ASX ANNOUNCEMENT
Exploration Update

23 August 2017

STRANDLINE
resources limited

More high-grade results point to Resource increase at Tajiri mineral sands deposit in Tanzania

Results support Strandline's strategy to develop a mineral sands mining hub close to Tanga port

HIGHLIGHTS

- **Strandline has successfully completed infill air-core drilling of the T1-T4 Heavy Mineral Sands (HMS) targets at the Tajiri tenements within its Tanga project**
- **Visual panning estimates from drill samples identify multiple +3% Total Heavy Mineral (THM) intersections at all target zones**
- **The results highlight the strong potential to increase the existing Tajiri Mineral Resource of 59Mt at 3.7% THM**
- **Tajiri mineralised corridor, which sits in the south of Tanga, is known for its high value, titanium dominated mineral assemblage**
- **Maiden drilling program underway at the northern end of Tanga; this is expected to be completed early next month**

Strandline Resources (ASX: STA) is pleased to report through visually panned estimates more high-grade drilling results from the Tajiri deposit within its Tanga mineral sands project in Tanzania.

The results, which come from 4750m of air-core resource drilling across the priority T1-T4 targets, are considered important because they highlight the strong potential to increase Tajiri's already significant existing Indicated Resource of 59Mt at 3.7 % THM. (refer ASX announcement 6 February 2017).

Visual panned THM estimates of drill samples taken from the prospect areas have identified high-grade results, showing good continuity of grade and mineralisation along strike.

In light of these results, Strandline is now confident of increasing the existing Mineral Resources across the highly prospective Tajiri tenement. This is part of its strategy at Tanga to establish an inventory with critical mass which will underpin a mining hub close to Tanga port.

The Company is now progressing laboratory THM analysis, geological interpretation and mineral assemblage/chemistry test work and expects formal results to be announced later this year.

Tajiri's existing Resources comprise a high unit value assemblage of 87% valuable mineral, which includes 68% Ilmenite, 10% Rutile, 5% Zircon and 4% Leucoxene.

Previously announced AC drill results for Tajiri T1-T4 mineralised zones from 06 February 2017 include:

- *T1 zone: 13.5m @ 4.0% THM & 9m@ 3.6% THM*
- *T2 zone: 9m @ 6.8% THM & 9m @ 4.3% THM*
- *T3 zone: 6m @ 6.0% THM & 7.5m @ 6.8% THM*
- *T4 zone: 6m @ 4.5% THM & 7.5m @ 3.3% THM*

High grade visual panned estimates of the recently completed infill drilling at Tajiri prospects has continued to encounter similar grades and intervals that include:

- *T1 zone: 9m @ 3.2% THM & 6m @ 3.2% THM*
- *T2 zone: 4.5m @ 3.3% THM*
- *T3 zone: 9m @ 3.8% THM & 12.0m @ 4.0% THM*
- *T4 zone: 6m @ 4.0% THM & 6.0m @ 3.4% THM*

Strandline Managing Director Luke Graham said: "The Company is focusing on cost effective, high value-add exploration activities and is on track to delineate a series of commercial-grade resources at Tanga that will provide the inventory necessary to underpin a large scale HMS operation.

"The recent results from Tajiri infill drilling confirm the strong potential to grow the high-grade Mineral Resources in the tenement area, with sample analysis now underway."

Strandline has also started a maiden drilling programme totalling ~1,000m across multiple higher-grade HMS prospects in the north of Tanga, including the Kitambula and Mkinga targets. These prospects are at an early stage having been generated from the detailed geophysical survey, follow-up soil surveys and mineral assemblage characterisation conducted earlier this year.

