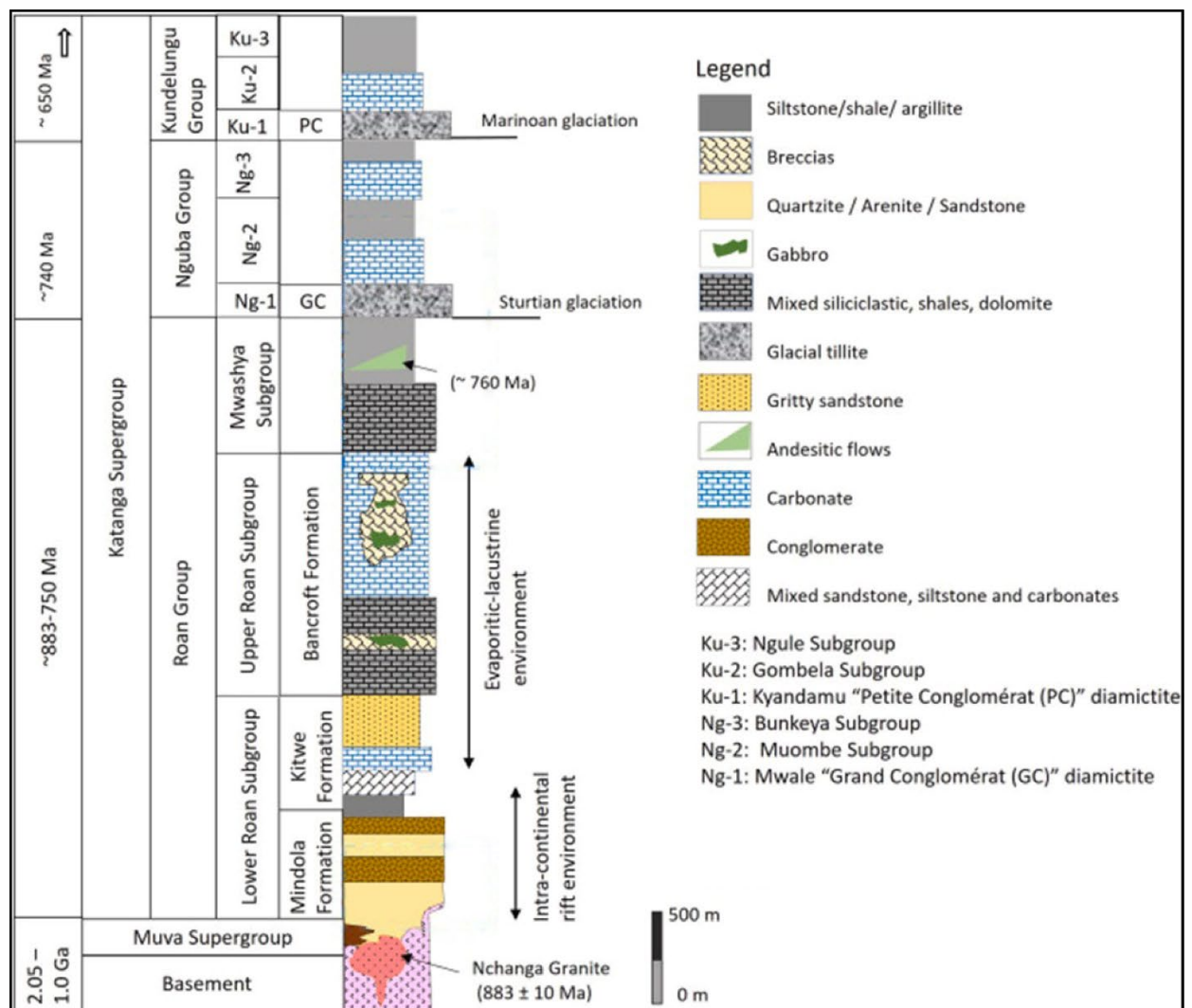
- 1) Vein-hosted copper-sulphide mineralisation, that is associated with albite halos with disseminated sulphides;
- 2) Stratabound bedding parallel disseminated sulphide mineralisation in graphitic units that are typically stronger near the larger veins; and
- 3) Breccia-hosted sulphide mineralisation, the breccias are typically generated by brittle structural deformation.

