



Strandline makes strong progress on mineral sands exploration and development

Binding offtake agreements secured – Outstanding exploration results – Project funding advancing

Strandline Resources (ASX: STA) is pleased to report on another highly successful December quarter in which it continued to make strong progress on each of its 100%-owned heavy mineral sands (HMS) projects in Australia and Tanzania.

This included completion of the Fungoni project Definitive Feasibility Study (DFS), initiation of a funding and development strategy for the large-scale Coburn project and continuing to deliver outstanding results from exploration and resource building activities at its Tanga South (Tajiri) and Bagamoyo projects, as well as at its greenfields exploration JV with Rio Tinto in southern Tanzania.

Subsequent to the end of the quarter, the Company announced that it had secured a binding take-or-pay offtake agreement for 100 per cent of the zircon-monzonite product which will be produced at Fungoni. This is considered pivotal because it paves the way for Strandline to finalise project funding.

HIGHLIGHTS

EXPLORATION AND DEVELOPMENT

During the quarter the outlook for the mineral sands market continued to strengthen and Strandline succeeded in adding value across its entire project portfolio. The portfolio presents varying production profiles, offering near-term cashflow potential across multiple jurisdictions and a growing resource base with significant exploration upside:

Fungoni Project – DFS finds Fungoni will deliver outstanding financial returns and is ready for development

- Positive Fungoni DFS showing a nominal 12-month duration to production following Decision to Mine
- Low development capital cost of US\$30 million, outstanding Internal Rate of Return, first quartile revenue-to-operating cost ratio of 2.7 and short payback period of less than 2 years from start of production
- Environmental Certificate granted and Mining Licence Application submitted
- Binding offtake Agreement signed subsequent to the quarter for 100% of the zircon product based on “take-or-pay”; chloride ilmenite and rutile offtake agreements are well advanced
- Fungoni paves the way for multiple project development options across Strandline’s strategic portfolio of mineral sands assets

Coburn Project in Western Australia – ideally positioned to capitalise on the strengthening HMS market

- Funding and development strategy initiated, aimed at bringing the large-scale, zircon-rich Coburn mineral sands project (Coburn) into production
- Coburn is fully approved, development-ready and defined by a large Resource estimate of 979Mt @ 1.26% HM with a high value HM assemblage of 23% zircon, 48% ilmenite, 7% rutile and 5% leucoxene
- An internal review of the previous Coburn definitive-level study produced in 2013 and the subsequent Cost Review Update (Review) undertaken in 2015 has confirmed the findings of the Review showing a minimum target Project NPV of A\$306 million and significant value-enhancement opportunities

Northern Tanzania Projects - new discoveries and growing resources demonstrate large-scale potential

- Outstanding high-grade Total Heavy Mineral (THM) assays from the 100%-owned Tajiri mineral sands deposits near the port city of Tanga - resource estimate update now underway
- Significant results establish Bagamoyo as a new mineral sands target which will now form part of Strandline's pipeline of growth projects

Southern Tanzania Projects - exploration underway in JV with Rio Tinto

- Reconnaissance air core (AC) drilling programme underway at Strandline's southern Tanzanian tenement portfolio, including Mtwara, Sudi, Kiswere and Miteja project areas
- The JV with Rio Tinto is separate from Strandline's other HMS assets in Tanzania, including the advanced Fungoni Project and the Bagamoyo and Tanga projects, which remain 100% owned by the Company

CORPORATE

- Cash reserves of \$3.74 million and no debt at 31 December 2017
- Appointment of experienced mining executive, Peter Watson
- Completion of consolidation to Company's capital structure; now 270 million shares on issue

Strandline Managing Director Luke Graham said: *"It was a very pleasing quarter for Strandline on all levels. The Company completed the Fungoni DFS, which confirmed that Fungoni is a robust project which will generate strong financial returns for shareholders and deliver significant social and economic benefits for the people of Tanzania. The Company generated impressive results from resource drilling at Tanga South Tajiri and made exciting discoveries at Bagamoyo. At the same time, aircore reconnaissance drilling ramped-up in southern Tanzania at our joint venture with Rio Tinto. This was then capped off by securing a binding offtake agreement for Fungoni at the start of this quarter."*

EXPLORATION AND DEVELOPMENT

The Company progressed its strategic exploration and development activities in Tanzania and Australia through the December quarter.

