



**STRANDLINE**  
resources limited

# Investor Presentation

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**Emerging heavy mineral sands  
developer - Tanzania and Australia**

# Forward looking statements



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## Important Notice

The purpose of this presentation is to provide general information about Strandline Resources Limited (“Strandline”). It is not recommended that any person makes any investment decision in relation to Strandline based on this presentation. The presentation contains certain statements which may constitute “forward looking statements”. Such statements are only predictions and are subject to inherent risks and uncertainties which could cause actual values, results, performance or achievements to differ materially from those expressed, implied or projected in any forward looking statement.

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All amounts stated within this presentation are stated in Australian Dollars unless otherwise noted. Figures stated within this presentation may contain immaterial rounding differences.

## Additional Information

This presentation should be read in conjunction with the Annual Report of 26 Sept-2017 and Sept 17-Quarterly Activities Report together with any announcement made by Strandline in accordance with its continuous disclosure obligations under the Corporations Act including:

Refer to the ASX announcements dated 06 October 2017 for Fungoni Project DFS and Maiden Ore Reserve Statement.

Refer to the ASX announcement dated 02 May 2017 for further details of the Mineral Resource for the Fungoni Project.

Refer to the ASX announcement dated 4 April 2016 for further details of the Mineral Resources for the Tanga South Project.

Refer to the ASX announcements dated 7 January 2010 and 9 February 2015 for further details of the Ore Reserves and Mineral Resources and the material assumptions underpinning the production target and financial results for the Coburn Project.

Refer to the ASX announcements dated 5 Sept 2016, 4 Oct, 17 Nov, 28 Nov, 25 Jan 2017, 6 Feb, 30 Mar, 26 Jun, 6 Jul for further information on exploration and development progress and updates.

Also, refer to Competent Persons statements on page **23**.

# Corporate Snapshot ASX:STA



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**A\$19.4M**

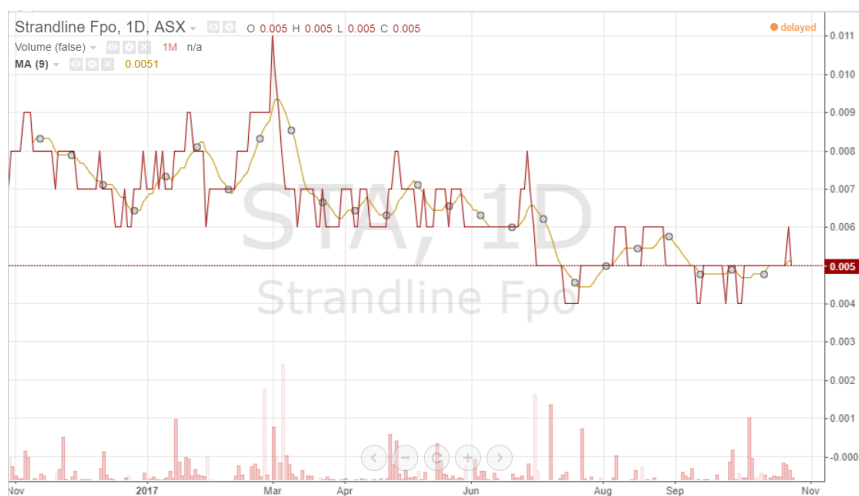
**MARKET CAP<sup>1</sup>**

**~68%**

**TOP 20  
SHAREHOLDERS**

**A\$4.7m**

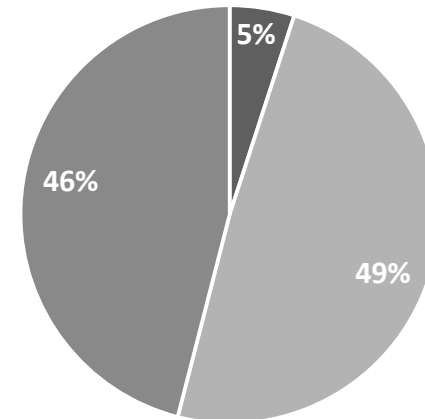
**CASH IN BANK  
30 Sept 2017**



Strandline share chart sourced from au.advn.com

<sup>1</sup> at 0.6 cents per share

■ Directors ■ Institutional ■ Retail



**Argonaut Equity  
Research  
SPEC BUY 2.2cps**

**Three-pronged  
appeal**

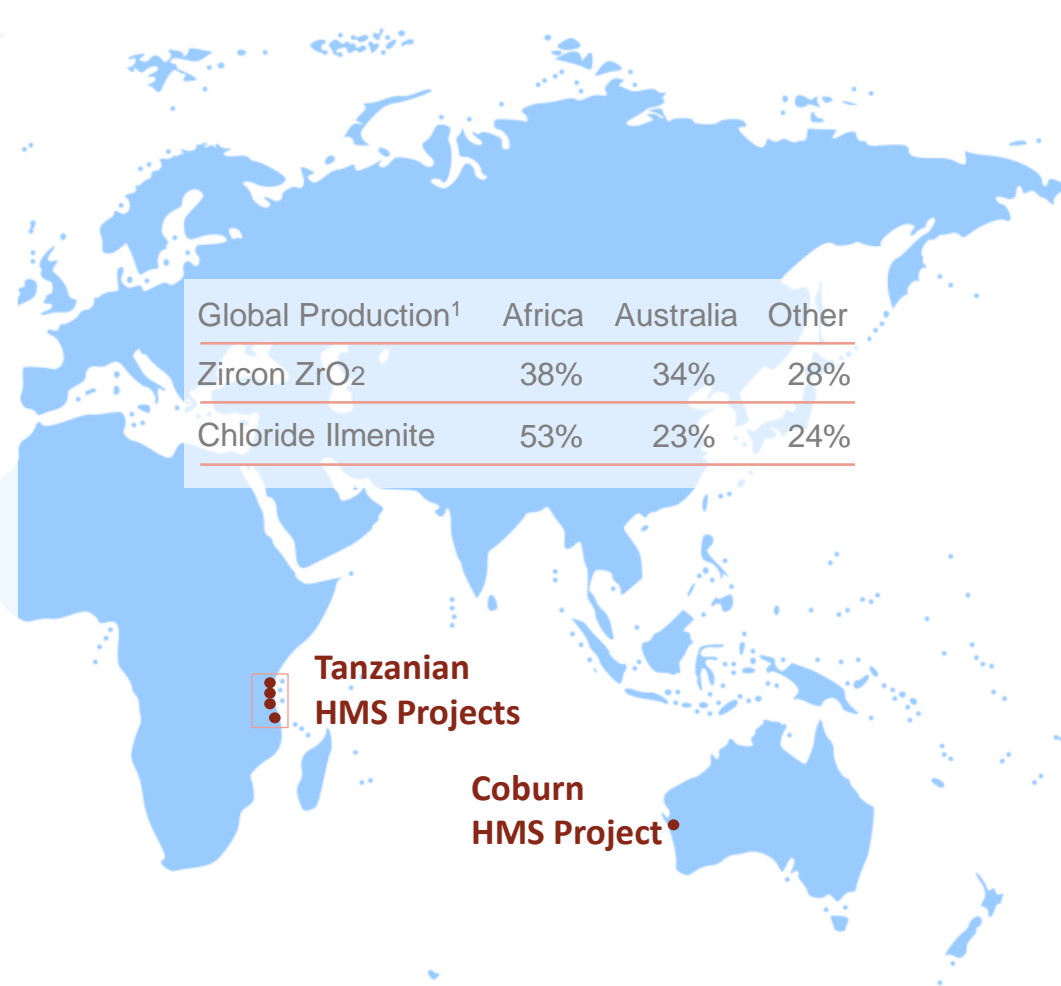
Tembo Capital 32%  
C&H Investments 12%  
Harry Hatch 9%

