



31 OCTOBER 2024

## ASX ANNOUNCEMENT

ASX: STA

### QUARTERLY ACTIVITIES REPORT – SEPTEMBER 2024

Strandline Resources Limited (ASX: STA) (Strandline or the Company) provides an update on its operational, development and corporate activities for the quarter ended 30 September 2024 (September 2024 Quarter).

#### KEY POINTS

##### Coburn Mineral Sands Project - Western Australia

- One lost time injury for the quarter and Total Recordable Injury Frequency Rate of 4.3 per million hours worked.
- 46,115 tonnes of Heavy Mineral Concentrate (HMC) produced in the September 2024 Quarter (June 2024 Quarter production was 45,544 tonnes).
- Continued improvements made in management of tailings storage and Dozer Mining Unit (DMU) availability resulted in a record month of HMC production in August 2024 of 16,566 tonnes.
- Sales in the September 2024 Quarter totaled 46,035 tonnes (June 2024 Quarter sales - 40,886 tonnes).
- Stockpiles held at Coburn and Geraldton Port as at 30 September 2024 totaled 16,470 tonnes of HMC.
- Subsequent to the end of the September 2024 Quarter 13,288 tonnes of HMC were sold in early October 2024.
- Funding provided by the Northern Australia Infrastructure Facility (NAIF) for construction of a new air strip, approximately 17 kms from the Coburn site.

##### Mineral Sands Projects – Tanzania

- In May 2024, Strandline announced it had agreed to sell its Tanzanian mineral sands projects to a subsidiary of Shenghe Resources Holding Co., Ltd.
- In August 2024, Strandline completed the sale of its Tanzanian mineral sands projects and received total consideration of ~A\$43 million, with these proceeds used to repay existing super senior indebtedness and associated accrued interest and fees.

##### Corporate

- Consolidated Cash of A\$3.02m as at 30 September 2024.
- On 30 September 2024, the Company announced it had agreed in principle to extend standstill and deferral arrangements with its financiers until 30 November 2024.
- As discussions with financiers regarding the debt restructure are still in progress, the Company's shares will remain suspended.



## COBURN MINERAL SANDS PROJECT

### Operational performance

Monthly HMC production volumes increased during the September 2024 Quarter in accordance with the mine plan.

Item	Sept 2024 Quarter	June 2024 Quarter
DMU mined (tonnes)	4,428,782	3,658,491
Mined grade (%)	1.24	1.39
HMC Produced (tonnes)	46,115	45,544
Sales (tonnes)	46,035	40,886
HMC Realised Price (A\$/t HMC) <sub>1</sub>	847	731
C1 cost (A\$/t HMC produced) <sub>2</sub>	746	784
Closing Stockpiles	16,470	20,427

Notes:

1 – Realised sale price per tonne net of sea freight costs (FOB).

2 - C1 cash costs include mining, processing, general and admin and HMC road transport costs.

Subsequent to the end of the September 2024 Quarter, Strandline completed a shipment of 13,228 tonnes of HMC in early October 2024.

### Production update

HMC production improved during the September 2024 Quarter (with 14,009 tonnes in July, 16,566 tonnes in August and 15,540 tonnes in September 2024).

September 2024 Quarter recorded the highest-ever quarterly HMC production since the start of commissioning.

### September 2024 Quarter shipments

Stockpiles held at Coburn and Geraldton Port as at 30 September 2024 totalled 16,470 tonnes of which 13,228 tonnes was shipped in early October 2024.

