

ASX ANNOUNCEMENT

Capital Raising



STRANDLINE
resources limited

24 May 2019

Strandline raises \$5.5m to advance key mineral sands projects in WA and Tanzania

The proceeds will be used to advance the offtake and funding strategy for the world-scale Coburn project in WA and finalise funding for the Fungoni project in Tanzania

Strandline Resources Limited (ASX: STA) is pleased to announce that it has received firm commitments for \$5.5 million through an oversubscribed placement to institutional and sophisticated investors. Strandline's major shareholder, Tembo Capital, a specialist mining investment private equity fund, also participated in the raising.

The placement comprises 46 million new fully paid ordinary shares at 12c per share. The placement price per share represents a 5 per cent premium to the 30-day volume weighted average price (VWAP) of the Company's shares.

The shares will be issued on or about 31 May 2019 and the issue will be made pursuant to the Company's placement capacity which will result in 16,739,855 shares issued in accordance with Listing Rule 7.1 and 29,260,145 shares issued in accordance with Listing Rule 7.1A. The Company confirms the placement terms are in accordance with ASX Listing Rule 7.1A. Morgans acted as Lead Manager to the Placement with support from Hartleys.

Proceeds from the Placement will be used to advance the Coburn mineral sands project in Western Australia through the engagement of strategic implementation partners relating to product offtake, major contract packages and funding options.

The proceeds will also help fund ongoing exploration and development at the Company's pipeline of projects in Tanzania. This will include finalising project funding for the high margin and strategic Fungoni project and a JORC Mineral Resource update at the large-scale Tajiri project.

Strandline Managing Director Luke Graham said the funds raised provide the Company with a strong foundation to deliver some potentially transformational development milestones over the next 12 months.

"With key development approvals in place, definitive feasibility studies completed and financing activities underway at both Fungoni and Coburn, Strandline is extremely well-placed to capitalise on the growing mineral sands market through commercialisation of its first generation development projects."

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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.

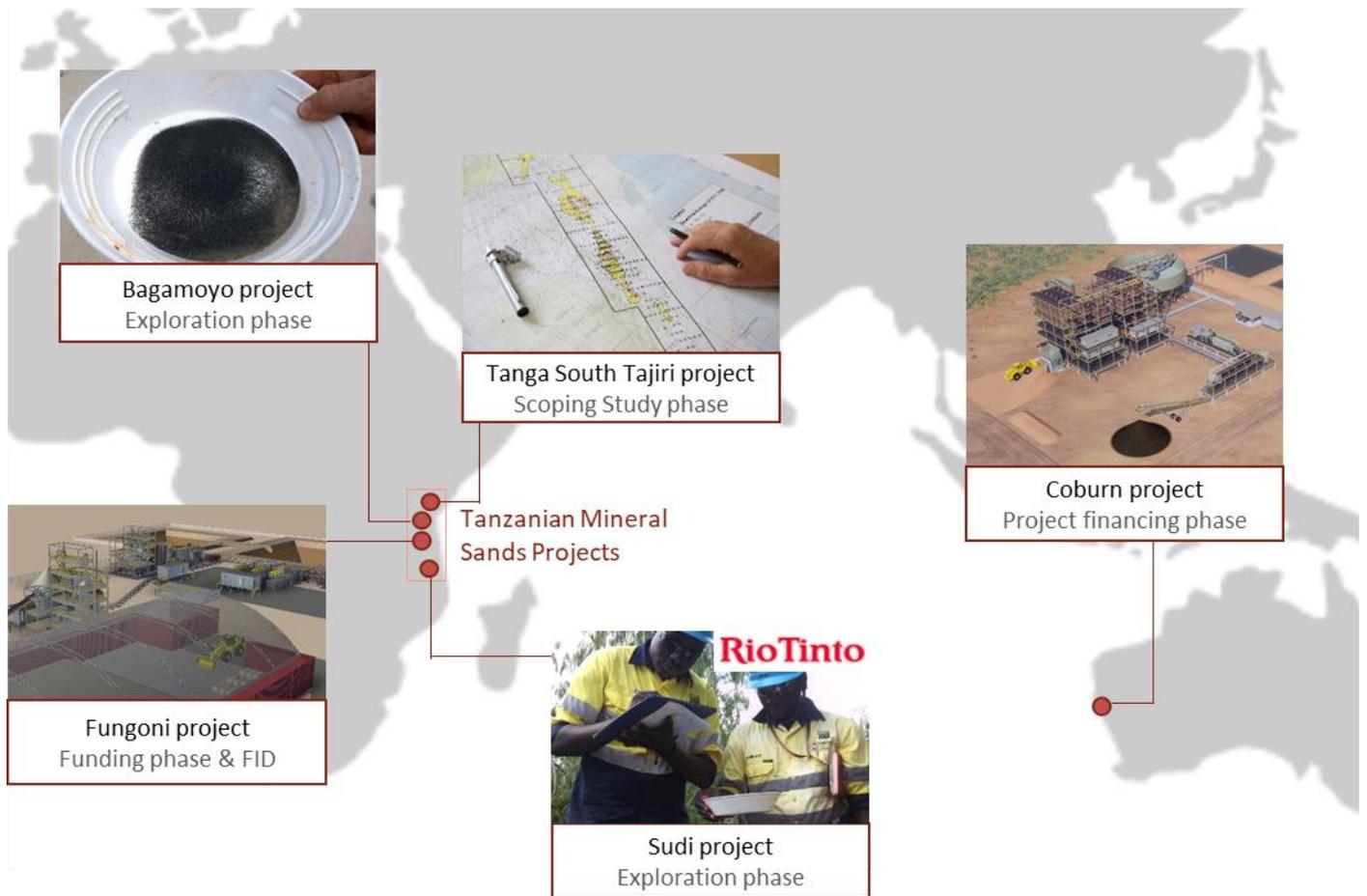


Figure 1 Strandline’s world-wide mineral sands exploration & development projects