



BELARAROX

Exploration Targeting Renewables & Battery Minerals



REPORT

CONDENSED FINANCIAL REPORT FOR THE HALF-YEAR ENDED

31 December 2023

BELARAROX LIMITED

ABN 41 649 500 907

www.belararox.com.au

ASX | BRX



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CORPORATE DIRECTORY

Directors

Neil Warburton: Non-Executive Chairman

Arvind Misra: Managing Director

Jason Ward: Non-Executive Director,
Exploration Director

John Traicos: Non-Executive Director

Registered Office

Level 11, 12-14 The Esplanade
Perth WA 6000

Telephone: (+61) 417 934 998

Email: info@belararox.com.au

Website: www.belararox.com.au

Company Secretary

Ben Donovan, commenced 15 December 2023

Stock Exchange Listing

Australian Securities Exchange (ASX)

ASX Code: BRX

Solicitors to the Company

Allion Partners Pty Limited

Level 9, 863 Hay Street
Perth WA 6000

Auditor

BDO Audit (WA) Pty Ltd

Level 9 Mia Yellagonga Tower 2
5 Spring Street, Perth WA 6000

Share Registry

Computershare Investor Services Pty Limited

Telephone: 1300 850 505 (within Australia)
+61 3 9415 4000 (outside Australia)



DIRECTORS' REPORT

The following persons were directors of Belararox Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Name	Status	Appointed	Resigned
Neil Warburton	Non-Executive Chairman	21 Jun 2021	
Arvind Misra	Managing Director	8 Jun 2021	
John Traicos	Non-Executive Director	1 Jun 2022	
Simon Robertson	Non-Executive Director	1 Jun 2022	15 Dec 2023
Jason Ward	Non-Executive Director, Exploration Director	1 Jun 2023	

Principal activities

During the financial half-year the principal continuing activities of the Company consisted of exploration and evaluation of:

- The Toro-Malambo-Tambo (“TMT”) project - an extensive 32,000 hectares project with potential for large scale base metal mineralisation and untested porphyry copper/ gold targets. TMT Project is located in an underexplored gap between two world-class metallogenic belts, the El Indio and Maricunga belts in the Central Andes. These world-class metallogenic belts are rich in precious and base metals including high-profile advanced copper-gold porphyry projects.
- The Belara project – a 643 square kilometre tenement package located in central NSW. The Belara project is a highly prospective near-term base-metal production opportunity, with potential for zinc, copper, silver lead, and gold in close proximity to well-developed infrastructure;
- The Bullabulling project – an early-stage gold exploration tenement package comprising of 26 granted prospecting licences located 30km west of Coolgardie in the Eastern Goldfields of WA, in close proximity to the Bullabulling gold mine.

Review of operations

The loss from continuing operations for the financial half year after providing for tax amounted to \$1,935,966 (December 2022 loss: \$1,165,307).

Toro-Malambo-Tambo (“TMT”) Exploration

Prior to the commencement of field operations, the historical exploration results were verified and reported under the JORC (2012) Code for the Toro target. Drill hole intercepts included 266m @ 0.76% Zn, 14.6ppm Ag, 0.04% Cu, & 0.09% Pb from 56m including 2m @ 8.59% Zn, 112.0ppm Ag, 0.63ppm Au, 0.25% Cu, & 0.63%Pb (drill hole ARRLSDD0001). Toro target Historical rock chip samples ranged up to 13.30% Zn, 1,980ppm Ag, 2.56ppm Au, 1.90% Cu, & 12.1% Pb.

Field work completed within the period included the repair of approximately 50km of the access track to the TMT project’s Toro Base Camp, this included upgrades of some sections for heavy vehicle use. The Toro Base Camp was mobilised.

Within the period, numerous Environmental Impact Assessments (“EIA’s”) were approved, the key approvals of note were the (i) Tambo Sur I-II-III and Tambo Sur V EIA’s that contain the Tambo South and Tambo V Targets and the (ii) Toro EIA that contained the Toro North, Toro Central, and Toro South targets.