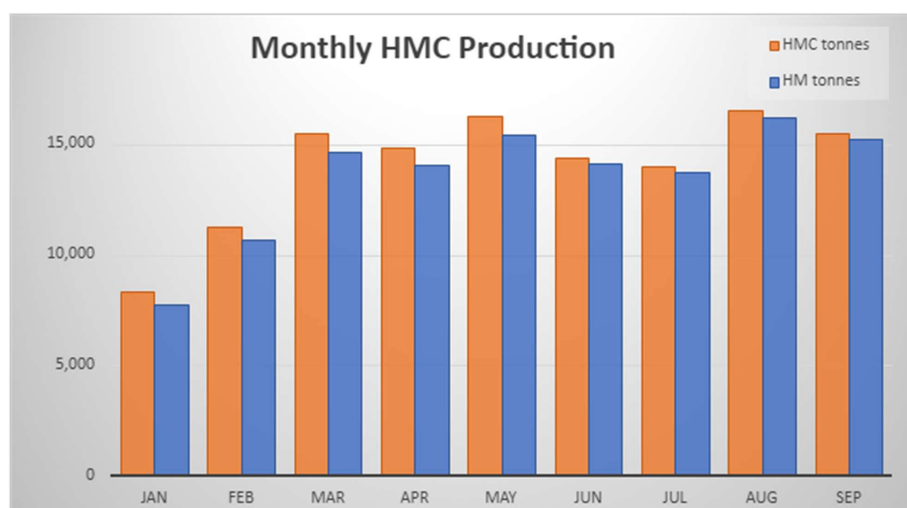
Funds for the September 2024 Quarter shipments were received in the September 2024 Quarter.

The Company continued to engage with customers on HMC supply based on improved quality. The improved quality of the HMC has resulted in improved prices being obtained by the Company from various customers.

### Operations update

The record August 2024 HMC production level of 16,566 tonnes is ~86% of the nominal design rate.

The graph below shows the HMC production levels between January 2024 and September 2024.



## Mineral Separation Plant (MSP)

An MSP trial was completed in June 2024 for a two-week period. The focus of the MSP trial was to collect data to inform the capital program required to maximise separation into final products. This MSP trial was carried out with high quality HMC which has had improved attritioning and improved Valuable Heavy Mineral content. The outcomes from the trial will be considered as part of the ongoing review of operations and the financial requirements of the business.

## TANZANIA MINERAL SANDS PROJECTS

In May 2024, the Company announced it had agreed to sell its Tanzanian mineral sands projects to a subsidiary of Shenghe Resources Holding Co., Ltd (Shenghe) for a total consideration of ~A\$43 million split between ~A\$27.2 million for the sale of its shares in the UK holding company of the Tanzanian projects and ~A\$15.8 million for the assignment of the inter-company loans Strandline has provided to fund the Tanzanian projects.

The Company completed this sale in August 2024 and applied the consideration received to repay existing super senior indebtedness and associated accrued interest and fees.

## CORPORATE

### Cash & Investments

The Company's consolidated cash was A\$3.02m as at 30 September 2024 (30 June 2024: A\$3.95m) and total concentrate stockpiles of HMC on hand at the end of the September 2024 Quarter were 16,470 tonnes (30 June 20,427 tonnes). Subsequent to the end of the September 2024 Quarter, a total of 13,228 tonnes of HMC were shipped in early October 2024.

Material receipts for the September 2024 Quarter included:

- A\$41.4m from three shipments sold in the September 2024 Quarter comprising 46,035 tonnes (June 2024 Quarter sales comprised 40,886 tonnes).
- Bondholder funding of A\$2.5m received in the September 2024 Quarter pursuant to the agreement with the Nordic Bondholders announced in March 2024. A further A\$2.5m received from NAIF during the September 2024 Quarter.
- A\$43.0m for the sale consideration for the sale of shares in the UK holding company of Tanzanian projects.

In addition to repaying ~A\$35.0m of super senior debt out of the proceeds of the sale of the Tanzanian projects, material costs for September 2024 Quarter included:

- A\$36.4m in operating costs for production (including A\$1.5m for Government royalties).
- A\$5.7m interest cost paid relating to super senior borrowing facility and lease repayments.
- A\$4.1m finance costs relating to super senior borrowing facility.
- A\$3.9m of corporate and administration costs including restructuring costs.
- A\$4.0m staff costs.
- A\$3.6m of Coburn project capital expenditure including airstrip construction costs.
- A\$0.1m of expenditure relating to Tanzanian licenses.