# Geographically diversified



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- 100%-owned assets in the two largest HMS producing jurisdictions in the world - Africa and Australia
- High quality **Zr + Ti** products with significant project growth portfolio
- 20 years of production defined already
- In Tanzania, multiple projects across a dominant ~2,000km<sup>2</sup> of HMS tenure, with proximity to key infrastructure
- In Australia, a low risk mining jurisdiction, with one of the most advanced large-scale zircon projects globally
- Corporate headquarters in Perth with operations office in Dar es Salaam



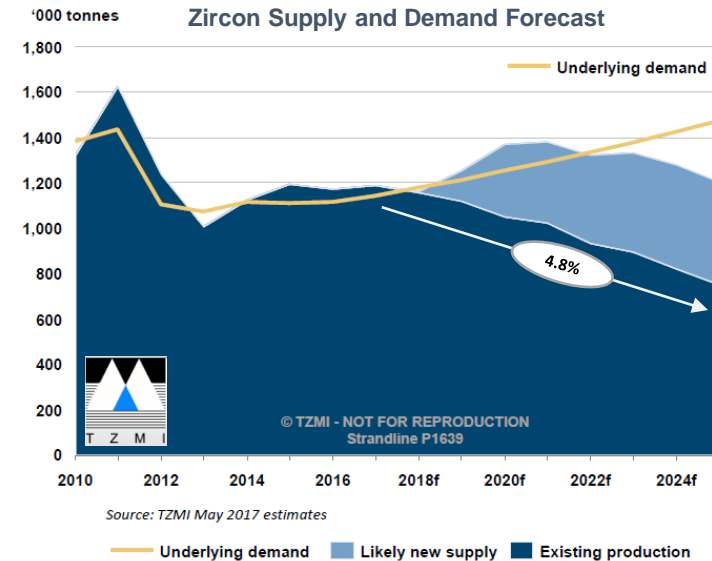
<sup>1</sup> Production data provided by TZMI Oct-2017

# Rising Mineral Sands Market



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- Favourable long term HMS market driven by urbanisation, global growth and extensive array of applications
- Product uses in everyday life - paint, paper, construction, ceramics, refractories, chemicals, technology...
- Improving commodity price trend from low cost base experienced during 2013 to 2016
- Market influenced by closure of some existing mines and an overall decline in grades / maturing ore bodies
- Supply from new capital projects is required to meet future demand
- Fungoni and Coburn's premium grade zircon is well positioned to capitalise on emerging zircon supply gap



# Strandline Highlights



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Emerging mineral sands player with a multi-tiered and staged growth strategy, near term production scenarios and proven development team

- 1 Building a globally significant mineral sands project portfolio with development optionality, geographic diversity, products in demand and scalability
- 2 Near term production scenarios, producing a suite of high quality products (including premium grade zircon), providing a strong source of free cash:
  - Fungoni Project Tanzania, DFS completed, low capex, high margin; funding phase started
  - Coburn Project Australia, DFS completed, fully permitted, large scale; strategic partner approach
- 3 Rapid exploration and resource building, defining a pipeline of projects across Strandline's 100%-owned strategic Tanzania tenement holding:
  - Advanced Tanga and Bagamoyo exploration, showing potential to provide large-scale TiO<sub>2</sub> dominated mining projects; positioning for scoping study work now
  - Accelerated greenfield reconnaissance exploration in Southern Tanzania in JV with Rio Tinto
- 4 Continued support from largest shareholder Tembo Capital, with corporate appeal at both project and corporate level
- 5 Improving commodity price outlook increasing portfolio value and development avenues

# Experienced Development Team



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## MANAGEMENT

### **Luke Graham** - Managing Director & CEO

Engineering professional with 24+ years' experience in resources sector. Joined Strandline in Sept-2016. Formerly Regional GM of global minerals engineering project delivery firm Sedgman Pty Ltd (a member of the CIMIC Group) serving 11 years in various senior leadership roles

### **Mike Ferraro** – Project Director

Mr Ferraro is a resource industry professional with 30+ years' experience. Metallurgist and MBA qualified. Experience includes senior roles in mineral sands with Doral (MD) and MZI (COO) as well as earlier technical and operational management roles with Cristal and Simcoa

### **Peter Watson** - Strategy and Development

Over 30 years in the professional services industry within the global resources sector, with roles ranging from Technical Engineering, Project Delivery and Project Development, facilities operational management and asset optimization, through to GM and MD-CEO within global organisations

### **Brendan Cummins** – Chief Geologist and Exploration Manager

Geologist with 20 years' experience in mine and exploration geology both within Australia, southern Africa, South America and China. Specialist in identifying exploration assets and developing them from greenfield through to resource definition and feasibility study

### **Tony Brazier** – Chief Financial Officer

Chartered Accountant with over 20 years' experience in the natural resources sector working across Australia and USA. Has financing and restructuring experience, holding senior finance positions including at Total E&P Australia and Strike Energy Limited