The operational activities were aimed at building known Mineral Resources and discovering new HMS mineralisation zones across priority targets in Tanzania, while in parallel, preparing the Fungoni and Coburn projects to be ready for a development decision.

Mineral Sands Commodity Market Continues to Improve

Mineral sands supply and demand fundamentals have tightened in recent months and prices continue to strengthen from the low base experienced during 2013 to 2016. This recovery has been led by the titanium minerals and now zircon, as evidenced by Iluka Resources' (ASX: ILU) recent announcement (see Iluka's ASX release dated 12 September 2017) referring to a zircon reference price increase of US\$130/t to US\$1230/t, effective from 01 October 2017 for a six-month period.

The Fungoni and Coburn projects are positioned well to benefit from an improving mineral sands commodity outlook and in particular, the emerging zircon structural supply gap forecast for the market from 2018.

FUNGONI HMS PROJECT

The Company continued to advance development on its high margin zircon-rich Fungoni Project located near the port city of Dar es Salaam (see Figure 2).

Definitive Feasibility Study Completed

The Fungoni DFS completed in October 2017 (refer ASX announcement 06 October 2017) confirms the Project will deliver strong financial returns, has a high unit value product suite, is capital-efficient, and demonstrates the strategic potential of the Company's portfolio of mineral sands assets in Tanzania.

The Project is favourably located ~25km from the Dar es Salaam port in a growing commercial/industrial district and will benefit from existing infrastructure, including an established road network and services industry.

Key highlights of the Fungoni DFS include:

- **Low development capital cost of US\$30 million, including mine infrastructure, port facilities, working capital, land access, pre-production mining, owner's costs and project contingencies of 10%;**
- **Maiden ore reserve of 12.3 Mt @ 3.9% Total Heavy Mineral (THM), with opportunities to grow reserves and mine life, further increasing financial returns;**
- **Outstanding Internal Rate of Return and revenue-to-operating cost ratio of 2.7 (first quartile);**
- **Project Pre-Tax NPV of US\$42.9 million (A\$57.2 million at USD:AUD 0.75) based on a 10% discount rate and TZMI's September-2017 commodity price forecast;**
- **Life of Mine (LOM) Revenue of US\$168 million (A\$224 million) and LOM EBITDA of US\$98 million¹;**
- **Binding offtake Agreement signed for 100% of zircon-monazite product based on "take-or-pay"; pricing formulae is leveraged to the improving market conditions;**
- **Environmental Certificate granted and Mining Licence Application submitted;**
- **Nominal 12 month design, construction and commissioning period and 2.7 year payback period from start of construction;**
- **Modular relocatable infrastructure with state-of-the-art processing technology which can be re-used at Strandline's other mineral sands assets in Tanzania;**
- **"Low impact" mining philosophy with progressive backfill and rehabilitation of the mined area; returning the land to pre-mining state; and**
- **Fungoni will generate a host of key social and economic benefits including capital inflows to Tanzania, significant job creation, training and job diversity, transferable skills development as well as community engagement programmes.**

The Project is based on mining ore at 2Mt/a¹, processing onsite using multiple stages of beneficiation and mineral separation equipment to produce saleable, low impurity, premium quality industrial mineral products. A Mineral Resource Estimate of 22Mt @ 2.8% total heavy mineral (THM), classified 41% Measured and 59% Indicated, provides the geological foundation for the Project, with a maiden Ore Reserve inventory of 12.3Mt @ 3.9% THM.

The high-grade orebody is exposed at surface with the mineralisation showing strong geological continuity laterally and at depth. The mining study confirms conventional mining of the higher grade optimised domains from surface and averaging 12 metres thick, with a maximum thickness of 22 metres.

Advanced beneficiation and separation of minerals will take place in Tanzania with high local content maximising value generation and capital inflows to Tanzania. The DFS confirms a very favourable product suite and high mineral recoveries.

Table 1 and Table 2 in Annexure A displays the Mineral Resources estimate and Maiden Ore Reserve estimate respectively.

Project Approvals Are Well Underway

As announced on 26 July 2017, Strandline secured the Environmental Certificate for the Fungoni Project. The grant of the Environmental Certificate represents the completion of another major milestone in the Project's approval process. The Environmental Certificate is a key pre-requisite for the granting of a mining licence and will remain valid for the life of the project.