### Loan Facilities

On 30 September 2024, the Company announced that it had agreed with its lenders a deferral of all interest and principal due with its lenders until 30 November 2024. The Company continues debt and restructure negotiations with its lenders.

### Extension of Suspension from Official Quotation

As discussions with lenders regarding debt restructuring are still in progress, the Company's shares will remain suspended in compliance with ASX Listing Rules.

## Health, Safety and Sustainability

There was one lost time injury during the September 2024 Quarter. The Company's rolling twelve month Total Recordable Injury Frequency Rate (TRIFR) is 4.3 per million hours worked (30 June 2024: 3.21 per million hours worked).

## ASX Additional Information

1. ASX Listing Rule 5.3.1: Payments relating to Exploration and Evaluation Expenditure during the September 2024 Quarter were A\$100,000. Full details of exploration activity during the September 2024 Quarter are set out in this report.
2. ASX Listing Rule 5.3.2: Details of its mining production and development activities during the September 2024 Quarter are set out in detail in this report and a summary of the expenditure incurred on those activities is as follows:

Activities	A\$
Expenditure on mining production activities during the September 2024 Quarter	A\$36,406,000
Expenditure on development activities during the September 2024 Quarter	A\$3,649,000

3. ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the September 2024 Quarter: A\$941,000 - The Company advises that this relates to non-executive directors' fees as well as Managing Director salary, retention and payments related to repayment of super senior debt. Please see Remuneration Report in the Annual Report for further details on Directors' remuneration.

## Tenement Holdings

A detailed listing of tenement holdings is included in Annexure A.

This announcement is authorised for release by the Strandline Resources Board of Directors.

A\$ means Australian dollars in this report.

"tonnes" means dry metric tonnes in this report. Where a product is "wet" it will be specifically described as "wet tonnes"

### For further information contact:

**Jozsef Patarica**

CEO and Managing Director  
Strandline Resources Limited  
+61 8 9226 3130

[enquiries@strandline.com.au](mailto:enquiries@strandline.com.au)

### Media and broker enquiries:

**Paul Armstrong**

Read Corporate  
+61 8 9388 1474

[paul@readcorporate.com.au](mailto:paul@readcorporate.com.au)

## FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements and comments about future events, including statements about Strandline's expectations about the financial and operating performance of its business. Forward looking statements can generally be identified by the use of forward looking words including (without limitation) words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Forward looking statements involve inherent risks and uncertainties, both general and specific, and there is a risk that such predictions, forecasts, projections and other forward looking statements will not be achieved.

A number of important factors could cause Strandline's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements, including (without limitation) the Australian and global economic environment and capital market conditions, with many of these factors being beyond Strandline's control. Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance.

Forward looking statements involve known and unknown risks, uncertainty and other factors, many of which are outside the control of Strandline. The forward-looking statements are based on information available to the Company as at the date of this announcement. Circumstances may change and the contents of this announcement may become out-dated as a result. As such, you are cautioned not to place any reliance on any forward looking statement.

## ABOUT STRANDLINE

Strandline Resources Limited (ASX: STA) is an emerging producer of critical minerals with a portfolio of 100%-owned development assets located in Western Australia



## ANNEXURE A – MINING TENEMENTS HELD AS AT THE END OF THE QUARTER

Location	Name	Interest
<b>Australia</b>	<b>Coburn Mineral Sands Project</b>	
L09/21	Shark Bay District, Western Australia	100%
L09/43	Shark Bay District, Western Australia	100%
M09/102	Shark Bay District, Western Australia	100%
M09/103	Shark Bay District, Western Australia	100%
M09/104	Shark Bay District, Western Australia	100%
M09/105	Shark Bay District, Western Australia	100%
M09/106	Shark Bay District, Western Australia	100%
M09/111	Shark Bay District, Western Australia	100%
M09/112	Shark Bay District, Western Australia	100%
R09/02	Shark Bay District, Western Australia	100%
R09/03	Shark Bay District, Western Australia	100%
R09/4	Shark Bay District, Western Australia	100%
E09/2355 (Pending)	Shark Bay District, Western Australia	100%
L09/99	Shark Bay District, Western Australia	100%
L09/101	Shark Bay District, Western Australia	100%
E09/2644 (Pending)	Shark Bay District, Western Australia	100%
E09/2645 (Pending)	Shark Bay District, Western Australia	100%
P09/500 (Pending)	Shark Bay District, Western Australia	100%
P09/501 (Pending)	Shark Bay District, Western Australia	100%