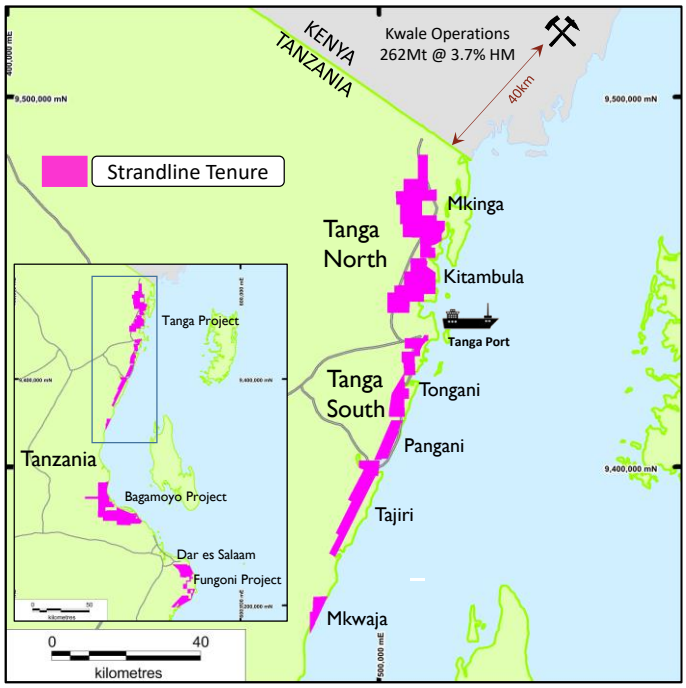

Figure 1 Strandline holds a strategic tenement package located along 350 km of the Tanzanian coastline

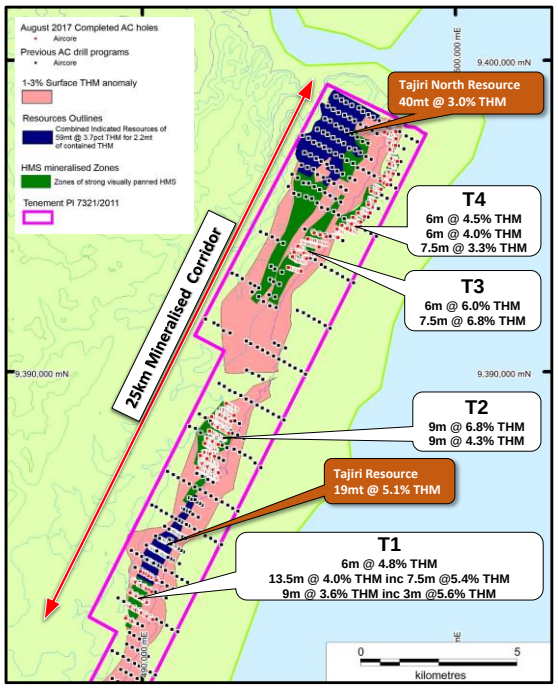

Figure 2 Tanga South Tajiri Tenement with T1-T4 target zones identified

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ABOUT STRANDLINE

Strandline Resources Limited (ASX: STA) is a Tanzanian-focused mineral sands developer positioned within the world's major zircon and titanium producing corridor in South East Africa. Strandline has a dominant mineral sands position with a series of 100% owned projects spread along 350km of the Tanzanian coastline.

Strandline's strategy is to develop and operate quality, low cost, expandable mining assets with market differentiation. Leveraging off the exploration success in recent years, the Company's focus is to continue its aggressive exploration and development strategy to progress economically attractive projects based on high unit value titanium and zircon products.

TANZANIA MINERAL SANDS COMPETENT PERSON'S STATEMENTS

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Brendan Cummins, a permanent employee of Strandline. Mr Cummins is a member of the Australian Institute of Geoscientists and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cummins consent to the inclusion in this release of the matters based on the information in the form and context in which they appear. Mr Cummins is a shareholder of Strandline Resources.

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.

MINERAL RESOURCE DATA

Table 1 Tanga South Project Mineral Resource Estimate (April 2016)

MINERAL RESOURCE SUMMARY FOR TANGA SOUTH PROJECT										
Summary of Mineral Resources[1]					THM assemblage[2]					
Deposit	**Mineral Resource Category**	**Tonnage**	**In situ THM**	**THM**	**Ilmenite**	**Rutile**	**Zircon**	**Leucoxene**	**Slimes**	**Oversize**
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Tajiri	Indicated	19	1.0	5.1	65	12	6	6	34	3
Tajiri North	Indicated	40	1.2	3.0	70	7	5	2	52	3
	Total[3]	**59**	**2.2**	**3.7**	**68**	**10**	**5**	**4**	**46**	**3**
(1) Mineral Resources reported at a cut-off grade of 1.7% THM										
(2) Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

Refer to the ASX announcement dated 4 April 2016 for full details of the Mineral Resource estimate for the Tanga South Tajiri Project.

Table 2 Tanga South Project highlighted panned visual drill results from the T1, T2, T3 and T4.

