

# ASX ANNOUNCEMENT

Coburn Mineral Sands Project  
Executed LNG Supply Agreement



**STRANDLINE**  
resources limited

27 April 2021

## Strandline finalises LNG supply agreement for Coburn mineral sands project in WA

**Strandline continues to move rapidly into construction with funding secured, major contractors appointed and early site works continuing in preparation for FID**

### HIGHLIGHTS

- **Strandline signs 10-year LNG supply agreement with Woodside-EDL joint venture (WEJV)**
- **WEJV to supply trucked LNG for power generation to the Coburn project**
- **The agreement enables Strandline to capture energy supply cost savings relative to the Definitive Feasibility Study (DFS) published in June 2020**
- **Coburn's power station is a state-of-the-art low-cost, low-emission solution, integrating gas-fuelled generation with renewable energy and battery technology (provided by a third party)**
- **Coburn is on the cusp of a final investment decision (FID) with funding secured, key development approvals and offtake contracts in place, as well as major contractors appointed**

Strandline Resources Limited (**ASX: STA**) is pleased to announce that it has taken another key step towards development of its Coburn mineral sands project in Western Australia by executing a 10-year LNG Supply Agreement (**LSA**) with Woodside Energy (LNG Fuels and Power) Pty Ltd and EDL LNG Fuel to Power Pty Ltd in joint venture (**WEJV**).

Under the WEJV contract, LNG will be supplied via road train from Woodside's Pluto LNG Truck Loading Facility near Karratha WA to Coburn's power generation facilities.

Coburn's mine site power infrastructure is based on a low-cost, low-emission solution integrating LNG-fuelled generation with state-of-the-art solar and battery storage technology (provided by Contract Power Australia - refer ASX announcement dated 09 March 2021).

The LNG supply contract is based on a 10-year term (with appropriate pricing review and adjustment mechanisms) and means the overall cost of power at Coburn will be lower than forecast in the Definitive Feasibility Study (DFS) published in June 2020.

This appointment follows completion of the funding required to develop Coburn through to production and cashflow. The project 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 WEJV contract is subject to conditions precedent regarding development of the project.

**Strandline Managing Director Luke Graham said** the signing of another long-term operational contract with two industry leaders in the energy sector, in Woodside and EDL, provides costs reductions and delivery certainty for the Coburn project.

## Coburn Project – Executed LNG Supply Agreement

“With key development approvals in place, ~95% production pre-sold to highly reputable global customers via long term offtake contracts, major contractors appointed and development funding secured, Strandline is well on track to become Australia’s next world-scale mineral sands producer,” Mr Graham said.

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 WOODSIDE

Woodside is the pioneer of the LNG industry in Australia and a leading Australian natural gas producer. The company led the development of the LNG industry in Australia and is applying this same pioneering spirit to solving future energy challenges.

The Pluto LNG Truck Loading Facility at Woodside’s Pluto LNG Project can provide clean and reliable supplies of low-emissions LNG for use as fuel in remote power generation and transport in Western Australia.

### ABOUT EDL

EDL is a leading global producer of sustainable distributed energy. Since 2007 EDL has been the Western Australian market leader in trucked LNG, safely delivering more than one billion litres from Karratha to the Kimberley over 7,000 journeys.



Figure 1 Woodside’s Pluto LNG Park and truck loading facility near Karratha in WA

### 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 – Executed LNG Supply Agreement

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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.

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## 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.