## BOARD

### **Didier Murcia**

Non-Executive Chairman  
Honorary Consul of Tanzania for Australia

### **Luke Graham**

Managing Director & CEO

### **Tom Eadie**

Non-Executive Director

### **John Hodder**

Non-Executive Director

### **Asimwe Kabunga**

Non-Executive Director

# Building a Project Pipeline



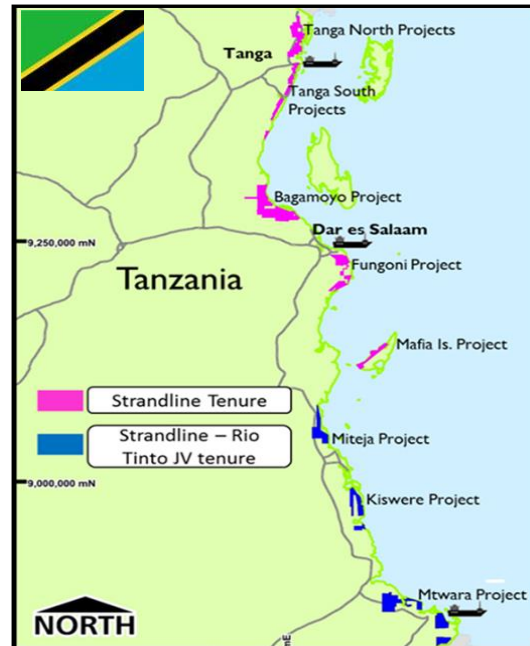
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## 1 Fungoni Project



- “Fit for Market” production scenario
- DFS completed, low capital start-up
- Compelling economics;  $RC_1 > 2.5$
- Environmental license granted
- High unit value product suite
- 25kms from Dar es Salaam port

## 2 Tanzania Growth Projects



- Portfolio of 100%-owned prospects along 350km of Tanzania coastline
- Advanced exploration at Tanga and Bagamoyo provinces
- Large scale Ti dominated resources
- Accelerating greenfield exploration in JV with Rio Tinto in southern region

## 3 Coburn Project



- DFS completed, fully permitted and development ready; partner-approach
- Large scale 23.4Mtpa, +19 year LOM
- Exceptional zircon-rich assemblage; 83% value heavy mineral
- Strong financial fundamentals with nominal +A\$300 million NPV



# Tanzania Mineral Sands



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- ✓ Emerging mineral sands mining jurisdiction with major neighbouring operations
- ✓ Tanzania differentiates through its high unit value **Ti + Zr** assemblages
- ✓ Major infrastructure advantage and low Opex setting as demonstrated by Fungoni DFS
- ✓ Long history of mining investment with government mandate to grow mining wealth
- ✓ Recent changes to mining legislation rebalances control of natural resources:
  - Ministry of Minerals restructured, providing leadership and governance
  - New provisions are not expected to materially impact the 'investment case' and operational plan for Fungoni
  - 3% royalty rate remains unchanged for mineral sands
  - Drafting of regulations to support laws is underway



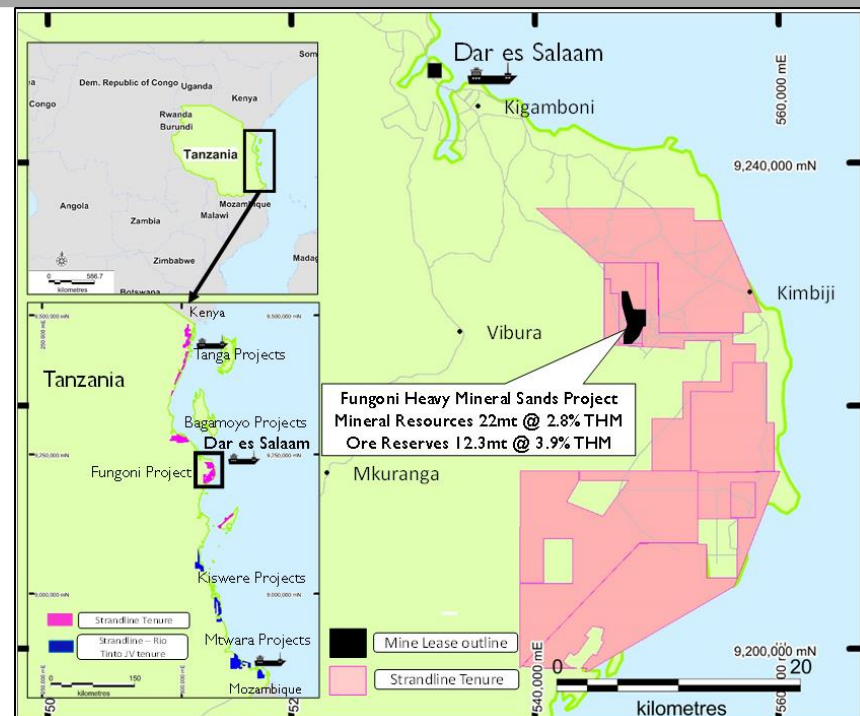
# Advancing the Fungoni Project



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- Positive Definitive Feasibility Study (DFS)\* completed; funding phase commenced
- Outstanding project financial metrics
- Environmental certificate granted; Land access and mining license progressing
- Favourably located 25kms SE of Dar es Salaam port. major infrastructure advantage
- Exceptional high value assemblage; strong demand for products, currently qualifying global off-take partners
- Nominal 12 month design-construct period
- Fungoni paves the way for a succession of larger project developments in Tanzania

*\*Refer to the ASX Announcement dated 06 October 2017 for full details of the material assumptions underpinning the production target and financial results for the Fungoni Project. The Company confirms that all the material assumptions underpinning the production target and financial results continue to apply and have not materially changed.*



# DFS Financial Highlights



A\$57.2M

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**NPV<sup>1</sup>**

**US\$42.9M**

LOM EBITDA US\$98M

56.2%

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**IRR<sup>1</sup>**

2.7Y payback from  
start of construction

US\$556/t  
Basket Price<sup>3</sup>

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**High value  
products**

First Quartile  
RC of 2.7:1

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**Revenue to  
Opex<sup>2</sup> Ratio**

Low Capital  
US\$30M<sup>4</sup>

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**12mth schedule to  
First Production**

US\$5.13/t ore  
US\$209/t product

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**Average LOM  
Opex<sup>2</sup> per tonne**