As announced on 28 September 2017, Strandline submitted the mining licence application for the Fungoni Project to the Ministry of Minerals of Tanzania.

¹ Refer to the ASX Announcement dated 06 October 2017 for full details of the material assumptions underpinning the production target and financial results for the Fungoni Project. The Company confirms that all the material assumptions underpinning the production target and financial results continue to apply and have not materially changed.



Figure 1 Preliminary 3D image of Fungoni HMS Project (Feasibility level design)

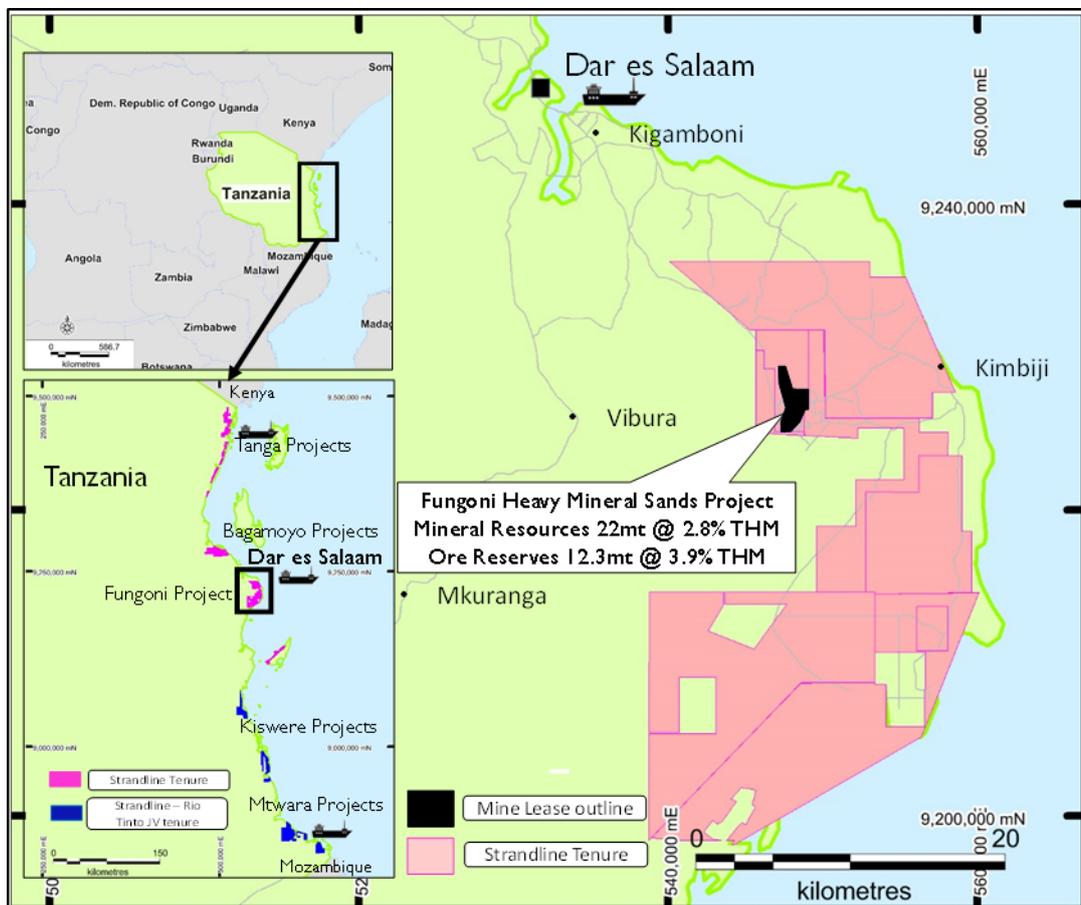


Figure 2 The Fungoni Project is favourably located close to Dar es Salaam port infrastructure and supporting industries

OUTSTANDING DRILL RESULTS AT TAJIRI, TANZANIA

During the quarter, the Company announced outstanding high-grade Total Heavy Mineral (THM) assays from its 100%-owned Tanga South Tajiri mineral sands deposits near the port city of Tanga.

Air-core drilling across the priority Tajiri T1-T4 targets highlight the strong potential to significantly increase Tajiri's existing Indicated Mineral Resource of 59Mt at 3.7% THM. These results will form part of the new Mineral Resource estimate scheduled for completion in the current quarter.