During the September 2024 Quarter the Company surrendered E09/939. There were no other tenements surrendered during the September 2024 Quarter and no farm-in or farm-out agreements were entered into or held during the September 2024 Quarter.

The following tenure in Tanzania is the subject the sale agreement with Shenghe as announced on 20 May 2024 and completed in August 2024 (see ASX announcements). Following completion of this sale agreement, the Company no longer has an interest in this tenure:

Location	Name	Interest at beginning of Qtr	Interest at end of Qtr
<b>Tanzania</b>	<b>Mineral Sands Projects</b>	<b>%</b>	<b>%</b>
ML 678/2022	Funconi	84%	0%
PL 12218/2023	Funconi	84%	0%
PL 12211/2023	Sudi	84%	0%
PL 12217/2023	Bagamoyo	84%	0%
PL 12209/2023	Pangani	84%	0%
PL 12222/2023	Funconi West	84%	0%
PL 12220/2023	Funconi South	84%	0%
PL 12212/2023	Bagamoyo	84%	0%
PL 12221/2023	Sudi Central	84%	0%
PL 12219/2023	Kitunda RIO	84%	0%
PL 12207/2023	Rushungi South	84%	0%
PL 12206/2023	Sudi East RIO	84%	0%
PL 12213/2023	Temeke & Mkuranga	84%	0%
PL 12214/2023	Temeke	84%	0%
PL 12208/2023	Sakaura (South of Tajiri)	84%	0%
PL 12216/2023	Mwasonga	84%	0%
PL 12215/2023	Sharifu	84%	0%
PL 12210/2023	Tanga- Pangani	84%	0%
SML 00607/2022 (granted)	Tajiri	84%	0%

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Strandline Resources Limited

ABN

32 090 603 642

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	41,442	41,442
1.2	Payments for		
	(a) exploration & evaluation	(100)	(100)
	(b) development	-	-
	(c) production	(36,407)	(36,407)
	(d) staff costs	(4,012)	(4,012)
	(e) administration and corporate costs (inclusive of GST)	(3,459)	(3,459)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	5
1.5	Interest and other costs of finance paid	(5,742)	(5,742)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (technical services income)	2,300	2,300
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(5,973)</b>	<b>(5,973)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	11	11
	(d) exploration & evaluation	-	-
	(e) investments	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
(f) other non-current assets	- Mine properties in development Coburn Project	(3,648)	(3,648)
	- Mine properties in development Fungoni Project	(1)	(1)
2.2	Proceeds from the disposal of:		
	(a) entities	43,000	43,000
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>39,362</b>	<b>39,362</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	5,000	5,000
3.6	Repayment of borrowings	(35,344)	(35,344)
3.7	Transaction costs related to loans and borrowings	(4,072)	(4,072)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.11	<b>Net cash from / (used in) financing activities</b>	<b>(34,416)</b>	<b>(34,416)</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,953	3,953
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,973)	(5,973)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	39,362	39,362
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(34,416)	(34,416)
4.5	Effect of movement in exchange rates on cash held	95	95
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,021</b>	<b>3,021</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,963	3,895
5.2	Call deposits	58	58
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,021</b>	<b>3,953</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	941
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		



**Appendix 5B**

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities – Bond Facility <sup>1</sup>	86,564	(86,564)
	Loan facilities – NAIF Facility <sup>2</sup>	135,000	(130,000)
	Loan facilities – Working Capital Facility <sup>3</sup>	15,000	(15,000)
	Loan facilities – NAIF Facility Super Senior <sup>4</sup>	15,000	-
	Loan facilities – Bond Facility Super Senior <sup>5</sup>	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>251,564</b>	<b>(231,564)</b>
7.5	<b>Unused financing facilities available at quarter end</b>		5,000