Exploration Director Jason Ward moved to Argentina to oversee the TMT Project Exploration Operations.

In October, a further six (6) of the twelve (12) targets identified by Consulting Geologist Dr. Steve Garwin from the interpretation of Satellite hyperspectral datasets (Aster and Sentinel2) had further interpretation work completed for the surface expression of high-sulphidation epithermal and/or porphyry-style mineral systems.

Managing Director Arvind Misra visited the San Juan Office in Argentina, the Toro Camp, and the Toro targets in October. Additionally, the Managing Director, the Exploration Director, and Exploration Manager Arturo Guardiola, met with a range of Government and Trade Officials based in Argentina.

From October Anaconda-style geological mapping and surface sampling had been undertaken at the Toro North, Toro Central, and Toro South targets. Consulting Geologist Dr. Steve Garwin completed a field visit during November. Compilation and interpretation of geological mapping, alteration, and mineralisation characteristics continued as fieldwork progressed during the period.

Bullabulling Exploration

During the period, a rock chip and soil sampling grid campaign was completed in July and August. The assay results from soil sampling and rock chip were released in October with the soil sampling highlights for Li being an interpreted structural corridor of pegmatites >3km in length, coherent clusters of Li soil anomalies (>80ppm Li), and Li results ranged up to 324ppm Li (697ppm Li₂O). Additionally, Au soil anomalies (>20ppb Au) have been identified, with the most significant anomaly including an assay up to 87.6ppm Au and the anomaly able to be traced over 500m.

In November, the Company completed the Bullabulling infill soil sampling program across the 5km strike length of highly anomalous Li soil sample results. A further 383 soil samples (including field duplicates) were collected and seven (7) rock chip samples.

Belara Exploration

During the period, regional exploration was completed across the Belara Project's tenures, including EL9184 and the recently granted tenure EL9523 and EL9538. Limited geological reconnaissance or confirmation mapping activities were undertaken during the period, in conjunction with selected rock chip sampling.

On EL9184 at the Native Bee deposit 10 gossaneous samples were collected, the assayed grades had peak assay values of 4.71% Cu, 156.0g/t Ag, 0.43g/t Au, 5.00% Pb, and 1.32% Zn.

On EL9523, at the Ben Buckley prospect, nine (9) gossaneous samples were collected, the assayed grades had peak assay values of 0.97% Cu, 188.0g/t Ag, 0.39g/t Au, 14.90% Pb, and 0.56% Zn.

A maiden Mineral Resource Estimate (MRE) has previously been reported in accordance with the JORC (2012) Code for Belara and Native Bee with Inferred Resources of 5.0 million tonnes (Mt) at 3.41% Zinc equivalent (ZnEq). The MRE includes: 1.82% Zinc; 0.33% Copper; 0.63% Lead; 17.5 g/t Silver and 0.21g/t Gold at a 0.85% ZnEq cut-off (see ASX announcement dated 3 November 2022).



Corporate

During the half year period, the Company registered its wholly owned subsidiary Belararox Argentina Pty Ltd in Argentina. Belararox Argentina holds 5% of the shares in GWK Minerals SA, and with the Company's other wholly owned subsidiary Fomo Ventures No 1 Pty Ltd holding 95% of GWK Minerals SA, completes the required corporate structure to operate in-country.

The Company appointed Arvind Misra, Jason Ward and Juan Cruz Cardoso as Directors of its wholly owned subsidiary, GWK Minerals SA.