Tajiri's existing Resources comprise a high value assemblage of 87% valuable mineral, which includes 10% Rutile, 5% Zircon, 4% Leucoxene and 68% Ilmenite.

Importantly, a combination of air-core and auger drilling has successfully discovered new, high grade areas along the Tajiri HMS corridor that should continue to expand Mineral Resources over time. This includes a thick channel-style deposit running adjacent to the existing T2, T3 and T4 mineralised zones.

Further details are available in the ASX announcement dated 12 December 2017.

LARGE DISCOVERIES AT BAGAMOYO, TANZANIA

During the quarter, Strandline announced it had made several large, higher grade mineral sands discoveries at its Bagamoyo tenements.

Strandline received the soil sampling results from its first exploration programme over the eastern Bagamoyo tenements. The program was designed to demonstrate sufficient scale, grade, continuity and mineral assemblage and focussing on the mapped radiometric anomalies associated with topographic ridges (20 and 30 metres above sea level).

The exploration results have exceeded the Company's expectation with the identification of significant zones of anomalism with surface footprints showing both size and grade potential. The Company believes the area is highly prospective and represents a major new mineral sands target in the Bagamoyo province.

The Company is now undertaking additional mapping and shallow reconnaissance drilling ahead of planning a future aircore (AC) drill programme at Bagamoyo. Further details are available from the ASX announcement dated 4 October 2017.

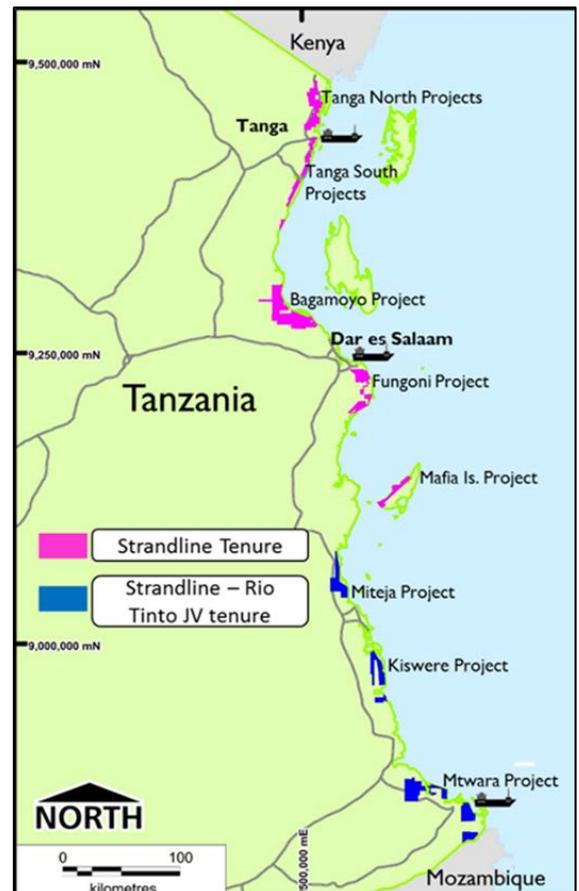


Figure 3 Strandline holds a strategic mineral sands tenement position along the coastline of Tanzania

SOUTHERN TANZANIA - EXPLORATION ACCELERATED IN JV WITH RIO TINTO

As announced on 26 April and 26 June 2017, Strandline entered into an Earn-in and Joint Venture (JV) Agreement with Rio Tinto in connection with the Company's suite of HMS tenements located in the southern region of Tanzania. Reconnaissance air core drilling progressed strongly during the quarter across a number of priority target areas at Sudi, Kiswera, Miteja and Madimba tenements.

Rio Tinto group is one of the world's largest HMS producers with major HMS operations in nearby South Africa and Madagascar.

The JV has enabled Strandline to accelerate exploration activities on the Project Area, with Rio Tinto contributing expertise and funding, whilst enabling the Company to concurrently progress its exciting northern projects (Fungoni, Tanga and Bagamoyo) and to pursue additional strategic exploration and development initiatives.

Initial findings from the first phase programme are expected to be released during first half CY2018.

COBURN HMS PROJECT -

During the quarter, Strandline announced that it has initiated a funding and development strategy aimed at bringing its large-scale Coburn mineral sands project (Coburn) in WA into production.

