



Skin Elements Limited ASX ANNOUNCEMENT

ASX CODE : SKN

Pro-Forma Statement of Financial Position at 30 June 2016

The following pro-forma statement of financial position has been prepared as pre-quotation disclosures to satisfy conditions for Skin Elements Limited's ACN 608 047 794 (the **Company**) admission to the Official List of the ASX and for quotation of the Company's securities on the ASX.

	Skin Elements Limited Audited 30 June 2016	SE Operations Pty Ltd Audited 30 June 2016	Consolidated Proforma Statement of Financial Position
	\$	\$	\$
Current assets			
Cash and cash equivalents	-	8,918	3,236,317
Trade and other receivables	21,691	2,243	23,934
R&D Grants and GST Receivable	-	149,959	149,959
Deferred IPO Costs	68,914	49,214	-
Inventories	-	89,198	89,198
Total current assets	90,605	299,532	3,499,409
Non-current assets			
Intellectual Property	-	8,671,782	8,671,782
Total non-current assets	-	8,671,782	8,671,782
Total assets	90,605	8,971,314	12,171,191
Current liabilities			
Trade and other payables	-	283,617	283,617
Other Payables	324,971	44,611	44,611
Total current liabilities	324,971	328,228	328,228
Total liabilities	324,971	328,228	328,228
Net assets	(234,366)	8,643,086	11,842,963
Equity			
Issued Capital	1	9,245,987	12,563,415
Share Based Payment Reserve	-	-	116,816
Accumulated losses	(234,367)	(602,901)	(837,268)
Total equity	(234,366)	8,643,086	11,842,963



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Unless defined separately all defined terms shall have the same meaning as in the prospectus dated 1 June 2016 (**Prospectus**) and Supplementary Prospectus' dated 18 August 2016 & 16 November 2016 (**Supplementary Prospectus**).

This proforma statement of financial position includes statements of historical financial position at 30 June 2016 and a consolidated statement of financial position after the pro forma adjustments based on the actual IPO capital raised of \$3,710,000.

The above consolidated pro-forma statement of financial position should be read in conjunction with Section 6 of the Company's Prospectus and Supplementary Prospectus' and the Company's and SE Operations Pty Ltd Annual Reports for the financial year ended 30 June 2016.

Issue of Securities

Prospectus Offering

- i. The issue of 18,550,000 ordinary fully paid shares at an issue price of \$0.20 per share with one attaching option for every two shares issued, raising cash of \$3,710,000.
- ii. The issue of 2,000,000 options to Facilitators and corporate advisors for services provided in relation to the public offer.

Acquisition of SE Operations Pty Ltd

- i. The issue of the following to shareholders of SE Operations Pty Ltd as consideration for the Company's acquisition of the entire issued share capital of SE Operations Pty Ltd:

55,000,000 Shares
27,500,000 Options, and
27,500,000 Unlisted Options

Costs of the Listing and Issue

The costs of the listing and issue total \$482,600, of which \$206,843 is expensed as listing cost and \$275,757 costs of the issue are offset against capital raised.