Other appointments and resignations:

- On 5 December 2023, the Company announced the appointment of Graeme Morissey as Chief Financial Officer and Ben Donovan as Company Secretary, effective as of 15 December 2023. Ben replaced John Traicos who continues to serve the Company as a Non-Executive Director. Graeme replaced Michael Liprino of Pitcher Partners.
- Simon Robertson resigned as Non-Executive Director on 15 December 2023. It was resolved by the Board that Simon would retain his 200,000 performance rights granted 23 September 2023 (refer to Note 5);

Subsequent events relevant to exploration activities

- TMT Malambo tenure Environmental Impact Assessment (“EIA”) was approved. Subsequent Anaconda-style geological mapping at the Malambo target had identified geological features, including alteration and mineralisation that confirmed the presence of a Porphyry System.
- TMT Fieldwork commenced at the Tambo South target, with Anaconda-style mapping and surface sampling of areas that have characteristics of hydrothermal alteration. The Tambo South target shares similar hyperspectral characteristics with the nearby Filo del Sol Deposit. The Filo del Sol deposit reserve’s contain high sulphidation epithermal Cu-Au-Ag silver mineralisation, as well as Cu-Au porphyry mineralisation.
- TMT Toro South and Toro Central assay results were reported for assay rock chip samples collected within the reporting period. The sample results were interpreted with the geological observations made within the reporting period, that Toro South and Toro Central have strengthened the interpretation that there are geological and geochemical characteristics of epithermal and/or porphyry-style mineralisation. Toro South and Toro Central rock chip assays ranged up to 1.41% Cu, 1.28ppm Au, 421ppm Ag, 8.13% Zn, & >20.0% Pb.
- At Bullabulling, an infill soil sampling campaign that was completed in the period had the exploration results available for the infill soil samples. The integrated soil sample results refined the soil sample anomalies identified in the first stage of soil sampling reported within the tenure period.
- TMT Toro targets had the reporting of interpretation of identified geological features, including alteration and mineralisation, undertaken in the reporting period. The interpreted geological features included B-type porphyry-style veins at Toro North similar to those found globally with porphyry-style mineral systems and copper-oxide minerals and geology consistent with the intermediate to upper levels of a porphyry systems at Toro South.
- Dr. Steve Garwin was appointed as Chief Technical Advisor for the TMT Project in Argentina.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial half-year.



Events subsequent to the reporting date

On 14 March 2024, the Company raised \$4,000,601 (before costs) by completing a placement whereby the Company issued 14,287,860 of its ordinary shares. As part of the placement, subject to shareholder approval, participants in the placement will receive 7,143,930 BRXOA options and the Joint Lead Managers will receive 11,000,000 BRXOA options. These options are exercisable at \$0.66 with an expiry date of 13 July 2026.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Arvind Misra
Managing Director
15 March 2024, Perth

Competent Person's Statements

Argentina

Mr Jason Ward is director of Condor Prospecting, a director of Belararox Limited, and is a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Ward has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration techniques being used 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". Mr Ward has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Mr Ward is one of the project vendors and currently director of Fomo Venture No 1 Pty Ltd.

The information in this announcement that relates to exploration results is extracted from ASX announcements listed below and compiled by Mr Jason Ward.

- TMT Malambo Target: Geological Mapping Supports the Presence of Porphyry System and Provides a Focus for Exploration – 29 Feb 2024
- TMT Field Work Commenced at the Tambo South target which shares similar characteristics to Filo del Sol Deposit – 27 Feb 2024
- TMT EIA Approval (Malambo) – 22 Feb 2024
- TMT Toro Surface Assay Results and Geology Strengthen the Interpretation of a Porphyry Mineralisation / Epithermal Mineralisation – 21 Feb 2024

- TMT Operational Update: Geological Mapping Supports the Porphyry Potential at Toro – 22 Jan 2024
- Dr. Steve Garwin appointed as Chief Technical Advisor for the TMT Project in Argentina – 8 Jan 2024
- Amended TMT Fieldwork Update - 12 Dec 2023
- TMT Fieldwork Commenced and Additional High Sulphide Epithermal & Porphyry Targets Characterised – 30 Oct 2023
- TMT Argentine Operations Underway Directors Visit to Argentina – 2 Oct 2023
- TMT Amended EIA Approval (Tambo Sur I-II-III & Tambo Sur V) – 1 Sept 2023
- TMT Project in Argentina Significant Zinc Mineralisation (266m @ 0.76% Zn) verified and reported under the JORC (2012) Code – 17 Jul 2023