As part of this process, one of the options being pursued by Strandline is to solicit interest from well-funded parties in respect of forming a special purpose vehicle which would oversee the funding, development and operation of Coburn.

Strandline currently owns 100 per cent of Coburn, which is located 250km north of the major minerals port and mineral sands processing centre of Geraldton in Western Australia's central coast.

The project is fully-approved and development ready, including having mining and environmental approvals in place.

An internal review of the previous Coburn definitive-level study produced in 2013 and the subsequent Cost Review Update (**Review**) undertaken in 2015 has confirmed the findings of the Review with an indicated minimum target net present value (**NPV**) for the Project of A\$306 million and significant upside potential identified. Coburn's internal pre-tax rate of return (**IRR**) is forecast to be 26% and will generate A\$2.9 billion of sales revenue over a projected 19-year life, mining at a rate of 23.4Mtpa².

Native title agreements are in place for the southern project area which provides the first 14-15 years of Ore Reserves. The remaining 5 years of reserves are contained in the northern areas, where Strandline recently signed two Heritage Agreements as part of the process to convert these Exploration Licences to Retention Licenses. The Heritage Agreements over the Retention Licenses have been signed with the Nanda and Malgana People. The tenure conversions will ensure access to potentially mineable mineral resources in the future.

Coburn is defined by a large deposit with a global JORC 2004 Resource estimate of 979Mt @ 1.26% HM and a proved and probable Ore Reserve estimate of 308Mt @ 1.2% HM (refer to Annexure A). The Project has a high value heavy mineral assemblage composition of 23% zircon, 48% ilmenite, 7% rutile and 5% leucoxene.

The project has been subject to advanced engineering work over the past years with a number of definitive feasibility studies having been completed (some A\$30 million has been invested on the project to date). Strandline believes the current favourable market dynamics and the advancement of technology relating to process equipment and non-process infrastructure solutions provides significant opportunities for the Company to enhance Coburn, improving financial returns and delivery certainty.

Coburn is one of a very few large-scale zircon-rich mineral sands projects world-wide at this level of development readiness and is highly leveraged to the forecast rise in mineral sands prices (particularly zircon). The salient points of Coburn are as follows:

- **Large scale project delivering strong economics, with +19 year mine life at 23.4Mtpa mining rate;**
- **High quality product suite covering zircon (66% ZrO₂), chloride grade ilmenite (62% TiO₂) and HiTi90 (90% TiO₂);**
- **Project approvals in place (environmental, native title, heritage & mining) and development-ready;**
- **Access to existing infrastructure (roads, port and gas pipeline);**
- **Extremely low strip ratio and slimes content – simple and efficient mining method;**
- **Conventional dry mining and mineral extraction techniques, and proven rehabilitation processes; and**
- **Attractive revenue to operating cost ratio (RC ratio) with opportunity to improve through implementing value improvement initiatives.**

FOWLERS BAY NICKEL-GOLD PROJECT

Exploration activities, being funded by joint venture partner Western Areas Limited (ASX: WSA) (**Western Areas**), continued over Strandline's 700km² Fowlers Bay Project, which is a key part of Western Areas' exploration strategy in the Western Gawler region of South Australia.

During the quarter, Western Areas performed preparation activities for its next drill programme, expected to commence from March 2018, including target refinement, successful completion of heritage clearances (November 2017) and environmental applications being submitted.

² Refer to the ASX Announcement dated 09 February 2015 for full details of the material assumptions underpinning the production target and financial results for the Coburn Project. The Company confirms that all the material assumptions underpinning the production target and financial results continue to apply and have not materially changed.

Assay results were also received for 11 air core drill holes (from drilling conducted in the Sept-2017 quarter) as part of a stratigraphic drilling programme within the Yalata Aboriginal Reserve. Assays received highlighted anomalous geochemical zones, including anomalous copper values, demonstrating the broader prospectivity of the Western Gawler Project.

CORPORATE

At 31 December 2017, the Company has cash reserves of \$3.74 million and no debt.

EXECUTIVE APPOINTMENT

On 13 December 2017, Strandline announced it had appointed experienced mining executive Peter Watson to strengthen its executive capacity.

