

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

CROSSLAND STRATEGIC METALS LIMITED

ABN

64 087 595 980

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(86)	(179)
(b) development		
(c) production		
(d) staff costs	-	(18)
(e) administration and corporate costs	(60)	(84)
1.3 Dividends received (see note 3)		
1.4 Interest received	3	3
1.5 Interest and other costs of finance paid		
1.6 Taxes paid/received		
1.7 Research and development refunds		
1.8 Other – stamp duty	(192)	(192)
1.9 Net cash from / (used in) operating activities	(335)	(470)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) other non-current assets		
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) 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	Net cash from / (used in) investing activities	0	0

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings	442	501
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	442	501

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	18	112
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(335)	(470)
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)	442	501

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held		
4.6	Cash and cash equivalents at end of period	125	143

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	125	18
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (Term Deposits)	0	0
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	125	18

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

0

0

No payments were made to directors in the quarter as directors elected not to receive fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

0

0

None

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end¹ \$A'000	Amount drawn at quarter end¹ \$A'000
8.1 Loan facilities	501	473
8.2 Credit standby arrangements	0	0
8.3 Other (please specify)	0	0

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

¹ represents the accumulated loans and draw on facilities received since the start of 2018 year.

For the June quarter, total loan received on 4th of April of \$250,000 being a six-month term of a total facility of \$250,000 payable by 4th of October 2018, and interest charged at 15%pa. On the 1st of June 2018, a further loan of \$190,140.75 (plus \$2,000 for fees) was received from EMMCO Mining Sdn. Bhd. (EMMCO), a Malaysian Incorporated Company. The funds were used to settle Stamp Duty owed to the Northern Territory Revenue Office for the acquisition of prior joint venture partner Essential Mining Resources Pty. Ltd. on the 7th of June 2017. The loan interest is 15% per annum pro-rata, maturing on 4th of October 2018.

Total of unsecured loans from EMMCO is \$ 696,000.93 (inclusive of interest) due on 4th of October 2018.

On the 30th of June 2018, the following unsecured loans to Atlas Offshore Services Pty. Ltd. (Atlas) expired and were rolled forward to the due date of 4th of October 2018 under the same loan agreement terms:

Loan 1: 9th of November 2016 for amount of \$350,000 with interest due of \$86,157.57.

Loan 2: 10th of April 2017 for amount of \$350,000 with interest due of \$64,150.89.

Total of unsecured loans from Atlas, rolled forward is \$850,308.22 with \$ 33,546.41 interest payable at expiry. For administrative simplicity, the due dates have been rolled forward to 4th of October to coincide with EMMCO expiry dates.

² To finance further activities, a further loan of \$250,000 has been agreed with EMMCO Sdn. Bhd on 24th of July 2018. Details of the loan have not been finalised at this time. The loan facility is planned for August 2018. Until funds are received, this forthcoming loan is not reflected in Section 8 of this report.

Director Harun Halim Rasip is a Director of EMMCO Mining Sdn. Bhd.

Director Stan Wassylko is a Director of Atlas Offshore Service Pty Ltd.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	194
9.2 Development	0
9.3 Production	0
9.4 Staff costs	0
9.5 Administration and corporate costs	58
9.6 Other	
9.7 Total estimated cash outflows²	252

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

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.

Sign here:



Date: 31st July, 2018

Print name: Tamer Soliman
A E Soliman & Associates

Designation: Company Accountant

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.