The announcements are available to view at www.belarox.com.au and www.asx.com.au. The Company confirms that it is unaware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Cautionary Statement: The intercepts from the 1996-1997 Sonoma Resource Development Argentina S.A. Diamond Drilling ("DD") and Reverse Circulation ("RC") drilling campaign are suitable for the reporting of 'Exploration Results' for mineral prospectivity, further exploration work would be needed to produce a 'Mineral Resource'.

Australia

Mr Jason Ward is director of Condor Prospecting, a director of Belarox Limited, and is a Competent Person who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr Ward has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the exploration techniques being used 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". Mr Ward has consented to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to exploration results is extracted from ASX announcements listed below and compiled by Mr Jason Ward.

- Bullabulling Infill Surface Sampling at Bullabulling Li-Au Project Returns 646ppm Li₂O – 6 Feb 2024
- Bullabulling Commencement of Infill Soil Program Along 5km Li Soil Anomalies – 29 Nov 2023
- Bullabulling Large Lithium and Gold Anomalies Identified from Extensive Soil Sampling Program - 25 Oct 2023

The announcements are available to view at www.belarox.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The information in this announcement that relates to:

- 1) 'Exploration Results' in the form of rock chip assays from the Native Bee deposit and the Ben Buckley prospect is extracted from the ASX announcement "Rock chip assays confirm additional surface mineralisation at the Belara Base Metals Project", dated 25 September 2023: and



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- 2) The estimation and reporting of the Maiden Resource Estimate delivered for Belara and Native Bee is extracted from the ASX announcement “Significant Maiden Resource Estimate Delivered for Belara and Native Bee”, dated 03 November 2022

All the announcements are available to view at www.belararox.com.au and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the announcement.

DECLARATION OF INDEPENDENCE BY DEAN JUST TO THE DIRECTORS OF BELARAROX LIMITED

As lead auditor for the review of Belararox Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Belararox Limited and the entities it controlled during the period.



Dean Just
Director

BDO Audit (WA) Pty Ltd
Perth
15 March 2024

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	31 Dec 2023 \$	31 Dec 2022 \$
Revenue and other income			
Interest income		9,280	5,418
Gain on sale of property, plant and equipment		11,770	-
		<u>21,051</u>	<u>5,418</u>
Expenses			
Directors fees		261,318	272,353
Employee share-based payments	5	280,260	331,929
Depreciation and amortisation expense		6,916	1,990
Finance costs		167,529	27
Employee benefits expense		44,041	41,802
Legal, professional and consulting expenses		935,179	232,830
Other expenses		261,774	289,794
		<u>(1,935,966)</u>	<u>(1,165,307)</u>
Loss before income tax expense			
Income tax expense		-	-
		<u>(1,935,966)</u>	<u>(1,165,307)</u>
Loss after income tax expense for the financial half-year			
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		(91,042)	-
		<u>(91,042)</u>	<u>-</u>
Other comprehensive income, net of tax			
		<u>(91,042)</u>	<u>-</u>
Total comprehensive income			
		<u><u>(2,027,008)</u></u>	<u><u>(1,165,307)</u></u>
Basic earnings per share (cents per share)		(2.85)	(2.30)
Diluted earnings per share (cents per share)		(2.85)	(2.30)