HOLE_ID	UTM_E_WGS84	UTM_N_WGS84	RL	DIP	PROSPECT	FROM	TO	WIDTH	THM%	SLIME %
17TJAC1270	489735	9381977	32.3	-90	T1	0	3	3	3.3	25
17TJAC1272	489647	9382023	32.8	-90	T1	0	3	3	4.9	20
17TJAC1279	489716	9382434	35.2	-90	**T1**	**6**	**15**	**9**	**3.2**	**19**
17TJAC1291	490168	9382622	25.9	-90	T1	0	4.5	4.5	3.5	18
17TJAC1297	489820	9382822	33.2	-90	T1	1.5	6	4.5	2.9	15
17TJAC1298	489774	9382849	35.5	-90	T1	4.5	9	4.5	3.6	15
17TJAC1306	489920	9383197	32.9	-90	T1	0	4.5	4.5	3.2	15
17TJAC1315	490311	9383414	28	-90	**T1**	**4.5**	**10.5**	**6**	**3.2**	**23**
17TJAC1317	490183	9383487	28.1	-90	T1	0	1.5	1.5	3.0	20
17TJAC1318	490098	9383540	32.7	-90	T1	3	7.5	4.5	3.4	15
17TJAC1363	492090	9387438	42.9	-90	**T2**	**6**	**10.5**	**4.5**	**3.3**	**15**
17TJAC1382	492248	9387803	49.9	-90	T2	0	3	3	3.4	15
17TJAC1390	492455	9387963	46.1	-90	T2	0	3	3	3.1	15
17TJAC1436	492756	9388731	43.5	-90	T2	0	3	3	3.8	15
17TJAC1437	492798	9388705	40.6	-90	T2	0	3	3	3.5	15
17TNAC1451	494857	9393320	46.1	-90	T3	1.5	7.5	6	3.2	15
17TNAC1463	494918	9393633	56.2	-90	T3	0	4.5	4.5	3.5	15
17TNAC1464	494868	9393666	60	-90	**T3**	**0**	**9**	**9**	**3.8**	**15**
17TNAC1465	494836	9393679	62.3	-90	T3	0	1.5	1.5	3.5	15
17TNAC1467	494980	9393840	59.7	-90	**T3**	**0**	**7.5**	**7.5**	**3.5**	**15**
17TNAC1468	495032	9393824	57.4	-90	T3	0	3	3	3.1	15
17TNAC1471	495203	9393696	42.4	-90	T3	0	3	3	3.1	15
17TNAC1478	495206	9393848	45.4	-90	T3	0	4.5	4.5	3.1	15
17TNAC1488	495254	9394144	51.4	-90	**T3**	**0**	**12**	**12**	**4.0**	**14**
17TNAC1489	495298	9394134	48.8	-90	T3	1.5	6	4.5	3.2	15
17TNAC1491	495402	9394104	42.5	-90	T3	0	3	3	3.3	15
17TNAC1492	495450	9394089	41.4	-90	T3	0	3	3	3.1	15
17TNAC1493	495500	9394074	40.7	-90	T3	0	3	3	3.6	15
17TNAC1505	496805	9394931	17.7	-90	**T4**	**0**	**6**	**6**	**4.0**	**15**
17TNAC1506	496845	9394901	19.5	-90	T4	0	4.5	4.5	3.4	15
17TNAC1511	497020	9395050	18.1	-90	T4	0	3	3	3.4	15
17TNAC1517	497184	9395179	18.9	-90	T4	0	6	6	4.9	15
17TNAC1525	497361	9395560	21.2	-90	T4	0	3	3	4.8	15
17TNAC1547	497976	9396410	21.1	-90	**T4**	**0**	**6**	**6**	**3.4**	**15**
17TNAC1571	497847	9397656	24.1	-90	T4	3	4.5	1.5	3.3	13
17TNAC1572	497983	9397811	24	-90	T4	7.5	10.5	3	3.0	15

Note: 3% THM cut off over a 3m minimum width that allows 1.5m of internal dilution

Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Aircore drilling was used to obtain samples at 1.5m intervals • Each 1.5m sample was homogenized within the sample bag by rotating the sample bag • A sample of sand, approx. 20gm, is scooped from the **sample bag for visual THM% estimation and logging**. The same sample mass is used for every pan sample for visual THM% estimation • The standard sized sample is to ensure calibration is maintained for consistency in visual estimation • A sample ledger is kept at the drill rig for recording sample intervals and sample mass, and photographs are taken of samples for each hole to cross-reference with logging • The large 1.5m Aircore drill samples have an average of about 8kg and were split down to approximately 500gm by riffle splitter for export to the processing laboratory • The laboratory sample was dried, de-slimed (removal of -45µm fraction) and then had oversize (+1mm fraction) removed. Approximately 100gm of sample was then split to use for heavy liquid separation using TBE to determine total heavy mineral content
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Aircore drilling with inner tubes for sample return was used • Aircore is considered a standard industry technique for HMS mineralization. Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face and returned inside the inner tube • Aircore drill rods used were 3m long • NQ diameter (76mm) drill bits and rods were used • All drill holes were vertical
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure*	• Drill sample recovery is monitored by measuring and recording the total mass of each 1.5m sample at the drill rig with a standard spring balance