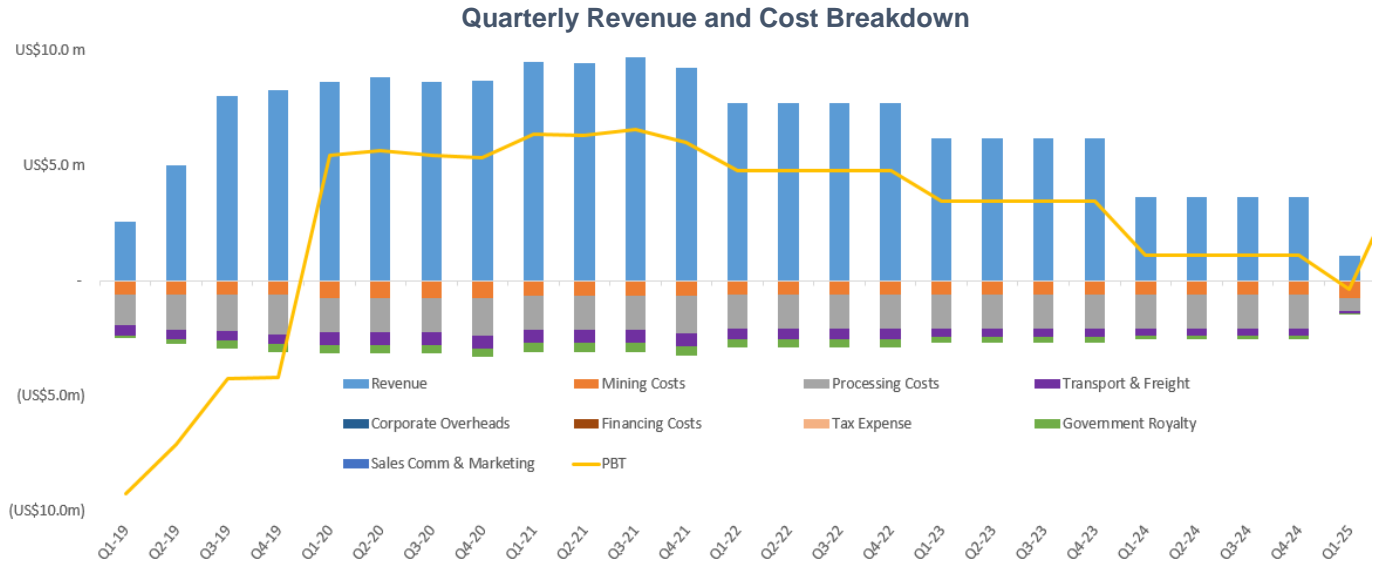
<sup>1</sup> Pre tax, no debt, discount rate of 10%, exchange rate USD:AUD 0.75

<sup>2</sup> Using C1 Operating Cost

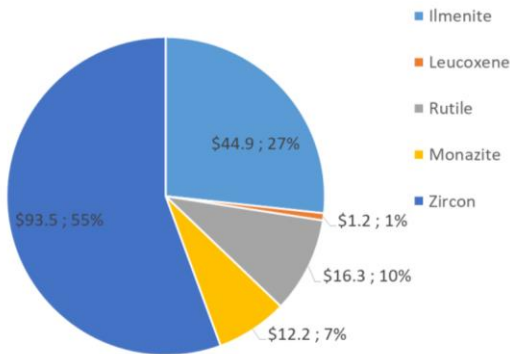
<sup>3</sup> Using TZMI Sept-2017 price forecast

<sup>4</sup> Capex to be reduced further by moving several large Capex items into Opex

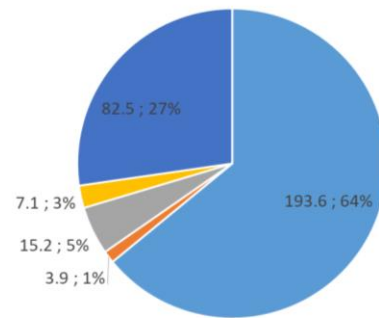
# Financial Metrics - Pre-tax



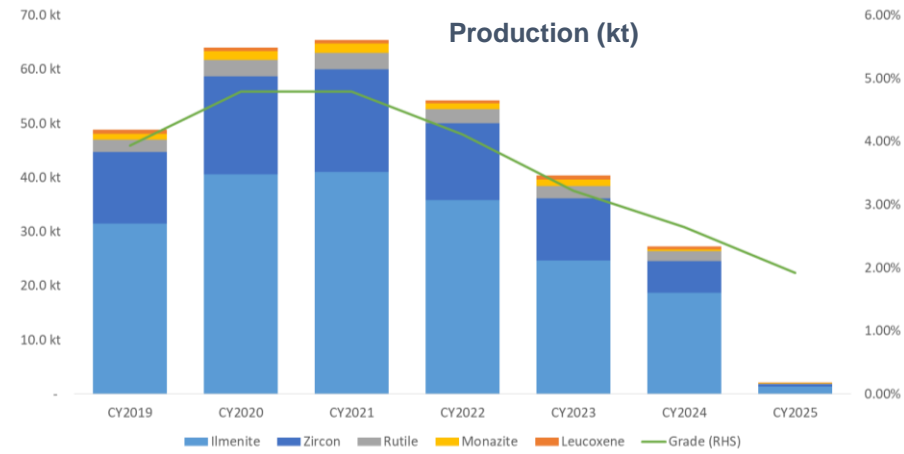
Revenue Split (US\$ Millions)



Production Split (Tonnes '000s)



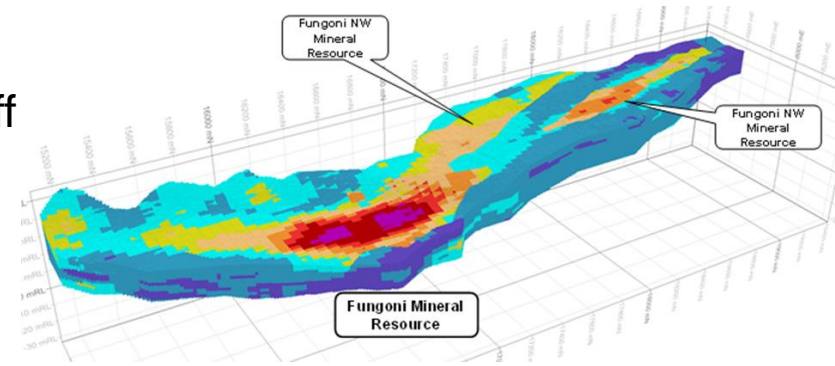
Production (kt)



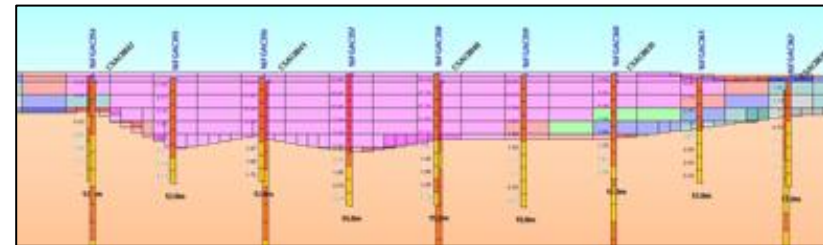
# Geology and Resource



- Measured-Indicated Mineral Resource estimate 22Mt @ 2.8% THM 610,000t of HM at 1% cut-off
- Efficient ~80% Resource to Ore Reserve conversion rate for contained HM
- Ore Reserve 12.3Mt @ 3.9% THM for 480,000t of contained HM. Slimes 18.7%
- Exceptional HM assemblage and properties; 42.3% ilmenite, 18.2% zircon, 4.4% rutile, 1.2% leucoxene, 1.5% monazite
- High definition geological block model; aircore drilling to obtain samples at 1.5m intervals
- International reputable laboratories performed testwork - XRF and XDF analysis