The above condensed statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	31 Dec 2023 \$	30 Jun 2023 \$
Assets			
Current assets			
Cash and cash equivalents		1,398,534	3,153,256
Trade and other receivables		80,513	90,068
Other current assets		238,791	320,043
Total current assets		1,717,838	3,563,367
Non-current assets			
Plant and equipment		17,388	64,085
Exploration and evaluation assets	3	13,019,625	11,360,793
Total non-current assets		13,037,013	11,424,878
Total assets		14,754,851	14,988,245
Liabilities			
Current liabilities			
Trade and other payables		479,523	348,066
Option fee payable		423,567	416,005
Total current liabilities		903,090	764,071
Non-current liabilities			
Option fee payable		2,906,001	2,854,121
Total non-current liabilities		2,906,001	2,854,121
Total liabilities		3,809,091	3,618,192
Net assets		10,945,760	11,370,053
Equity			
Issued capital	4	13,790,586	12,542,913
Option reserve	5	236,469	236,469
Share-based payment reserve	5	4,124,554	3,769,512
Foreign currency translation reserve		(91,042)	-
Accumulated losses		(7,114,807)	(5,178,841)
Total equity		10,945,760	11,370,053

The above statement of financial position should be read in conjunction with the accompanying notes



CONDENSED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Note	Issued Capital	Share-Based Payment Reserve	Option Reserve	Foreign Translation Reserve	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$	\$
Balance as at 1 July 2023	12,542,913	3,769,512	236,469	-	(5,178,841)	11,370,053
Loss for the period	-	-	-	-	(1,935,966)	(1,935,966)
Other comprehensive income, net of income tax	-	-	-	(91,042)	-	(91,042)
Total comprehensive loss	-	-	-	(91,042)	(1,935,966)	(2,027,008)
Issue of ordinary shares (net of costs)	-	-	-	-	-	-
Exercise of performance rights	38,818	(38,818)	-	-	-	-
Share based payments	4,5	1,208,855	393,860	-	-	1,602,715
Balance as at 31 December 2023	13,790,586	4,124,554	236,469	(91,042)	(7,114,807)	10,945,760
Balance as at 1 July 2022	715,000	(120,607)	-	-	2,257	596,650
Loss for the period	-	(548,534)	-	-	-	(548,534)
Other comprehensive income, net of income tax	-	-	-	-	-	-
Total comprehensive loss	-	(548,534)	-	-	-	(548,534)
Issue of ordinary shares (net of costs)	-	-	-	-	-	-
Share based payments	-	-	-	-	83,171	83,171
Balance as at 31 December 2022	715,000	(669,141)	-	-	85,428	131,287

The above statement of changes in equity should be read in conjunction with the accompanying notes

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

	Note	31 Dec 2023 \$	31 Dec 2022 \$
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(799,301)	(1,101,289)
Interest received		10,831	5,418
Net cash used in operating activities		<u>(788,470)</u>	<u>(1,095,871)</u>
Cash flows from investing activities			
Payments for exploration and evaluation		(1,017,276)	(2,297,772)
Payments for plant and equipment		-	(4,090)
Proceeds on disposal of plant and equipment		50,000	-
Net cash used in investing activities		<u>(967,276)</u>	<u>(2,301,862)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	3,850,000
Payments of share issue costs		-	(231,000)
Proceeds from loyalty options issued		-	52,300
Net cash provided by financing activities		<u>-</u>	<u>3,671,300</u>
Net increase/(decrease) in cash and cash equivalents		(1,755,746)	273,567
Effect of exchange rate changes on cash and cash equivalents		1,024	-
Cash and cash equivalents at the beginning of the financial half-year		<u>3,153,256</u>	<u>2,961,129</u>
Cash and cash equivalents at the end of the financial half-year		<u><u>1,398,534</u></u>	<u><u>3,234,696</u></u>

The above statement of cash flows should be read in conjunction with the accompanying notes



NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2023

Note 1. Significant accounting policies

These general purpose financial statements (the “financial statements”) for the interim half-year reporting period ended 31 December 2023 (the “financial half-year”) is a condensed interim financial report, prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

These financial statements do not include all the notes and full disclosures of the type normally included in annual financial statements. Accordingly, it is recommended that these financial statements are to be read in conjunction with the financial report for the period ended 30 June 2023 and any public announcements made by the company during and since the financial half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the financial report for the period ended 30 June 2023, unless otherwise stated.

