ASX Release

CAPITAL STRUCTURE, USE OF PROCEEDS AND PRO-FORMA STATEMENT OF FINANCIAL POSITION

Spirit Telecom Limited (ASX:SP1) would like to advise that set out below are a capital structure table, use of funds table and pro-forma statement of financial position which have been updated to reflect the actual amount of funds raised ($2,620,640 before costs) under the Equity Offer made in the Company's Replacement Prospectus dated 4 May 2016.

Updated Capital Structure

Shares:	***$2,620,640 Raised***	***%***
Pre-existing Shares	93,925,860	11.23%
Consideration New Shares issued to Vendors	611,250,000	73.10%
Equity Offer (New Shares)	131,032,000	15.67%
Total Shares	**836,207,860**	**100%**

Options:	***Number***	***Exercise Price***	***Expiry Date***
Pre-existing listed options	25,677,796	3.9376 cents	31 July 2019
Listed options issued to Spirit Vendors	197,594,357	3.9376 cents	31 July 2019
Total listed options	**223,272,153**	**3.9376 cents**	**31 July 2019**
Existing unlisted options	652,174	68.3376 cents	18 December 2016
Total options	**223,924,327**	-	-

Updated Use of Funds

Item	***$2,620,640 Raised***	
	Year 1	***Year 2***
Cash reserves as at 31st December 2015[4]	$617,530	
Funds raised from the Offer	$2,620,640	
Total Funds available	**$3,238,170**	**$1,804,682**
Business and production expansion, including: scaling in marketing, sales and operational staff to acquire new customers in existing and new markets and geographical expansion Building Fitouts	$220,000	$231,000
Core network and building network expansion & upgrades (CAPEX)	$425,000	$180,000
Final Voxcom acquisition payment	$244,500	$-
Fees & Commissions	$523,988	$-
Estimated other expenses of the Offers	$20,000	$-
Additional working capital & Funding for acquisitions	$1,804,682	$1,393,682
Total Funds allocated	**$3,238,170**	**$1,804,682**

Updated Pro-Forma Statement of Financial Position

	Arunta Consolidated Reviewed 31-Dec-15	Arunta Pro-forma Adjustments	Pro-forma Post Davenport Spin Out	Spirit Reviewed 31-Dec-15	Spirit Pro-forma Adjustments	Capital Raising Proceeds ($2,620,640) less costs	Pro-forma Post Acquisition
Notes		**1**		**2**	**3**	**4**	
	$	**$**	**$**	**$**	**$**	**$**	**$**
CURRENT ASSETS							
Cash and cash equivalents	112,171	177,829	290,000	617,529	0	2,022,253	2,929,782
Trade and other receivables	13,554	-13,554	0	778,700	0	50,468	829,168
Prepayments	63,142	-63,142	0	45,000	0	0	45,000
Inventories	0	0	0	24,598	0	0	24,598
TOTAL CURRENT ASSETS	188,867	101,133	290,000	1,465,827	0	2,072,721	3,828,548
NON-CURRENT ASSETS							
Trade and other receivables	142,366	-142,366	0	7,041	0	0	7,041
Other financial assets	293,510	-293,510	0	0	0	0	0
Property, plant and equipment	12,439	-12,439	0	1,950,937	0	0	1,950,937
Intangible assets	0	0	0	1,077,251	0	0	1,077,251
Deferred tax assets	0	0	0	332,140	0	163,197	495,337
Deferred exploration expenditure	261,193	-261,193	0	0	0	0	0
TOTAL NON-CURRENT ASSETS	709,508	-709,508	0	3,367,369	0	163,197	3,530,566
TOTAL ASSETS	898,375	-608,375	290,000	4,833,196	0	2,235,917	7,359,113

	Arunta Consolidated Reviewed 31-Dec-15	Arunta Pro-forma Adjustments	Pro-forma Post Davenport Spin Out	Spirit Reviewed 31-Dec-15	Spirit Pro-forma Adjustments	Capital Raising Proceeds ($2,620,640) less costs	Pro-forma Post Acquisition
Notes		**1**		**2**	**3**	**4**	
	$	**$**	**$**	**$**	**$**	**$**	**$**
CURRENT LIABILITIES							
Trade and other payables	291,953	-41,953	250,000	887,809	245,000	0	1,382,809
Borrowings	0	0	0	69,796	0	0	69,796
Provisions	0	0	0	186,571	0	0	186,571
TOTAL CURRENT LIABILITIES	291,953	-41,953	250,000	1,144,176	245,000	0	1,639,176
NON-CURRENT LIABILITIES							
Borrowings	0	0	0	2,187,252	0	0	2,187,252
Provisions	40,318	-40,318	0	97,195	0	0	97,195
TOTAL NON-CURRENT LIABILITIES	40,318	-40,318	0	2,284,447	0	0	2,284,447
TOTAL LIABILITIES	332,271	-82,271	250,000	3,428,623	245,000	0	3,923,623
NET ASSETS	566,104	-526,104	40,000	1,404,573	-245,000	2,235,917	3,435,490
EQUITY							
Issued capital	29,058,225	250,000	29,308,225	2,774,984	1,838,513	2,506,642	7,160,139
Reserves	194,760	0	194,760	6,196	0	0	6,196
Accumulated losses	-28,686,881	-776,104	-29,462,985	-1,376,607	-2,083,513	-270,725	-3,730,845
TOTAL EQUITY	566,104	-526,104	40,000	1,404,573	-245,000	2,235,917	3,435,490

Footnotes:

1. Includes Placement of 333,333,334 shares at 0.075 cents on a pre-Consolidation basis (equivalent to 14,492,754 shares at an issue price of 1.725 cents per share on a post-Consolidation basis) per share to raise $250,000. $250,000 to pay estimated transaction costs and an additional $40,000 cash remained. All other assets and liabilities were transferred to Davenport Resources Limited.
2. Pro-forma assets and liabilities of Spirit acquired. Based on 31 December 2015 reviewed financial statements.
3. Following the effective Listing of Spirit, a contingent liability of approximately $245,000 for a final payment on the acquisition of Voxcom becomes payable.

   A share based payment Listing expense of $1,838,513 is recorded representing a deemed issue of shares by Spirit, equivalent to the Shareholder's interest in Arunta post the acquisition.
4. Funds raised less estimated costs required to be paid to legal and other advisors and experts for capital raising and transaction costs incurred by Spirit.

   Based on a raising of $2,620,640 expected costs are $598,387 (inclusive of 10% GST).

   All capital raising and transaction costs are expected to be deductible for tax at the rate of 30% over a 5 year period and are recorded as a deferred tax asset of $163,197.

   The portion of GST expected to be able to be claimed is $50,468 for the prospectus capital raising costs.

ENDS