

September 2024 Quarterly Activities Report



31 October 2024

Tombador Iron Limited

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West Perth WA 6005

ABN: 20 108 958 274
ASX: TI1

Tombador Iron Limited (ASX:TI1) is an Australian company listed in October 2020.

Tombador commenced production of high-grade hematite iron ore from a simple open cut mining operation during Q2 CY2021. The Project was sold in December 2023.

Executive Director

Stephen Quantrill

Non-Executive Directors

Anna Neuling – Chair
David Chapman
Keith Liddell

Company Secretary

Abby Macnish Niven

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KEY EVENTS

- **Announcement of proposed transaction to acquire the Colomi Iron Project in Brazil.**
- **Cash decrease of AUD\$43K in the quarter and cash holdings of AUD\$10.8m as at 30 September 2024.**
- **Royalty payments of AUD\$485k received from the purchaser of the Tombador Iron Brazil Project.**

Tombador Iron Limited's quarterly report for September 2024 summarises the relevant activities undertaken for this period. The Company is currently in voluntary suspension as it has sold its main undertaking, the Tombador Iron Project in Brazil.

During the quarter, the Company received royalty income of AUD\$485k from iron ore sales of direct ship ores under the sale agreement for the Tombador Iron project.

In the September quarter the Company continued the identification and evaluation of suitable investment opportunities to add a new asset to the Company, following the sale of the Tombador Iron project in December 2023.

Following a thorough assessment and evaluation process the Company announced on 18 October 2024 on the ASX, that it had entered into a binding agreement to purchase 100% of the issued capital of Colomi Iron Mineração S.A. which holds the Colomi Iron project.

The announcement can be found on the ASX website.



ACTIVITIES RELATED TO PROPOSED TRANSACTION

In preparation for the proposed transaction, substantial works including technical, commercial, legal and environmental due diligence were undertaken on the Colomi Iron Ore project as a potential suitable acquisition target for the Company.

The Colomi Iron Ore project is located in north-east Brazil and contains a world scale magnetite Mineral Resource with the potential to produce a high-quality Blast Furnace (BF) and Direct Reduction Iron (DRI) grade concentrate.

Other activities undertaken in the September quarter included extensive and detailed communications with the ASX in relation to Listing Rules 1.1 condition 1 and 1.19. (Chapter 1 and 2) for re-listing, addressing and satisfying ASX queries relating to the re-listing requirements under Chapters 1 and 2.

They also included providing technical advice and the necessary documentation for the preparation of the Independent Technical Assessment Report (ITAR) and Independent Evaluation Report (IER) and drafting of Prospectus and Notice of Meeting (NOM) documentation.

The consideration for the transaction including the initial cash consideration, milestone share issue and future production royalties' determination were negotiated with the owners of the Colomi Iron Project.

Pre-planning took place for the organisational structure and proposed staffing of the future Tombador business to ensure all regulatory requirements for business operations in Brazil would be compliant and established in advance of re-listing which is expected to be in early 2025.

Preliminary planning for study logistics and budget preparation for project scoping and prefeasibility studies were undertaken.



TOMBADOR IRON

KEY FINANCIALS

Cash flows

The Company received AUD\$31k of net cash from operating activities, offset by a \$74k effect of movement in exchange rates on cash held, resulting in a net decrease in cash of AUD\$43k in the quarter.

Operating activities in the September 2024 quarter, as shown in the Company's Appendix 5B, included AUD\$485k of royalty income that was successfully collected under the sales agreement from the gross revenue from iron ore sales of direct ship ores from Tombador project.

Focus during the quarter was on evaluating other projects for potential future acquisition by the Company. The corporate costs of AUD\$348k in the quarter included AUD\$103k of legal and due diligence costs, AUD\$102k of technical and corporate consulting costs and AUD\$143k of office and other administrative costs.

The company also incurred AUD\$144k in Board and staffing costs during the quarter. This figure was lower than the June 2024 quarter payments due to the timing of the payment of invoices.

Cash decreased by AUD\$43K in the quarter and at the end of the quarter, the Company had approximately AUD\$10,800m in cash. The Company holds no bank loans.

Payments to related parties and associates

In accordance with ASX Listing Rule 5.3.5, AUD\$170k was paid to related parties or their associates during the quarter, as shown in section 6 of the Company's Cashflow Report (Appendix 5B) for the quarter ended 30 September 2024. The payments include Director payments of \$96k, consulting fees of \$63k, and \$11k for office rent.

Authorised for release by the Board.

Contact:

Abby Macnish Niven
CFO & Company Secretary

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