The financial report of the Company for the half year ended 31 December 2023 was authorised for issue in accordance with a resolution of the Directors.

Belararox Limited is a listed public for-profit company, trading on the Australian Securities Exchange, limited by shares. Belararox Limited is incorporate and domiciled in Australia. The Company’s registered office and principal place of business is Level 11, 12-14 The Esplanade, Perth WA 6000.

Basis of preparation

The financial statements, except for cash flow information, has been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The preparation of the financial report for the financial half-year in conformity with AASBs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Foreign Currency Translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

For BELARAROX LIMITED



Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in statement of profit or loss and other comprehensive income when the foreign operation or net investment is disposed of.

Going concern

For the period ending 31 December 2023, the Group recorded a loss of \$1,935,966 and had net cash outflows from operating and investing activities of \$788,470 and \$967,276 respectively.

The ability of the Group to continue as a going concern is dependent on careful management of its exploration expenditure and securing additional funding through capital raising activities on the Australian Securities Exchange to continue to fund its operational activities, including its planned exploration activities.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report. Subsequent to year end, the Group received additional funds via a placement equal to \$4,000,000 (before costs).

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- Management has the ability to fluctuate spend on its major expenditure category, its exploration activities, to manage cash flows through periods where cash resources have reached critical levels; and
- Management is confident that it can continue to raise funds on the Australian Securities Exchange based on its historical ability to do so and the prospects of its exploration targets.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.



Significant estimates and judgments

Functional Currency of a Subsidiary

The Group has judged that the functional currency of its subsidiary GWK Minerals SA is United States Dollars. This judgment was made with consideration to the invoicing currency of the suppliers in its local jurisdiction as well as the currency in which it receives financing.

Share-based Payments

The Group has used a complex valuation model and estimated the relevant inputs to complete a valuation of equity-based instruments issued during the period. See Note 5 for details.

New or amended Accounting Standards or Interpretations issues but not yet effective

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Note 2. Operating segments

The Group operates in the mining exploration and evaluation industry in Australia and Argentina.

Segment Information

Identification of reportable operating segments

The Group is organised into one operating segment, being mineral exploration activities. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The Board of Directors currently receive reports which do not include any information by segment. The Board of Directors manages exploration activity of each exploration licence/area through review and approval of expenditure requirements and other operational information. Based on this criterion, the Group has only one operating segment, being exploration, and the segment operations and results are the same as the Group results.

The Group presents the following information with regards to its non-current assets by geographical location:

31-Dec-23	Australia \$	Argentina \$	Total \$
Exploration and evaluation assets	5,357,689	7,661,936	13,019,625
Other non-current assets	17,388	-	17,388
Total	5,375,077	7,661,936	13,037,013

30-Jun-23	Australia \$	Argentina \$	Total \$
Exploration and evaluation assets	4,818,007	6,542,786	11,360,793
Other non-current assets	64,085	-	64,085
Total	4,882,092	6,542,786	11,424,878

Note 3. Exploration and evaluation expenditure

	Dec 2023 \$	Jun 2023 \$
Opening balance	11,360,793	2,103,914
Acquisitions during the period	-	3,310,636
Additions	1,860,271	5,946,243
Effects of foreign exchange	(201,439)	-
Closing balance	13,019,625	11,360,793

The value of the Company's interest in carried forward exploration expenditure is dependent upon the continuance of the Company's rights to tenure of the areas of interest, the results of future exploration, and the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

Note 4. Issued capital

	Number	Dollars
Opening Balance – 1 Jul 2023	67,514,020	12,542,913
Exercise of performance rights	250,000	38,818
Shares issued to suppliers and employees - Note (a)	3,180,000	1,208,855
Closing balance – 31 Dec 2023	70,944,020	13,790,586

Note (a) – included in this balance is:

- 2,000,000 shares with a fair value of \$760,456 issued to related party Condor Prospecting Pty Ltd for exploration management services. See Note 8.
- 1,000,000 shares issued to a consultant with a fair value of \$380,000. See Note 5.
- 180,000 shares with a fair value of \$68,399 issued to employees as termination benefits.