One (1) or more of the above styles of mineralisation occur at the following mines with deposits Sentinel mine (Gray D. L., 2020), Lumwana mine (Londono & Sanfurgo, 2014), Kansanshi mine (Gray, Lawlor, & Briggs, 2020), and Kipushi mine. The mineralisation from the various source documents for the five (5) key copper mines is summarised in **Table 1**.

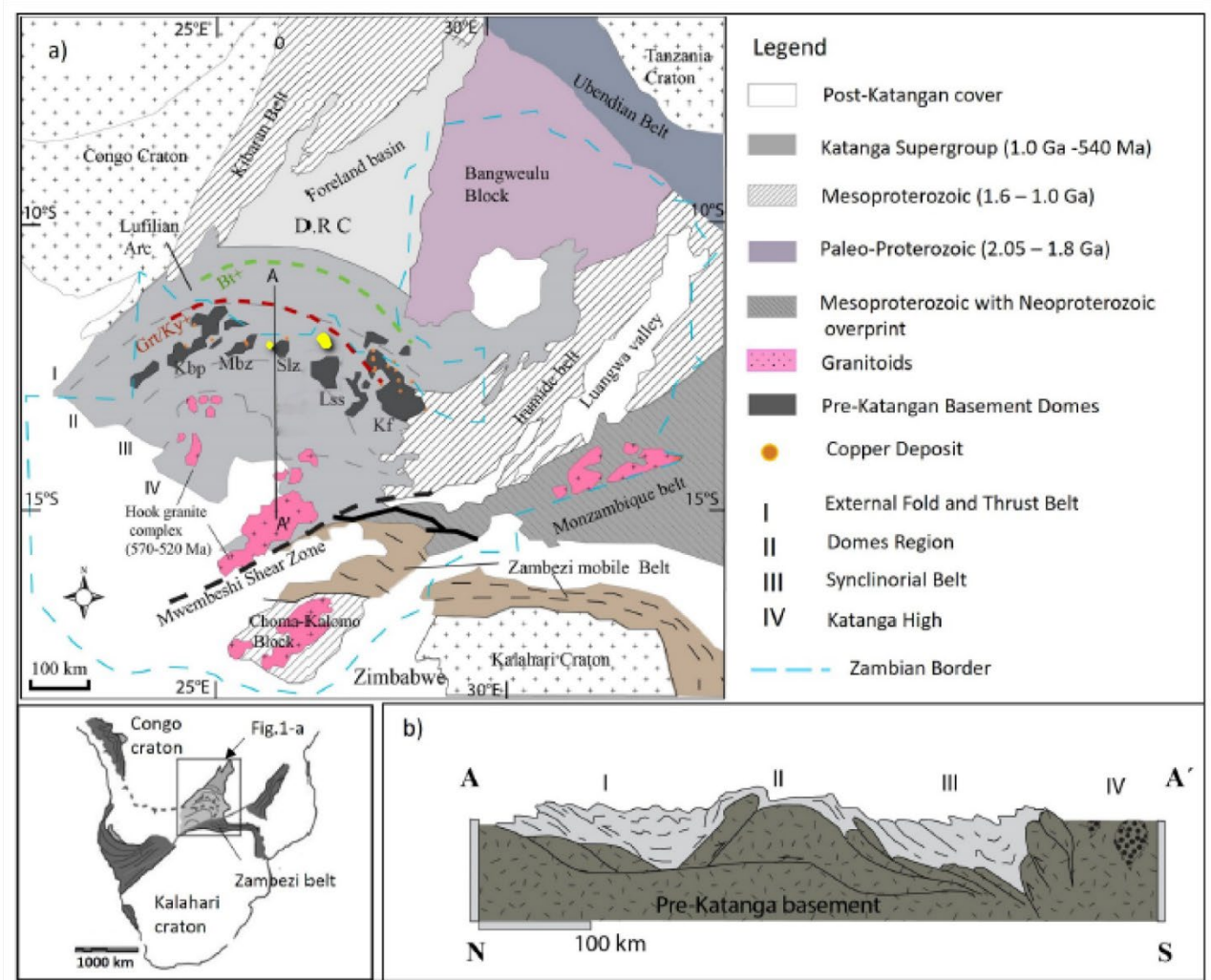
Table 1: A summary of the sulphide mineralisation styles for the four (4) key copper mines