Fungoni geological model is well-defined



Fungoni higher grade upper zone, averages 12 metres thick

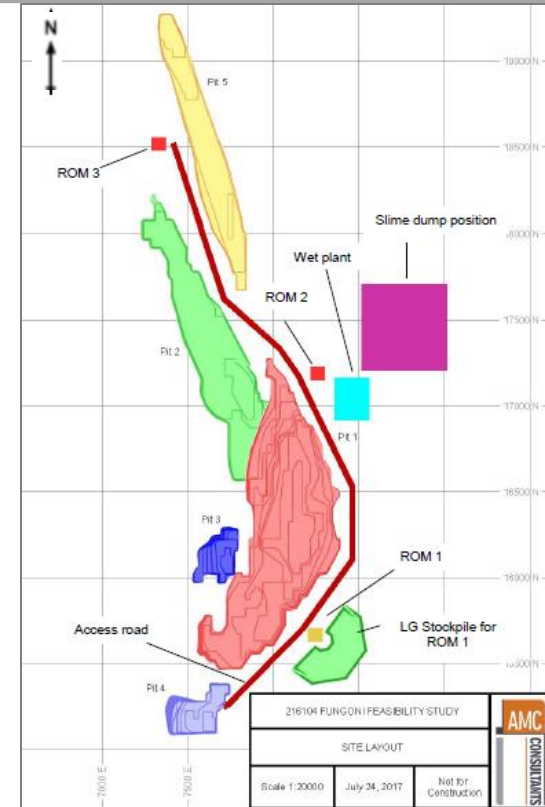


*\*Refer Appendix A for JORC Mineral Resource and Ore Reserve estimate*

# Shallow Conventional Mining



- Conventional dry mining (truck and shovel), open pit, ore from surface, averages 12m thick
- No overburden, unconsolidated sand, simple site establishment suitable for local contractor
- +6 year initial LOM, 2M/t pa mining rate
- Upside potential for more Ore Reserves (↑ LOM) with improving market conditions & brownfield exploration
- Low environmental impact, no toxic traces, no permanent mining voids, rehabilitation within 2 to 3 growing seasons to better than pre-mining state
- Water sourced from Project's bore field located on the mine lease, combined with pit dewatering and recycling
- Advanced beneficiation and mineral separation process using state-of-art and proven technology, maximising value-add and capital inflows in Tanzania



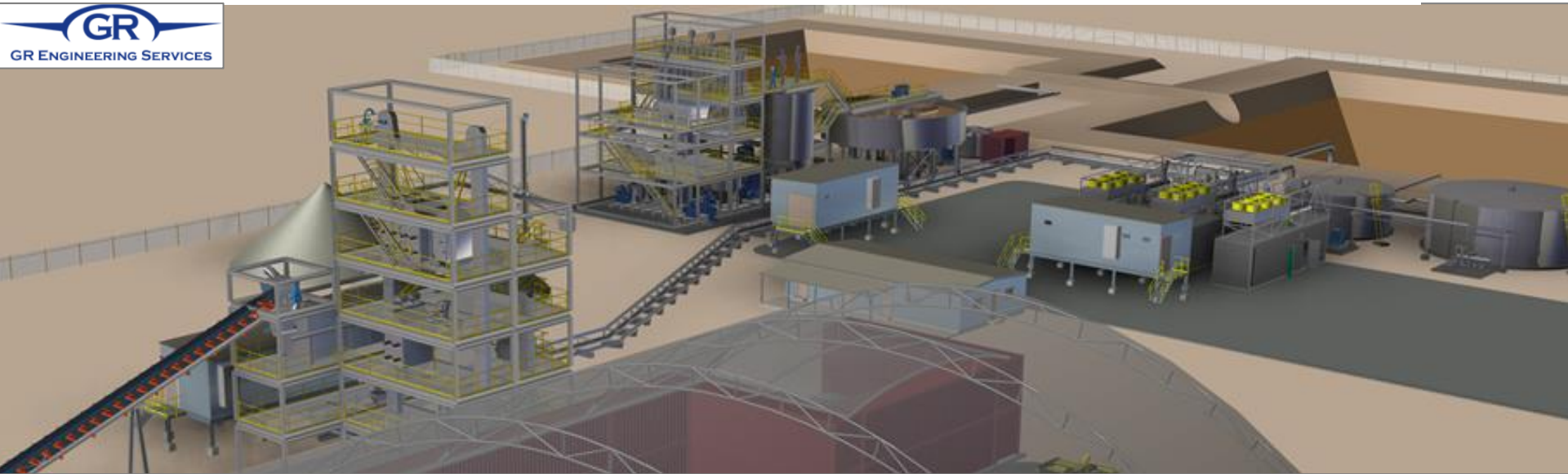
# Modern Plant Design



- Bulk characterisation and variability testwork confirms efficient and robust process flowsheet with embedded design flexibility:

*Scrubbing*→*Screen*→*Deslime*→*Gravity*→*Electrostatic*→*Magnetic Fractionation*

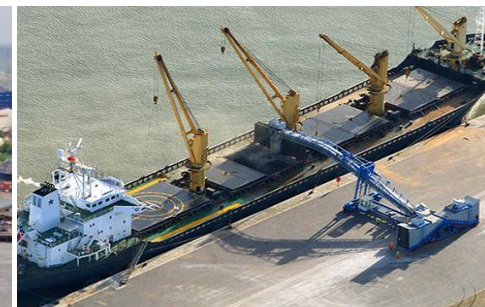
- High process recoveries producing world class products; premium grade zircon (66%  $ZrO_2$ ) + ilmenite (>58%  $TiO_2$ ) + rutile (>95%  $TiO_2$ )
- Fit-for-purpose design with high availability and operability; modular relocatable facilities for easy assembly and re-use on future projects



# Infrastructure Advantage



- Products in bulk and/or containers, trucked 25km from mine to port on 'just in time' basis via road network
- Portable shiploader used for bulk loading
- Established Dar es Salaam port; fourth largest facility in Africa
- Supportive Tanzanian Port Authority with proven capability and efficient loading operations
- Site in close proximity to developed services industry, with access to equipment, contractors and skilled workforce
- South-east Africa coastal corridor exports the most mineral sands globally; proven shipping logistic routes
- Strandline has a long term established operational office in Dar es Salaam