Note 5. Reserves

	Dec 2023 \$	Jun 2023 \$
Share-based payments reserve	4,124,554	3,769,512
Options reserve	236,469	236,469
	4,361,024	4,005,981

Share-based payment reserve

The share-based payments reserve is used to recognise the fair value of options and performance rights granted to consultants.



Option reserve

The option reserve is used to recognise the amounts received and raised for options issued in accordance with a prospectus issued.

i. Movements in reserves

Movements in each class of reserve during the current and previous period are set out below:

Details	Share-based payment reserve \$	Option reserve \$	Total \$
Opening Balance as at 1 Jul 2023	3,769,512	236,469	4,005,981
In period expense	393,860	-	393,860
Exercise of performance rights	(38,818)	-	(38,818)
Closing Balance as at 31 Dec 2023	4,124,554	236,469	4,361,024

ii. Valuation of share-based payments and options issued during the half-year ended 31 December 2023

Share-based payment reserve

Share-based payments - Performance Rights issued

Performance rights are issued to key management personnel under the Company's Long Term Incentive Plan (the "Plan").

The purpose of the Plan was to assist in the reward, retention and motivation of key management personnel by aligning their interests more closely with the interest of the Company. It also provides key management personnel with the opportunity to share in any future growth in value of the Company.

Details of Performance Rights issued to Directors as part of their compensation during the period ended 31 December 2023 are set out below:

Name	Milestone 1	Milestone 2
Neil Warburton	250,000	250,000
Arvind Misra	500,000	500,000
Simon Robertson	200,000	200,000
John Traicos	200,000	200,000
Jason Ward	200,000	200,000

Where:

Milestone 1 was granted on 22 September 2023, the date of shareholder approval, and vest upon the Company's shares achieving a volume-weighted average price (VWAP) of at least \$0.66 over a 20 consecutive trading day, with an expiry of 5 years from the date of issue.

Milestone 2 was granted on 22 September 2023, the date of shareholder approval, and vest upon the Company's shares achieving a volume-weighted average price (VWAP) of at least \$0.95 over a 20 consecutive trading day, with an expiry of 5 years from the date of issue.

The fair value of these performance rights was determined through the use of a Trinomial Model utilising the following inputs:

	Milestone 1	Milestone 2
Share price	\$0.59	0.59
Exercise Price	-	-
Interest rate	3.98%	3.98%
Share price volatility	100%	100%
Time to maturity (years)	5.04	5.04
VWAP barrier	\$0.66	\$0.95
Dividend yield	-	-
Fair value per performance right	0.574	0.556

The issuance of 400,000 performance rights under Milestone 1 and 400,000 performance rights under Milestone 2 represent replacement performance rights for John Traicos and Simon Robertson, who previously held the same number of performance rights under the same terms with the exception of the VWAP hurdle, which was \$1.35 and \$1.65 respectively. As part of the Group's accounting policies, the modified performance rights were remeasured on the date of modification on the date of modification with a fair value per unit of \$0.40 and \$0.36 respectively.

The expense recorded in the Condensed Consolidated Statement of Profit or Loss for the period is recognised straight-line from the grant date to the expected vesting date, which is currently judged to be 5 years from the date of issuance. As a result, a total of \$140,667 was recognized in the Condensed Consolidated Statement of Profit or Loss for the period with respect to the issuance of these performance rights. This included only the incremental fair value of the replacement performance rights for John Traicos and Simon Robertson which are referred to in the paragraph above, calculated by applying the fair value of the replacement rights (\$0.57 and \$0.56 respectively) less the remeasured fair value of the cancelled and replaced rights (\$0.40 and \$0.36 as above). The incremental fair value associated with Simon Robertson was recognised in full as Simon left the Company and the Board approved his continuing rights to the hold the instruments on a good leaver basis without the need to provide any future services.