- 7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

<sup>1</sup>Bond Facility – US\$60m

- 5 year tenor with a maturity date of 20 March 2026.
- The Bond Terms originally provided for amortisation payments of principal from March 2024, comprising quarterly amortisation of US\$4.25m from 20 March 2024 to 20 June 2025, and amortisation of US\$2.25m at 20 September 2025 and 20 December 2025. The final payment of the balance was then due on the Maturity Date. The Company and the Bondholders have agreed as part of its existing standstill arrangements to defer the March 2024, June 2024 and September 2024 payments to 30 November 2024, with a further revised amortisation schedule to be agreed as part of a broader debt restructure under discussion with all of its lenders.
- The Company may buy back the debt on-market at any time or redeem the bonds early (subject to make whole payments and call premia depending on the time of the prepayment).
- Financial covenants are customary for a loan facility of this nature, aligning with the NAIF loan facility, comprising a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio and minimum unrestricted cash balance requirement, Group Liquidity, minimum product output and minimum product sales.
- Listed on Oslo Børs
- Governing law is Norwegian law for Bond terms and Australian law for security package.
- Comprehensive senior security package over assets and rights of Coburn project, Pari Passu with the NAIF (Facility B and Facility C1) and NAB loan facility.
- US\$60m (A\$86.6m at AUD: USD 0.6931 as at 30 September 2024). This amount does not include accrued interest that has been capitalised. The repayment schedule of capitalised interest will be determined as part of a broader debt restructure.

<sup>2</sup>NAIF Facility – A\$150m

- Up to 15 year tenor with no principal repayments until the earlier of 20 March 2028 or 3 months after the Bond or any Bond refinancing is repaid. Thereafter, quarterly principal repayments of Facility B and Facility C2 for a period of 7 years and 9 months. Additional sweep of a portion of available excess cashflow will also apply under certain circumstances.
- First NAIF Loan Tranche (Facility B): Up to A\$130m towards the construction of Coburn's core mine process and non-process infrastructure.
- Second NAIF Loan Tranche (Facility C1): Up to A\$5m provided towards financing the Airstrip Project.
- Third NAIF Loan Tranche (Facility C2): Up to A\$15m towards financing Project remediation costs including costs of expansion of the tailings storage capacity of the Project and "truck and shovel" costs related or incidental to such expansion. Note that this facility is super senior and ranks pari passu with the Bond Facility Super Senior listed below. See further details of Facility C2 below.
- Comprehensive senior security package over assets and rights of Coburn project, pari passu (with respect to Facility B and Facility C1) with the Bond and NAB facility. Facility C2 ranks pari passu with Bond Facility Super Senior, and super senior to other secured lenders.
- Financial covenants comprise a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio, minimum unrestricted cash balance requirement, Group Liquidity, minimum product output and minimum product sales.
- The facility amount does not include accrued interest that has been capitalised. The repayment schedule of capitalised interest will be determined as part of a broader debt restructure.

**<sup>3</sup>NAB Working Capital Facility - \$15m**

- 12 month revolving facility for working capital purposes.
- Comprehensive senior security package over assets and rights of Coburn project, pari passu with the NAIF (Facility B and Facility C1) and Bond financing.
- Financial covenants comprise a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio, minimum unrestricted cash balance requirement, Group Liquidity, minimum product output and minimum product sales.
- The facility amount does not include accrued interest that has been capitalised. The repayment schedule of capitalised interest will be determined as part of a broader debt restructure.