# A Project for Tanzania



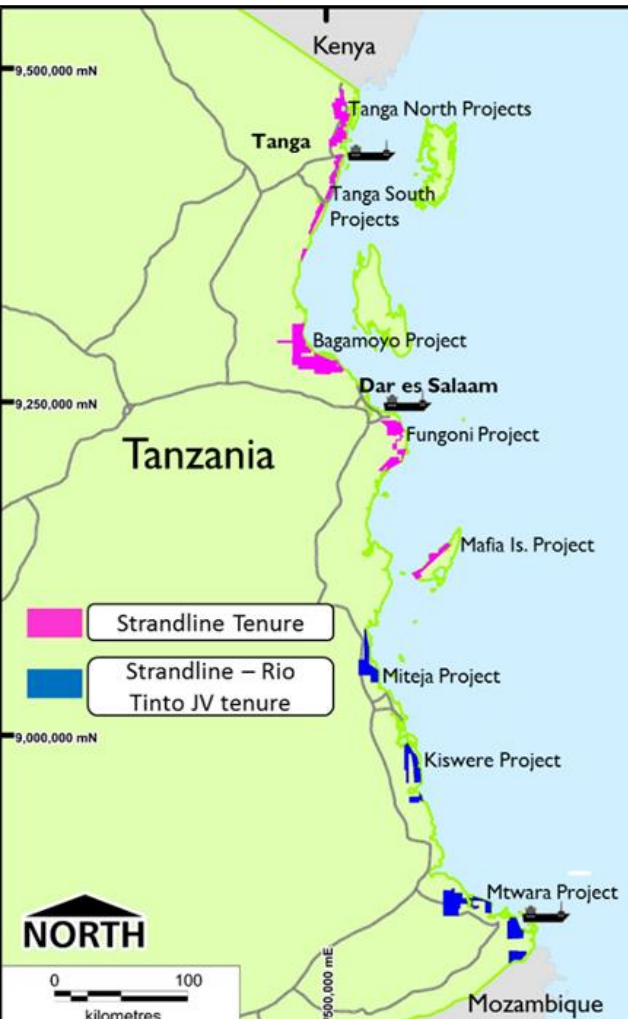
- Forging a new industry for Tanzania; first commercial mineral sands mine; responsible-sustainable approach
- High community engagement and local content through the exploration, construction and operational phases
- Key social benefits of job creation, transferrable skill development and training and job diversity
- Community initiatives relating to improving infrastructure, education, health and medical services
- Environmental certificate granted, showing low impact mining, with no toxic elements or residual waste from mine
- Progressive rehabilitation of disturbed areas returning the land to the original landholder to better than pre-mining state
- Advanced beneficiation performed in-country, maximising value generation and capital inflows to Tanzania



# 2 Tanzanian Project Pipeline



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- Large country-wide portfolio of highly prospective and strategic mineral sands tenure ~2,000km<sup>2</sup>
- Resource building in the north at Tanga South (Tajiri) and new large discoveries at Bagamoyo and Pangani
- Differentiated by high unit value **Ti + Zr** deposits
- Tajiri's indicated resources ~60Mt @ 3.7% THM and **growing**; assemblage Ilm 68%, Rt 10%, Lx 4%, Zr 5%
- **RioTinto** JV worth ~A\$14.5m secured to accelerate greenfield exploration across **southern Tanzania**
- Strandline appointed as JV Manager until Rio has earned a majority interest; aircore drilling underway
- Track record of delineating resource targets efficiently through geophysical and geochemical evaluation
- Potential for a multi-decade production profile, mining a series of high grade deposits, modular relocatable facilities

*\*Refer Appendix B for JORC Mineral Resource estimate*



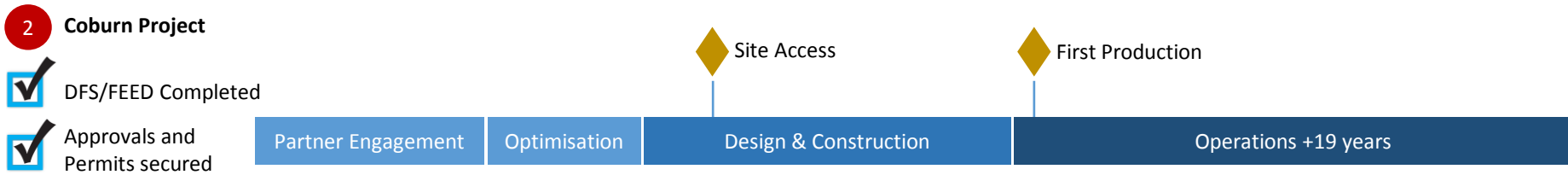
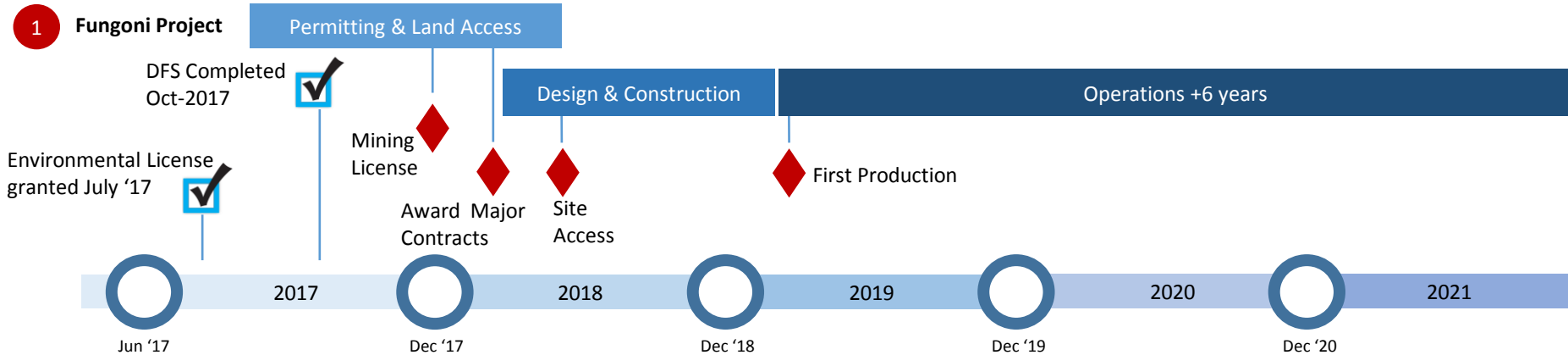
- DFS completed, project approvals and native title in place, development-ready
- Rising HMS commodity prices, technology advances and improving industry factors enhancing project fundamentals; Strandline pursuing strategic development options
- Conventional dry mining and processing; located in the key mining state of WA, near established infrastructure
- Large scale and long life mine +19 years at 23.4Mtpa, with optionality across final process flowsheet, product suite and project execution strategy
- JORC Mineral Resource 979mt @ 1.26% HM<sup>1</sup>; Reserve 308Mt (initial 14 years converted to date); a broad homogeneous orebody of free flowing sands
- Exceptional zircon-rich assemblage 23% zircon, 48% ilmenite, 12% rutile-leucoxene
- Project Base Case NPV A\$306 million, IRR 26%, with a ~4 year payback (using TZMI pricing) for premium zircon, chloride ilmenite and HiTi 90 products<sup>2</sup>
- Opportunity to significantly improve financial metrics through collaborative partnering with Contractor / Offtaker / Strategic Investor