Share-based payments – Shares and options issued to consultants

During the period, 1,000,000 ordinary shares in the Company and 1,000,000 of the Company's listed options (ASX: BRXOA) were issued to a consultant for past services pertaining to marketing and corporate consulting. The fair value of the shares issued is equivalent to the share price at grant date multiplied by the number of shares granted and was \$380,000. This amount was recorded in the Condensed Consolidated Statement of Profit or Loss as part of *Legal, professional and consulting expenses* and in Issued Capital during the 31 December 2023 period.

The fair value of the options was determined using a Black Scholes model and the following inputs:

Share price on grant date	\$0.38
Exercise Price	\$0.66
Interest rate	3%
Share price volatility	100%
Time to maturity (years)	2.6
Dividend yield	-
Fair value per performance right	0.182
Total fair value recognised in 31 December 2023	182,000



The full \$182,000 has been recorded in the Condensed Consolidated Statement of Profit or Loss as part of *Legal, professional and consulting expenses* and the Share-based payment reserve during the period.

Additionally, the consultant could earn 750,000 shares and 500,000 of the options above on the 6-month anniversary date of its signed service contract and another 750,000 shares on the 12-month anniversary, each at the discretion of management after assessing the services provided. The total fair value of these instruments for accounting purposes is \$661,000 but only \$108,096 has been recorded in the Statement of Profit or Loss as the fair value is recorded straight line over the 24-month term that the service will be provided. These amounts have also been reported as part of *Legal, professional and consulting expenses*.

Note 6. Contingent liabilities

The Company did not have any contingent assets or liabilities as at 31 December 2023 (30 June 2023: nil).

Note 7. Commitments

In order to maintain current rights of tenure to exploration tenements, the Company will be required to meet minimum expenditure requirements on its areas of interest. Outstanding exploration commitments are as follows:

	Dec 2023 \$	Dec 2022 \$
Within one year	291,643	255,560
Later than one year but not later than five years	2,948,793	914,460
Later than five years	500,000	-
	3,740,436	1,170,020

Note 8. Related party transactions

Transactions and balances with related parties

Transactions with related parties, including their nature and amounts owing at 31 December 2023, are set out below:

Key management personnel or their related party	Nature of transactions	Transaction value	Payable Balance
Condor Prospecting Pty Ltd / Jason Ward	Exploration and technical consulting services	842,995(a)	-

(a) During the period, Condor Prospecting Pty Ltd, a Company part-owned by Jason Ward, received 1,000,000 shares and 1,000,000 options in advance to provide exploration and technical services to the Company. The fair value of the services was \$500,000 USD (760,456 AUD) and recorded by the Company as a Prepaid Asset. Condor Prospecting received \$500,000 USD in share-based payments during the 30 June 2023 period once again as a prepayment for future services. During the 31 December 2023 period, \$842,995 AUD of services was provided by Condor Prospecting Pty Ltd.

Key management personnel appointments

During the period, Graeme Morissey was appointed Chief Financial Officer succeeding Michael Liprino. Mr Morissey's contract is fixed for a 6-month term with remuneration of \$60,000.

Note 9. Events after the reporting period

On 14 March 2024, the Company raised \$4,000,601 (before costs) by completing a placement whereby the Company issued 14,287,860 of its ordinary shares. As part of the placement, subject to shareholder approval, participants in the placement will receive 7,143,930 BRXOA options and the Joint Lead Managers will receive 11,000,000 BRXOA options. These options are exercisable at \$0.66 with an expiry date of 13 July 2026.

There were no other matters or circumstance which has arisen since 31 December 2023 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.





DIRECTORS DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 31 December 2023 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

Arvind Misra
Managing Director
15 March 2024, Perth

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Belararox Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Belararox Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about 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 conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd



Dean Just

Director

Perth, 15 March 2024