**<sup>4</sup>NAIF Facility Super Senior - \$15m**

- As noted above, the third NAIF Loan Tranche (Facility C2) is super senior and ranks pari passu with the Bond Facility Super Senior (listed below). Facility C2 is up to A\$15m towards financing Project remediation costs including costs of expansion of the tailings storage capacity of the Project and "truck and shovel" costs related or incidental to such expansion.
- A\$10m was drawn down in December 2023, a further \$2.5M drawn in June 2024 and A\$2.5M drawn in July 2024.
- 100% bullet repayment at the Maturity Date (being the earliest of 8 March 2025; (ii) 2 Business Days before the first scheduled repayment under the Bond Terms; and (iii) the Business Day before the date of the first schedule repayment under the NAB Working Capital Facility
- Comprehensive senior security package over assets and rights of Coburn project, ranks pari passu with Bond Facility Super Senior, and super senior to other secured lenders.
- Financial covenants comprise a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio, minimum unrestricted cash balance requirement, Group Liquidity, minimum product output and minimum product sales.
- On 8 August 2024, Strandline completed the sale of the Tanzanian Projects, with the consideration used to repay Facility C2 along with accrued interest and fees. Facility C2 will be available for redrawing following the implementation of the broader debt restructure under discussion with all of its lenders and subject to release conditions to be agreed.

**<sup>5</sup>Bond Facility Super Senior - \$20m**

- 12 month tenor with a maturity date of 8 March 2025. No amortisation payments, 100% bullet at the Maturity Date.
  - First Loan Tranche (Facility A) up to A\$10m, Second Loan Tranche (Facility B) up to A\$5m and Third Loan Tranche (Facility C) up to A\$5m, each subject to satisfaction of various conditions to the satisfaction of Bond Facility Super Senior Lenders in their discretion to be applied towards general corporate purposes or other such purposes as approved by the Agent.
  - A\$20m has been drawn down as at 30 June 2024, with \$2.5m held in escrow as restricted cash. The remaining \$2.5m was released from escrow in July 2024.
  - Comprehensive senior security package over assets and rights of Coburn project, ranks pari passu with NAIF Facility C2 loan facility, and super senior to other secured lenders.
  - Financial covenants comprise a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio, minimum unrestricted cash balance requirement, Group Liquidity, minimum product output and minimum product sales.
- On 8 August 2024, the A\$20m Bond Facility was repaid in full from the consideration received from the Tanzanian Projects. The Bond Facility has been cancelled and is not available for redrawing.

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,973)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(5,973)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,021
8.5	Unused finance facilities available at quarter end (item 7.5)	5,000
8.6	Total available funding (item 8.4 + item 8.5)	8,021
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	1.34

*Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

<b>8.8</b>	If item 8.7 is less than 2 quarters, please provide answers to the following questions:
<b>8.8.1</b>	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?
	No - with expected improvements in sales prices and reduced operating costs, the Company is expecting lower cash outflows. Subsequent to the end of the September 2024 Quarter, a shipment of approximately 13,228 tonnes of HMC was sold in early October 2024 with further shipments being scheduled with customers in the December 2024 Quarter.
<b>8.8.2</b>	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
	<p>The Company announced on 20 September 2024 that the Northern Australian Infrastructure Facility (NAIF) will advance \$5m under an existing facility for construction of a new airstrip and associated infrastructure. Subsequent to the end of the quarter the Company received the first tranche of \$2.5 million (see ASX announcement dated 20 September 2024).</p> <p>On 8 August 2024, Strandline completed the sale of the Tanzanian Projects, with the consideration used to repay NAIF Facility C2 along with accrued interest and fees. Facility C2, \$15 million, will be available for redrawing following the implementation of the broader debt restructure under discussion with all of its lenders and subject to release conditions to be agreed.</p> <p>In addition to the facilities above, Strandline has agreed with its financiers (NAIF, National Australia Bank and Nordic Bondholders) to extend the standstill arrangement on certain interest payments and near-term repayments and covenant waivers, subject to certain conditions (see ASX Announcement dated 30 September 2024).</p>
<b>8.8.3</b>	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
	Presently the Company is negotiating with its debt financiers to restructure the Company's debt.. Pending successful outcome of these negotiations, the Company believes there are reasonable grounds to believe the operations and its business objectives will be met.
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: .....31 October 2024.....

Authorised by: .....the Board of Strandline Resources Limited.....  
(Name of body or officer authorising release – see note 4)

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.