

ASX ANNOUNCEMENT

Coburn Mineral Sands Project Settlement of Senior Secured US\$60M Bond

06 April 2021



STRANDLINE
resources limited

Strandline completes settlement of US\$60M Bond Issue for Coburn mineral sands project in WA

Coburn now fully-funded to production with Bond, Northern Australia Infrastructure Facility loan and \$122m underwritten equity raising

HIGHLIGHTS

- Strandline has settled the US\$60m (~A\$80m at AUD: USD 0.75) senior secured Bond issue with funds received into the Company's Bond escrow account
- The Bond stands alongside the approved loan facility of up to A\$150m from the Northern Australia Infrastructure Facility (NAIF)
- Settlement of the Bond coincides with the successful completion of a Placement and Institutional Entitlement Offer as part of A\$122m fully underwritten equity raising
- Together, proceeds from the Bond, NAIF loan facility and the equity raising will complete the funding requirement to develop Strandline's 100%-owned Coburn mineral sands project in WA

Strandline Resources Limited (**ASX: STA**) is pleased to announce the final settlement of its senior secured Bond issue, with a total of US\$60 million being transferred to the Company's project Bond escrow account.

The Bond proceeds, together with the A\$150 million loan facility from NAIF and the recently announced fully underwritten A\$122 million equity raising, means Strandline has now secured the full funding requirement for the development of its 100%-owned Coburn mineral sand project in Western Australia.

The Coburn project is forecast to be a high-margin project delivering +\$100m EBITDA per annum over its initial 22.5-year mine life, based on the assumptions contained in the DFS published in June 2020.

With key development approvals in place, +90% product pre-sold to highly reputable customers via long term offtake contracts, major construction contractors appointed, and development funding secured, Strandline is moving rapidly into construction of Coburn.

First drawdown of the Bond proceeds will coincide with the NAIF drawdown regime on a pro-rata basis and will be subject to customary conditions precedent. For further details on the terms of the Bond, refer to ASX Announcement of 17 March 2021.

For more information on the Coburn mineral sands project, refer to the ASX Announcement dated 4 June 2020 & 10 June 2020 for details of the material assumptions underpinning the production target and financial results for the Coburn Project DFS, Ore Reserve and Mine Life Extension Case Scoping Study. 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 Board of Directors of Strandline Resources Limited.



Settlement of senior secured US\$60 million Bond financing

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.



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.

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