<sup>1</sup> Refer to Appendix C for JORC Resource & Reserve Statements (also refer to ASX Announcement dated 7 January 2010)

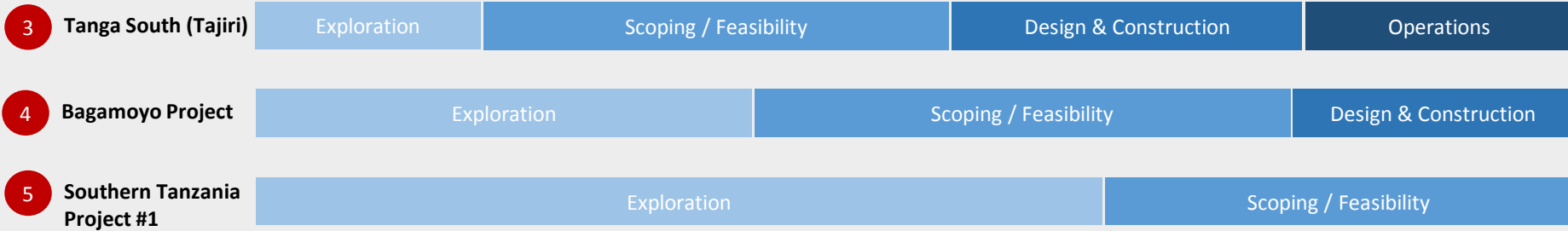
<sup>2</sup> Refer to the ASX Announcement dated 09 February 2015 for full details of the material assumptions underpinning the production target and financial results for the Coburn Project. The Company confirms that all the material assumptions underpinning the production target and financial results continue to apply and have not materially changed.



# Project Development Targets



## Tanzania Growth Projects:

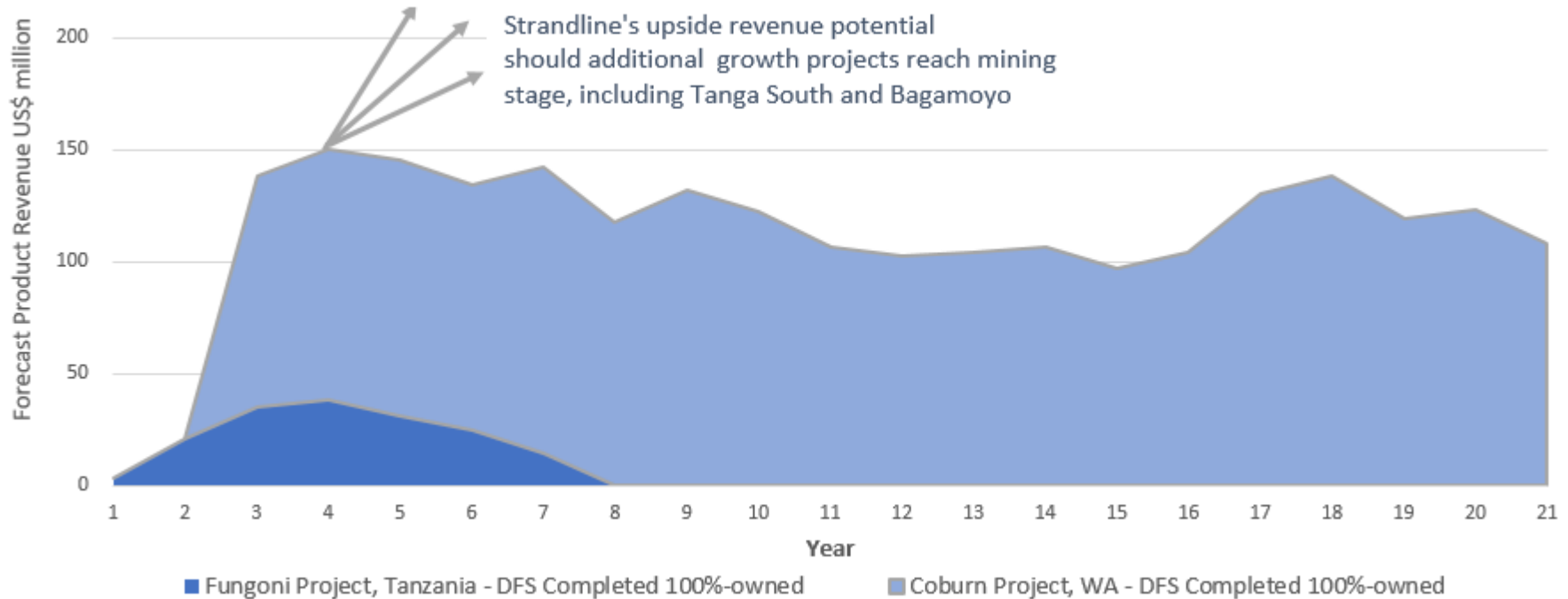


\* There is no guarantee that these dates and steps will be achieved

# Emerging Production Profile



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- Strandline's two zircon-rich, DFS completed projects, Fungoni and Coburn, underpin a multi-decade product revenue projection

*\*Fungoni Project revenues are based on TZMI's September-2017 mineral sands forecast pricing (refer ASX Announcement 06 October 2017) and Coburn Project revenues using similar pricing with zircon (US\$1375/t and 1,257/t for secondary zircon), chloride ilmenite (US\$250/t) and HiTi90 (US\$927/t) (refer ASX Announcement 09 February 2015).*

*\*Any statement as to future revenue from these projects is aspirational in nature as the Company does not have reasonable grounds based on their current stage of development to believe that revenue can be achieved from them.*

# Investment Rationale

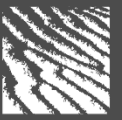


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- 1) Highly experienced Board and management team
- 2) A clear strategy and plan for shareholder value creation
- 3) Globally significant **Zr + Ti** resources, in rising mineral sands pricing environment
- 4) Geographically diverse across the two largest HMS producing regions
- 5) First mover advantage in Tanzania securing a dominant position with significant exploration upside
- 6) Two development-ready projects: 1) Fungoni – exceptional economics and 2) Coburn – large scale +19 year LOM
- 7) Strandline is seriously undervalued and strategically poised for growth



# Contact



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## **Luke Graham**

CEO & Managing Director

Strandline Resources Ltd

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E: [luke.graham@strandline.com.au](mailto:luke.graham@strandline.com.au)



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# Competent Person Statements



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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, Chief Geologist and a part-time 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 a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Cummins consents 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.

