

# ASX ANNOUNCEMENT

## Coburn Mineral Sands Project Process Plant EPC Package



**STRANDLINE**  
resources limited

29 September 2020

## Strandline appoints Primero Group preferred contractor to build Coburn processing facilities

### HIGHLIGHTS

- **Strandline appoints Primero, operating in strategic partnership with Mineral Technologies, as preferred contractor to build the processing facilities of its Coburn mineral sands project in WA**
- **The scope includes the detailed engineering, procurement, construction and commissioning of the processing facilities, including Wet Concentration Plant and Mineral Separation Plant**
- **This appointment follows a tender and Early Contractor Involvement (ECI) process that focussed on optimising delivery strategies and designs based on using modern processing technologies**
- **The parties have now commenced Front End Engineering Design activities as an extension to the ECI phase in preparation for construction**
- **The scope represents a major construction package and is one of Strandline's conditions precedent to finalise project funding**

Strandline Resources (**ASX: STA**) is pleased to announce that it has taken another important step towards development of its Coburn mineral sands project in Western Australia by appointing Primero Group (**ASX: PGX**) as preferred contractor to design and build the core processing plant infrastructure for the project.

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 is a proven EPC contractor with expertise in engineering and delivery of advanced mineral processing facilities. Primero will operate in an integrated partnership with Mineral Technologies (a subsidiary of Downer Group, and specialist mineral sands engineer and technology provider) to deliver the turn-key solution.

As preferred contractor, the parties have now started Front End Engineering Design as an extension to the initial ECI phase in preparation for construction. During ECI, the parties will compile final contract documentation to the satisfaction of Strandline and Coburn's lenders, based on a fixed price, fixed schedule EPC arrangement.

The Coburn WCP is designed to beneficiate the 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 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.

Early this year, Strandline announced a series of binding offtake agreements with some of world's largest mineral sands consumers across America, Europe and China.



## Coburn Project – Appointment of Preferred Contractor for Process Plant EPC

This appointment follows Strandline’s recent A\$18.5 million equity raising to advance early works development activities while finalising the balance of project funding. Strandline continues to make solid progress towards definitive finance documentation and conditions precedent for the NAIF A\$150m loan facility<sup>1</sup> and is advancing discussions on the commercial debt tranche which is expected to stand alongside.

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



Figure 1 Conceptual image of Coburn’s WCP and MSP process infrastructure

### ABOUT PRIMERO GROUP

Primero Group (**ASX: PGX**) 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. Refer website [www.primero.com.au](http://www.primero.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.

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.

<sup>1</sup> The Northern Australia Infrastructure Facility (NAIF) made an investment decision to provide a A\$150m loan facility for the development of Coburn, subject to finalisation of finance documents and satisfaction of customary conditions precedent to first drawdown - refer ASX announcement 22 June 2020

Authorised for release by the Board of Directors:

**Luke Graham**

CEO and Managing Director  
Strandline Resources Limited  
T: +61 8 9226 3130  
E: [enquiries@strandline.com.au](mailto:enquiries@strandline.com.au)

For media and broker enquiries:

**Paul Armstrong**

Read Corporate  
T: +61 8 9388 1474  
E: [paul@readcorporate.com.au](mailto:paul@readcorporate.com.au)

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