

2 February 2024

Angel He  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

### **Response to ASX Query Letter**

Dateline Resources Limited (**Company**) refers to your letter dated 31 January 2024 and responds as follows:

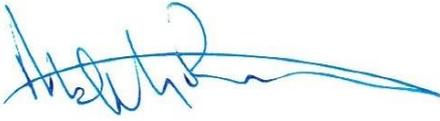
1. Based on the Company's budgeting, the Company expects that its operating expenditure in the March quarter of 2024 (which is expected to be approximately \$1,100,000 in total) will be less than its operating expenditure in the December quarter of 2023 (which was \$1,852,000).

The Company's operating expenditure for January 2024 was approximately \$300,000.

The Company's expected operating expenditure for the remainder of the March quarter is comprised of the following:

- a. Staff & personnel (\$250,000)
  - b. Exploration & development (\$250,000)
  - c. General working capital and administration (\$300,000)
2. Confirmed. The Company confirms that it is solvent (i.e. the Company can pay its debts as and when then fall due for payment) and that its directors believe there are reasonable grounds to expect that the Company will continue as a going concern.
  3. Yes, the Company considers that its financial condition is adequate to warrant the continued quotation of its securities under Listing Rule 12.2. The Company holds this opinion for the following reasons:
    - a. the Company enjoys the support of its major shareholders (including major shareholders who are controlled by directors of the Company) and of a number of brokerages each of whom will likely support the Company with its future capital raising initiatives. Furthermore, the Company has sufficient placement capacity under Listing Rules 7.1 and 7.1A to conduct an equity raising in the near term should it decide to;
    - b. the Company expects to receive further proceeds from the sale of its former USA subsidiary. In this regard, the Company has received US\$250,000 in January 2024 and expects to receive up to a further approximately US\$450,000 in the current quarter;

- c. there is no "minimum spend" required at the Company's Colosseum Project meaning that the Company can reduce its spending (or even suspend its activities) if required (and may do so without risking the forfeiture or loss of the project). Given the Company's control over expenditures at the project, no funds will be disbursed or committed unless sufficient funding is available to the Company; and
  - d. as noted in the Company's ASX announcement dated 22 January 2024, the Company is also progressing discussions with local, state and federal agencies in the US with regards to implementing a rare earths exploration program and is pursuing opportunities to secure non-dilutive funding for the project.
4. The Company confirms that it is complying with Listing Rule 3.1.
5. The Company confirms that its responses to ASX's queries have been authorised and approved by an officer of DTR with delegated authority from the board to respond to ASX on disclosure matters.

A handwritten signature in blue ink, appearing to read "Stephen Baghdadi", enclosed in a dotted-line rectangular box.

Stephen Baghdadi
<b>Managing Director</b>



31 January 2024

Reference: 87513

Mr John Smith  
Company Secretary  
Dateline Resources Limited  
Level 29  
2 Chifley Square  
Sydney NSW 2000

By email.

Dear Mr Smith

**Dateline Resources Limited ('DTR'): Appendix 5B - Query**

ASX refers to the following:

- A. DTR's Appendix 5B quarterly reports for the period ended 30 September 2023 lodged with ASX Market Announcements Platform ('MAP') on 30 October 2023 (the 'September Appendix 5B').
- B. DTR's Appendix 5B quarterly reports for the period ended 31 December 2023 lodged with MAP on 31 January 2024 (the 'December Appendix 5B').
- C. DTR has reported 0.3 estimated quarters of funding available in the December Appendix 5B.
- D. DTR's response to item 8.8.1 in the September Appendix 5B, which stated the following in response to the question '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. Operating expenditure will decrease in the Dec'23 Quarter.'*

- E. DTR's net cash outflow from operating activities for the September Appendix 5B of \$1,737,000.
- F. DTR's net cash outflow from operating activities for the December Appendix 5B of \$1,852,000.
- G. DTR's response to item 8.8.1 in the December Appendix 5B, which stated the following in response to the question '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. Operating expenditure will decrease in the Mar'24 Quarter.'*

**Request for Information**

In view of the above, ASX asks DTR to answer separately each of the following questions and provide the following confirmations in a format suitable for release to the market under Listing Rule 18.7A:

1. Given DTR's response to item 8.8.1 in the September Appendix 5B, as outlined in paragraph C, and DTR's net cash outflow from operating activities for the December Appendix 5B at paragraph F, which indicated an increase in operating expenditure, on what basis have the directors of DTR determined that operating expenditure will decrease in the March 2024 Quarter?
2. According to DTR's calculation at paragraph C, DTR was projected to exhaust its available funding on 28 January 2024. Please confirm DTR is currently solvent and that DTR's directors consider there are reasonable grounds to believe that DTR will be able to continue as a going concern.

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3. In light of paragraph C, does DTR consider that its financial condition is adequate to warrant the continued quotation of its securities under Listing Rule 12.2? In answering this question, please explain the basis for that view, and provide any supplemental material or correspondences which may still be confidential to support DTR's position (not for release to market).
  4. Please confirm that DTR is complying with Listing Rule 3.1.
  5. Please confirm that DTR's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of DTR with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **9.30 AM AEDT Monday, 5 February 2024**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, DTR's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require DTR to request a trading halt immediately.

Your response should be sent by e-mail to [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in DTR's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in DTR's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to DTR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that DTR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

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**Release of correspondence between ASX and entity**

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours sincerely

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ASX Compliance