Criteria	JORC Code explanation	Commentary
	representative nature of the samples. • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• While initially collaring the hole, limited sample recovery can occur in the initial 0.0m to 1.5m sample interval owing to sample and air loss into the surrounding loose soil • The initial 0.0m to 1.5m sample interval is drilled very slowly in order to achieve optimum sample recovery • The entire 1.5m sample is collected at the drill rig in large numbered plastic bags for dispatch to the initial split preparation facility • At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes • The twin-tube aircore drilling technique is known to provide high quality samples from the face of the drill hole • Wet and moist samples are placed into large plastic basins to air dry in the field prior to splitting
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The 1.5m aircore samples were each qualitatively logged onto paper field sheets prior to digital entry into a Microsoft Excel spreadsheet • The aircore samples were logged for lithology, colour, grainsize, rounding, sorting, hardness, estimated THM%, estimated Slimes% and any relevant comments - such as slope, vegetation, or cultural activity • Every drillhole is logged in full • Logging is undertaken with reference to a Drilling Guideline with codes prescribed and guidance on description to ensure consistent and systematic data collection
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The entire 1.5m drill sample collected at the source was dispatched to a sample preparation facility to split with a riffle splitter to reduce sample size • The water table depth was noted in all geological logs if intersected • Samples with aggregates are gently hit with a rubber mallet to break them down so the sample with flow easily through the splitter chutes • A total of 450 to 650gm of each sample was inserted into calico sample bags and exported to Western Geolabs in Perth for analysis • Employees undertaking the splitting are closely monitored by a geologist to ensure sampling quality is maintained • Almost all of the samples are sand, silty sand, sandy silt, clayey sand or sandy clay and this sample preparation method is considered appropriate • The sample sizes were deemed suitable to reliably capture THM,

Criteria	JORC Code explanation	Commentary
		slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff • Field duplicates of the samples were completed at a frequency of 1 per 25 primary samples • Standard Reference Material samples are inserted into the sample stream in the field at a frequency of 1 per 50 samples
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The wet panning at the drill site provides an estimate of the THM% which is sufficient for the purpose of determining approximate concentrations of THM in the first instance Aircore sample: • The individual 1.5m aircore sub-samples (approx. 500gm) were assayed by Western Geolabs in Perth, Western Australia, which is considered the Primary laboratory • The aircore samples were first screened for removal and determination of Slimes (-45µm) and Oversize (+1mm), then the sample was analysed for total heavy mineral (-1mm to +45µm) content by heavy liquid separation • The laboratory used TBE as the heavy liquid medium – with density range between 2.92 and 2.96 g/ml • This is an industry standard technique • Field duplicates of the samples were collected at a frequency of 1 per 25 primary samples • Western Geolabs completed its own internal QA/QC checks that included laboratory repeats every 10th sample prior to the results being released • Analysis of QA/QC samples show the laboratory data to be of acceptable accuracy and precision • The adopted QA/QC protocols are acceptable for this stage test work • Test work has been undertaken at a Secondary laboratory (Diamantina Laboratory) to check the veracity of the Primary laboratory data
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All results are checked by the Chief Geologist and the Principal consulting geologist, in addition to the independent consulting Resource Geologist • The company Chief Geologist and independent Resource geologist make periodic visits to the laboratory to observe sample processing • A process of laboratory data validation using mass balance is