Mr Watson is a chemical engineer with more than 34 years' experience in the global resources sector across senior technical, project, and management roles as well as corporate experience running ASX-listed companies. His experience includes project development, project delivery and mining facilities operations across multiple commodities and global jurisdictions, including Africa.

At Strandline, he will be responsible for supporting the business through the funding and development phase of the Company's pipeline of projects with specific short-term focus on commercialising both Fungoni and Coburn.

BOARD CHANGES

Effective 1 November 2017, Strandline's inaugural Managing Director, Richard Hill, resigned as a Non-executive Director. Mr Hill played a key role in establishing the Company and its strong asset base. He oversaw the acquisition of Jacana Resources (Tanzania) in 2015 to create what is now a highly valuable pipeline of minerals sands projects.

CAPITAL STRUCTURE

Following approval at the 2017 annual general meeting, the Company completed a consolidation of its capital structure. The 12:1 consolidation has resulted in the number of shares on issue reducing to 269,926,769, down from 3,239,113,341.

KEY ACTIVITIES PLANNED FOR MARCH 2018 QUARTER

During the next quarter (March-2018), the Company intends to advance its two development-ready projects, Fungoni and Coburn, while rapidly progressing its country-wide Tanzania exploration activities in the north and south of the country.

Key activities include:

- **Advance Fungoni project execution planning, stakeholder engagement and final project approvals;**
- **Finalise Tanga South (Tajiri) Mineral Resource update and progress geological evaluations of other northern Tanzania drill data, including Bagamoyo and Tanga North prospects;**
- **Evaluation of laboratory results from the 2017-reconnaissance drilling programme of southern Tanzania tenements in JV with Rio Tinto and planning for next phase of drilling; and**
- **Continue technical and commercial work relating to advancing the Coburn Project funding and development strategy.**

The results of these programmes, along with work undertaken by Western Areas on the Fowlers Bay Project, will be released to the market as they become available.

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ABOUT STRANDLINE

Strandline Resources Limited (**ASX: STA**) is an emerging heavy mineral sands developer with a growing portfolio of 100%-owned development assets located in Western Australia and within the world's major zircon and titanium producing corridor in South East Africa. Strandline's strategy is to develop and operate quality, high margin, expandable mining assets with market differentiation and global relevance.

Strandline's project portfolio comprises development optionality, geographic diversity and scalability. This includes two zircon-rich, 'development ready' projects, the Fungoni Project in Tanzania and the large Coburn Project in Western Australia, as well as a series of titanium dominated exploration targets spread along 350km of highly prospective Tanzanian coastline, including the advanced Tanga South Project and Bagamoyo Project.

The Company's focus is to continue its aggressive exploration and development strategy and execute its multi-tiered and staged growth plans to maximise shareholder value.

Annexure A – Mineral Resource Data

Table 1 Mineral Resource Statement for Fungoni at May 2017

MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT										
Summary of Mineral Resources ⁽¹⁾					VHM assemblage ⁽²⁾					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
FUNGONI	Measured	8.77	0.37	4.26	43.3	4.3	18.3	1.0	18.5	6.8
FUNGONI	Indicated	12.97	0.24	1.84	36.7	4.3	14.6	1.4	24.4	7.3
	Total ⁽³⁾	21.74	0.61	2.82	40.7	4.3	16.9	1.2	22.0	7.0
(1) Mineral Resources reported at a cut-off grade of 1.0% THM										
(2) Valuable Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

Refer ASX announcement 02 May 2017 for full details of the Fungoni Mineral Resource Estimate. Mineral Resources were converted to Ore Reserves in accordance with the JORC Code 2012 Edition based on the pit designs, recognising the level of confidence in the Mineral Resource estimation, and reflecting modifying factors.

Refer ASX announcement 06 October 2017 for full details of the Fungoni Ore Reserve statement.

Table 2 Ore Reserve Statement for Fungoni Project at October 2017

ORE RESERVES SUMMARY FOR FUNGONI PROJECT						
Deposit	Reserve Category	Ore	Slimes		Heavy Mineral	
		(Mt)	(Mt)	(%)	(kt)	(%)
FUNGONI	Proved	6.9	1.2	18	341	4.9
FUNGONI	Probable	5.4	1.0	19	138	2.6
	Total	12.3	2.3	19	480	3.9

*Note totals may deviate from the arithmetic sum due to rounding.

