

ASX ANNOUNCEMENT

Coburn Mineral Sands Project Process Plant EPC Contract



STRANDLINE
resources limited

29 April 2021

Strandline appoints Primero to build processing facilities for Coburn mineral sands project in WA

HIGHLIGHTS

- **Strandline appoints Primero, a subsidiary of NRW Holdings Group, to build the processing facilities of its Coburn mineral sands project in WA**
- **Primero will complete the engineering, procurement, construction and commissioning (EPC) of the processing facilities, including Wet Concentration Plant and Mineral Separation Plant**
- **The EPC contract is valued at ~A\$135 million and is based on a lump sum contracting model**
- **This appointment follows a successful Early Contractor Involvement (ECI) and Front End Engineering Design (FEED) process that focussed on optimising delivery strategies and designs**

Strandline Resources Limited (**ASX: STA**) is pleased to announce that final preparations for construction of its flagship Coburn mineral sands project in WA are advancing, with the appointment of Primero to design and build the core processing plant infrastructure.

The contract covers the engineering, procurement, construction, commissioning, and performance testing of the Wet Concentration Plant (WCP), Mineral Separation Plant (MSP) and associated processing circuits.

Primero, a subsidiary of NRW Holdings Group, is a proven EPC contractor with expertise in engineering and delivery of advanced mineral processing facilities. Primero will work with specialist minerals sands engineer Mineral Technologies (a subsidiary of Downer Group) under a subcontract arrangement, integrating design and processing technology to deliver the turn-key solution.

The contract is based on a fixed price EPC commercial model and is in accordance with Strandline's contracting strategy and key assumptions contained in the DFS published in June 2020.

This appointment follows completion of the funding required to develop Coburn through to production and cashflow. The funding structure includes debt financing from the Northern Australian Infrastructure Facility (NAIF) and the Bond loan facility, together with equity proceeds as announced on 31 March 2021.

The Coburn WCP is designed to beneficiate heavy minerals (ilmenite, leucoxene, rutile, zircon and monazite) and reject the non-valuable, lighter minerals through multiple stages of high-capacity gravity separation and classification. The rich Heavy Mineral Concentrate (HMC) produced from the WCP will be transported to the MSP and stockpiled ready for further processing. The WCP infrastructure is relocatable and is planned to be moved several times during the mine life as the mine advances along the orebody.

The MSP design comprises conventional electrostatic separation, gravity and magnetic fractionation to recover a range of premium-quality final products, including chloride ilmenite, rutile, premium zircon and zircon concentrate.

The Company has binding offtake contracts in place for ~95% of Coburn's forecast mineral sands production over the first five-years of operation.



Coburn Project – Appointment of Primero as Process Plant EPC Contractor

The parties are now completing preparations for commencement of works under contract, targeting to achieve first ore through the WCP ~18 months from commencement.

Strandline Managing Director Luke Graham said the appointment marked another key step in its strategy to bring Coburn into production and formalises an important relationship with leading service providers in Primero and Mineral Technologies.

Primero Chief Executive Officer Cameron Henry said Primero looks forward to working with Strandline's management team to safely and successfully deliver Coburn's state-of-the-art processing facilities. The successful award of the project again demonstrates the technical ability and expanding capacity of the group to deliver projects of this scale and importance in the minerals processing sector.

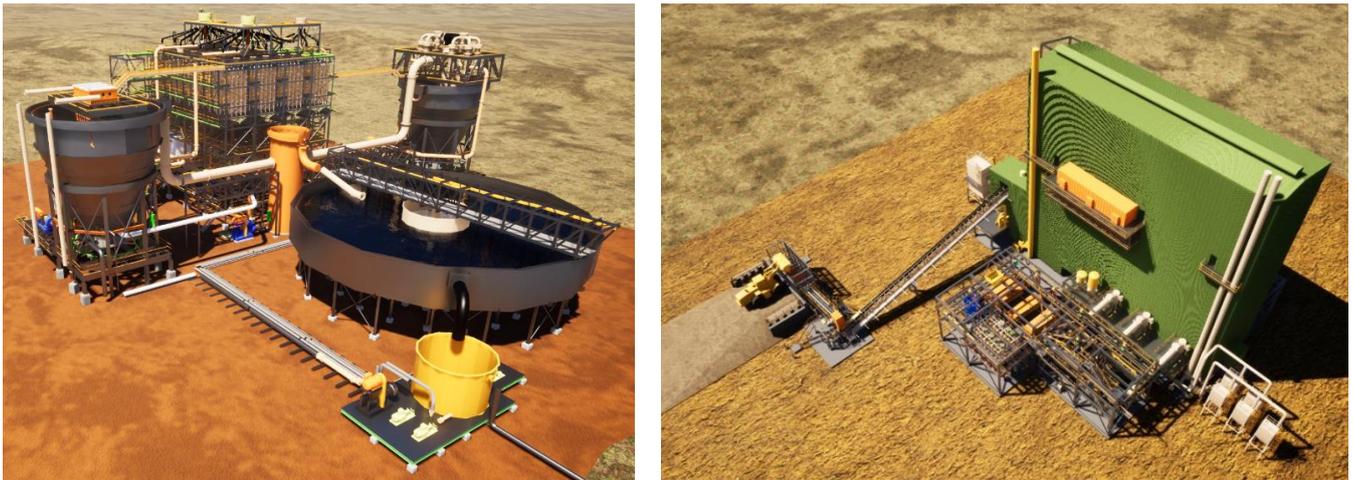


Figure 1 Conceptual 3D-image of Coburn's WCP and MSP process infrastructure

For more information on the Coburn mineral sands project refer to the ASX Announcement dated 4 June 2020 and 10 June 2020 (updated DFS), which includes details of the material assumptions underpinning the production target and financial results. The Company confirms that all material assumptions and technical parameters underpinning Resource Estimates, Production Targets and Project Feasibility Studies continue to apply and have not materially changed.

This announcement is authorised for release by the Strandline Resources Board of Directors.

ABOUT PRIMERO

Primero provides engineering design, construction and operational services to the minerals, energy and infrastructure sectors. Primero has specialist expertise in project implementation and delivery with a complementary service offering comprising civil, structural, mechanical and electrical solutions. Primero provides these services to a diverse client base, ranging from mid-sized companies through to international mining and energy houses.

Primero is a wholly owned subsidiary of NRW Group Holdings (**ASX: NWH**), a leading diversified provider of contract services to the resources and infrastructure sectors in Australia. Refer website www.primero.com.au and www.nrw.com.au

ABOUT STRANDLINE

Strandline Resources Limited (**ASX: STA**) is an emerging heavy mineral sands developer with a portfolio of 100%-owned development assets located in Western Australia and within the world's major zircon and titanium producing corridor in East Africa.



Coburn Project – Appointment of Primero as Process Plant EPC Contractor

Strandline's strategy is to develop and operate high margin, expandable mining assets with market differentiation and global relevance.

Strandline's project portfolio contains high quality assets which offer a range of development options and timelines, geographic diversity and scalability. They include two zircon-titanium rich, 'development ready' projects, being the large Coburn Project in Western Australia and the Fungoni Project in central Tanzania, as well as a series of titanium dominated exploration projects spread along the highly prospective Tanzanian coastline, including the advanced and large scale Tajiri Project in northern Tanzania.

For further information contact:

Luke Graham

CEO and Managing Director

Strandline Resources Limited

T: +61 8 9226 3130

E: enquiries@strandline.com.au

Media and broker enquiries:

Paul Armstrong

Read Corporate

T: +61 8 9388 1474

E: paul@readcorporate.com.au

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