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Clarification of Standby Equity Funding Facility

BBX Minerals Ltd (ASX:BBX) (**BBX** or the **Company**) refers to the Company's previous ASX announcements dated 16 June 2020 (\$8 Million Standby Equity Funding Facility and Activities Update) and 1 July 2020 (Standby Equity Funding Facility Clarification) in respect of the Company's Put Option Agreement (**POA**) with U.S. based group LDA Capital LLC (**LDA**).

The Company also refers to the issue of 4,000,000 fully paid ordinary shares to LDA on Monday, 25 January 2020.

The Company would like to clarify to its shareholders the two methods under which the Company can raise capital under the POA with LDA.

As BBX CEO Andre Douchane explains, "There are two ways for BBX to utilize the LDA funding facility to raise working capital: either through borrowing shares from a share lender, or through issuing shares for nil consideration as collateral shares.

Borrowed shares are just that, shares leased from an existing shareholder at a cost to BBX. The cost can range between 2 and 2.5 percent of the total capital raise value.

On the other hand, the use of collateral shares does not involve upfront costs to the Company, as the Company issues collateral shares, which are then purchased for a set value per share at the end of the applicable pricing period".

The Company issued 4,000,000 fully paid ordinary shares as collateral shares on Monday, 25 January 2020 pursuant to the POA.

LDA will hold those Shares until BBX makes a Capital Call and begins the process of a capital raise as defined in the Company's announcement dated 16 June 2020 (\$8 Million Standby Equity Funding Facility and Activities Update). Specifically, LDA can not sell collateral shares except during the 30 day pricing period.

The POA remains in force as previously announced.

This Announcement was authorised for release by the Board of Directors.

For more information:

André Douchane
CEO

About BBX Minerals Ltd

BBX Minerals Limited is a mineral exploration and technology company listed on the Australian Securities Exchange. Its major focus is Brazil, mainly in the southern Amazon, a region BBX believes is vastly underexplored with high potential for the discovery of world class gold and precious metal deposits.

BBX's key assets are the Juma East, Três Estados and Ema Gold Projects in the Apuí region, Amazonas State. The Company has 37km² of exploration tenements within the Colider Group, a prospective geological environment for gold, PGM and base metal deposits. The region is under-explored and has the potential to provide BBX with a pipeline of high-growth, greenfields precious metal discoveries.

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