Table 3 Tanga South (Tajiri) Project Mineral Resource Estimate (April 2016)

MINERAL RESOURCE SUMMARY FOR TANGA SOUTH (TAJIRI) PROJECT										
Summary of Mineral Resources ⁽¹⁾					THM assemblage ⁽²⁾					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Tajiri	Indicated	19	1.0	5.1	65	12	6	6	34	3
Tajiri North	Indicated	40	1.2	3.0	70	7	5	2	52	3
	Total ⁽³⁾	59	2.2	3.7	68	10	5	4	46	3
(1) Mineral Resources reported at a cut-off grade of 1.7% THM										
(2) Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

Refer to the ASX announcement dated 4 April 2016 for full details of the Mineral Resource estimate for the Tanga South Project.

Table 4 Coburn HMS Project, Western Australia, Ore Reserve Estimate (January 2010)

ORE RESERVES SUMMARY FOR COBURN HMS PROJECT									
Summary of Ore Resources ⁽¹⁾					HM assemblage ⁽²⁾				
Deposit	Reserve Category	Tonnage	Contained HM	HM Grade	Zircon	Ilmenite	Rutile	Leucoxene	
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)
Amy Pit A	Proven	53	0.7	1.3	24	46	5	6	
Amy Pits B-E	Probable	255	3.1	1.2	23	48	7	4	
	Total ⁽³⁾	308	3.8	1.2	23	48	7	5	
(1) Cut-off grade applied is 0.8% HM									
(2) Mineral assemblage is reported as a percentage of total HM content. Slimes average 2.7% of the ore and oversize 3.3%.									
(3) Appropriate rounding applied									

Table 5 Coburn Zircon Project Mineral Resource Estimate (January 2010)

MINERAL RESOURCE SUMMARY FOR COBURN HMS PROJECT⁽¹⁾				
Deposit	Mineral Resource Category	Tonnage⁽²⁾	Contained HM	HM Grade
		(Mt)	(Mt)	(%)
Amy South	Measured	119	1.5	1.3
Amy Central	Indicated	599	7.2	1.2
Amy North	Inferred	261	3.6	1.4
	Total⁽³⁾	979	12.3	1.26
(1) Cut-off grade applied is 0.8% HM				
(2) Inclusive of Ore Reserves				
(3) Appropriate rounding applied				

Refer to the ASX announcement dated 7 January 2010 for full details of the Ore Reserve and Mineral Resource estimates for the Coburn Project. These estimates have not been updated to comply with the JORC code 2012 on the basis that the information has not materially changed since it was last reported.

Competent Person's Statements

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Brendan Cummins, Chief Geologist and employee of Strandline. Mr Cummins is a member of the Australian Institute of Geoscientists and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cummins consents to the inclusion in this release of the matters based on the information in the form and context in which they appear.

The information in this report that relates to Mineral Resources for Fungoni is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, and employee of IHC-Robbins and Consultant to Strandline and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Cummins is the Competent Person for the drill database, geological model interpretation and completed the site inspection. Mr Jones is the Competent Person for the mineral resource estimation. Mr Jones and Mr Cummins consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The information in this report that relates to Mineral Resources for Tanga South is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Principal with GNJ Consulting) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Cummins is the Competent Person for the drill database, geological model interpretation and completed the site inspection. Mr Jones is the Competent Person for the resource estimation. Mr Jones and Mr Cummins consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The information in this report that relates to the Fungoni Ore Reserves is based on information compiled under the direction of Mr Adrian Jones. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and is employed by AMC. Mr Jones has sufficient experience relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Non-mining modifying factors for the Ore Reserve estimate are drawn from contributions provided by various sources.

Forward Looking Statements

This report contains certain forward looking statements. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside of the control of Strandline. These risks, uncertainties and assumptions include commodity prices, currency fluctuations, economic and financial market conditions, environmental risks and legislative, fiscal or regulatory developments, political risks, project delay, approvals and cost estimates. Actual values, results or events may be materially different to those contained in this announcement. Given these uncertainties, readers are cautioned not to place reliance on forward looking statements. Any forward looking statements in this announcement reflect the views of Strandline only at the date of this announcement. Subject to any continuing obligations under applicable laws and ASX Listing Rules, Strandline does not undertake any obligation to update or revise any information or any of the forward looking statements in this announcement to reflect changes in events, conditions or circumstances on which any forward looking statements is based.