Mine with Deposit	Sulphide Mineralisation style(s):
<b>Sentinel mine</b>	Roan Group: Lower Roan Subgroup Gabbro & Mwashya Subgroup – phyllite bedding/foliation parallel veinlets, with folding influencing blebs & thicker veinlets. Less common late cross-cutting veinlets.
<b>Lumwana Mine</b>	Mineralised Ore Schists with structurally controlled shear zones
<b>Kansanshi Mine</b>	Veins hosted in Nguba Group metasediments (stratabound), & breccia
<b>Kipushi Mine</b>	Breccia mineralisation through Nguba Group sediments, & minor stratabound mineralisation

The Katanga Supergroup contains the Nguba Group and the Roan Group. The rock units associated with these groups contain the mineralisation described in **Table 1**, with the stratigraphic column displayed in **Figure 4**. The extent of the Katanga Supergroup is displayed in **Figure 5 on page 7** with the tenement locations displayed in yellow. The tenements contain the target stratigraphic units and are proximal to mines that are operating and/or have current mineral resources (refer to **Figure 2 on page 4**).



**Figure 4:** Simplified stratigraphic column of the Dome's region with age constraints. Ng1-Ng and Ku1-Ku1 represent subgroup nomenclatures of the Nguba and Kundelungu Groups in DRC. The stratigraphy is based on drill hole intercepts [Modified from (Sakuwaha, Takeshita, & Ahmed, 2021)]



**Figure 5:** The tenements are displayed in yellow on a geological map with the simplified geology and structural features of the Lufilian Arc and surrounding areas (locality shown in the inset diagram). [a] Regional geological map of Zambia, with literature age constraints. The green and orange dotted lines represent metamorphic isograds. [b] Cross section cross line A-A' [Modified from (Sakuwaha, Takeshita, & Ahmed, 2021)]

The tenements are in the right location and have the potential to intersect economic copper mineralisation in the Zambia Copperbelt portion of the CACB.

## NEXT STEPS

The Company is working towards completing its technical and legal due diligence in relation to the tenements and negotiating the terms of a definitive legally binding agreement with Chemopharm.

The Company will keep shareholders informed of developments.

***This announcement has been authorised for release by the Board of Belararox.***

### SHAREHOLDER ENQUIRIES

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## ABOUT BELARAROX LIMITED (ASX: BRX)

Belararox is a mineral explorer focused on securing and developing resources to meet the surge in demand from the technology, battery, and renewable energy markets. Our projects currently include the potential for zinc, copper, gold, silver, nickel, and lead resources.

## PROJECTS

Situated within Argentina's San Juan Province, the **Toro, Malambo, and Tambo ("TMT") Project** occupies an unexplored area between the prolifically-mineralized El Indo and Maricunga Metallogenic Belts. Belararox has already successfully identified numerous promising targets within the TMT project. These targets are set to undergo thorough exploration as part of an extensive program led by an experienced Belararox team that is currently present on-site in Argentina (refer to BRX ASX Announcement 30<sup>th</sup> October 2023).

Belararox has a 100% interest in the 643 sq.km **Belara Project** located in the Lachlan Fold Belt of New South Wales, where a maiden Inferred Mineral Resource of **5.0Mt at a 3.41% ZnEq.**, including: 1.82% Zn, 0.33% Cu, 0.63% Pb, 17.5 g/t Ag, and 0.21 g/t Au is reported for 2022 (refer to BRX ASX Announcement 3<sup>rd</sup> November 2022). The Project includes the historic Belara and Native Bee mines that have been drilled to a depth of around 400 vertical metres and have massive sulphide mineralisation showing excellent continuity and containing significant intersections of zinc, copper, silver, lead, and gold. Mineralisation is open along strike and at depth for both Belara and Native Bee with good potential for additional mineral resources to be identified in the next phase of exploration.

Belararox also has a 100% interest in the 49 sq.km **Bullabulling Project** located in the proven gold producing Bullabulling goldfield near Coolgardie, Western Australia. The Bullabulling Project surrounds the 3Moz Bullabulling Gold Project and is along the strike of the Nepean Nickel Mine with 3D geology and prospectively mapping already completed and drill targets generated.

## FORWARD LOOKING STATEMENTS

This report contains forward looking statements concerning the projects owned by Belararox Limited. Statements concerning mining reserves and resources and exploration interpretations may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions. Forward-looking statements are not statements of historical fact and actual events, and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward looking statements are based on management's beliefs, opinions and estimates as of the dates the forward - looking statements are made and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.



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