Criteria	JORC Code explanation	Commentary
		undertaken to identify entry errors or questionable data • Field and laboratory duplicate data pairs (THM/oversize/slime) of each batch are plotted to identify potential quality control issues • Standard Reference Material sample results are checked from each sample batch to ensure they are within tolerance (<2SD) and that there is no bias • The field and laboratory data has been updated into a master spreadsheet which is appropriate for this stage in the programme. Data validation criteria are included to check for overlapping sample intervals, end of hole match between 'Lithology', 'Sample', 'Survey' files, duplicate sample numbers and other common errors • Several twin holes were drilled in the programme • No adjustments are made to the primary assay data
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Down hole surveys for shallow aircore holes are not required • A handheld GPS was used to identify the positions of the drill holes in the field. The handheld GPS has an accuracy of +/- 10m in the horizontal • Collars have been re-surveyed using a DGPS system • The datum used is WGS84 and coordinates are projected as UTM zone 37S • The drillhole collar elevation was collected from a detailed Digital Terrain Model collected in 2012 • The accuracy of the locations is sufficient for this stage of exploration
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• The infill drilling was designed to bring the current drillhole density to 200m x 50m or 400 x 50m and the extension drilling was also completed at 200m x 50m to provide a high degree of confidence in the geological model • Each aircore drill sample is a single 1.5m sample of sand intersected down the hole • No compositing has been applied to models for values of THM, slime and oversize • Compositing of samples will be undertaken on HM concentrates for mineral assemblage determination. Composite samples will be classified high grade (>2%THM) and low grade (<2%THM)
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• The aircore drilling was oriented perpendicular to the strike of mineralization defined by drilling data • The strike of the mineralization is sub-parallel to the contemporary

Criteria	JORC Code explanation	Commentary
geological structure	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	coastline and is known to be relatively well controlled by the 20m topographic contour and also coincides with a radiometric anomaly • Drill holes were vertical and the nature of the mineralisation is relatively horizontal • The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralization without any bias
Sample security	• *The measures taken to ensure sample security.*	• Aircore samples remained in the custody of Company representatives while they were transported from the field to Dar es Salaam for final packaging and securing • The samples were then sent using a commercial transport company (Deugro) to Perth and delivered directly to the laboratory after quarantine inspection and heat treatment directions • The laboratory inspected the packages and did not report tampering of the samples
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal reviews were undertaken

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The exploration work was completed on tenements that are 100% owned by the Company in Tanzania or are able to be acquired for 100% ownership • The drill samples were taken from tenements PL 9321/2011 • The tenements have exceeded 4 years and have been reduced by 50% but are valid until 20 Dec. 2018 • Traditional landowners and village Chiefs of the affected villages and farms were consulted supportive of the drilling program
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic exploration work was completed by Tanganyika Gold in 1998 and 1999. OmegaCorp undertook reconnaissance exploration in 2005 and 2007. The Company has obtained the hardcopy reports and maps in relation to this Tanganyika and OmegaCorp information • The historic data comprises surface sampling, limited aircore drilling and mapping • Jacana Resources undertook auger drilling in 2012 on an over the mineralised area defined by Tanganyika and Omega
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Two types of heavy mineral placer style deposits are possible in Tanzania 1. Thin but high grade strandlines which may be related to marine or fluvial influences 2. Large but lower grade deposits related to windblown sands • The coastline of Tanzania is not well known for massive dunal

Criteria	JORC Code explanation	Commentary
		systems such as those developed in Mozambique, however some dunes are known to occur and cannot be discounted as an exploration model. • Palaeo strandlines are more likely and will be related to fossil shorelines or terraces in a marine or fluvial setting. In Tanzania three terraces have been documented and include the Mtoni terrace (1-5m ASL), Tanga (20-40m ASL) and Sakura Terrace (40 to 60m ASL). Strandline mineral sand accumulations related to massive storm events are thought to be preserved at these terraces above the current sea level.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Only intervals with grades visually estimated greater than 3% THM over a 3m intercept are reported. • The remaining drill holes have recorded visual THM grades of less than 3% but because the grades have not been analyzed from the laboratory and have a visual +/- error limit of approximately 25% they are not material for this market update.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Length weighted visual THM intervals are reported as new information in this release
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true*	• The nature of the mineralisation is broadly horizontal, thus vertical aircore holes are thought to represent close to true thicknesses of the mineralisation • Downhole widths are reported

Criteria	JORC Code explanation	Commentary
	width not known').	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Figures and plans are displayed in the main text of the Release
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	•
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Mineral assemblage work for the Tajiri North and Tajiri mineral assemblages have been reported • Testwork completed to date has not identified any contaminants in the VHM
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Additional mineral assemblage testwork is to be completed once the THM sachets have been logged and composites determined based on geological continuity. • A number of mini-bulk samples comprising up to 100 kg are planned for collection later in 2017 for determination of process recovery and final product specification for the Tajiri Mineral Resources and additional prospect areas.