The information in this report that relates to Mineral Resources for Fungoni is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, an employee of IHC-Robbins and Consultant to Strandline and Mr Brendan Cummins (Chief Geologist and part-time employee of Strandline). Mr Jones is a member of the Australian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results,

Mineral Resources and Ore Reserves. Specifically, Mr Cummins is the Competent Person for the drill database, geological model interpretation and completed the site inspection. Mr Jones is the Competent Person for the mineral resource estimation. Mr Jones and Mr Cummins consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The information in this report that relates to Mineral Resources for Tanga South is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Principal with GNJ Consulting) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Cummins is the Competent Person for the drill database, geological model interpretation and completed the site inspection. Mr Jones is the Competent Person for the resource estimation. Mr Jones and Mr Cummins consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.



# Appendix A Fungoni Tables



MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT										
Summary of Mineral Resources <sup>(1)</sup>					VHM assemblage <sup>(2)</sup>					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucosene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
FUNGONI	Measured	8.77	0.37	4.26	43.3	4.3	18.3	1.0	18.5	6.8
FUNGONI	Indicated	12.97	0.24	1.84	36.7	4.3	14.6	1.4	24.4	7.3
	Total <sup>(3)</sup>	21.74	0.61	2.82	40.7	4.3	16.9	1.2	22.0	7.0
(1) Mineral Resources reported at a cut-off grade of 1.0% THM										
(2) Valuable Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

<sup>1</sup> Refer to the ASX announcement dated 2 May 2017 for full details of the JORC-2012 Mineral Resource Estimate for Fungoni Project.

ORE RESERVES SUMMARY FOR FUNGONI PROJECT <sup>(1)</sup>						
Deposit	Reserve Category	Ore	Slimes		Heavy Mineral	
		(Mt)	(Mt)	(%)	(kt)	(%)
FUNGONI	Proved	6.9	1.2	18	341	4.9
FUNGONI	Probable	5.4	1.0	19	138	2.6
	Total*	12.3	2.3	19	480	3.9

<sup>1</sup> Refer to the ASX announcement dated 06 October 2017 for full details of the JORC-2012 Mineral Resource Statement for Fungoni Project

<sup>2</sup> Totals may deviate from the arithmetic sum due to rounding.



# Appendix B Tanga South Tajiri



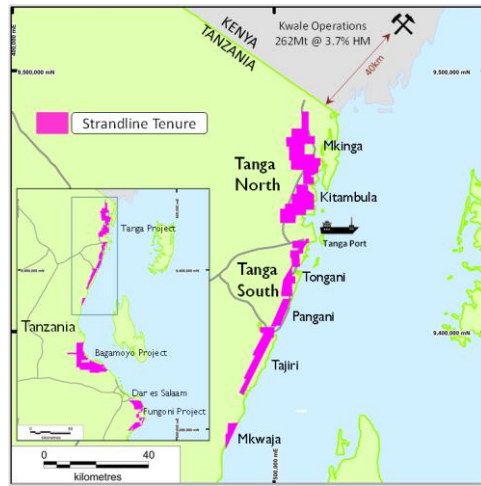
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## MINERAL RESOURCE SUMMARY FOR TANGA SOUTH PROJECT

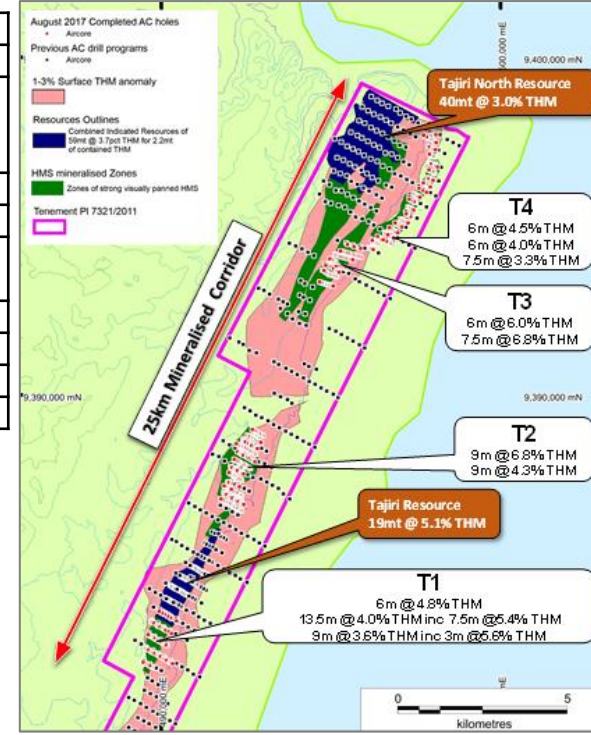
Summary of Mineral Resources <sup>(1)</sup>					THM assemblage <sup>(2)</sup>					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Tajiri	Indicated	19	1.0	5.1	65	12	6	6	34	3
Tajiri North	Indicated	40	1.2	3.0	70	7	5	2	52	3
	<b>Total<sup>(3)</sup></b>	<b>59</b>	<b>2.2</b>	<b>3.7</b>	<b>68</b>	<b>10</b>	<b>5</b>	<b>4</b>	<b>46</b>	<b>3</b>

- (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 04 April 2016 for full details of the JORC-2012 Mineral Resource Estimate for the Tanga South Project.



Tanga Region, 100kms of tenement strike



Tanga South Tajiri Tenement



# Appendix C Coburn Project



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MINERAL RESOURCE SUMMARY FOR COBURN ZIRCON PROJECT <sup>(1)</sup>				
Deposit	Mineral Resource Category	Tonnage <sup>(2)</sup>	Contained HM	HM Grade
		(Mt)	(Mt)	(%)
Amy South	Measured	119	1.5	1.3
Amy Central	Indicated	599	7.2	1.2
Amy North	Inferred	261	3.6	1.4
	<b>Total<sup>(3)</sup></b>	<b>979</b>	<b>12.3</b>	<b>1.26</b>
(1) Cut-off grade applied is 0.8% HM				
(2) Inclusive of Ore Reserves				
(3) Appropriate rounding applied				



ORE RESERVES SUMMARY FOR COBURN ZIRCON PROJECT								
Summary of Ore Resources <sup>(1)</sup>					HM assemblage <sup>(2)</sup>			
Deposit	Reserve Category	Tonnage	Contained HM	HM Grade	Zircon	Ilmenite	Rutile	Leucoxene
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)
Amy Pit A	Proven	53	0.7	1.3	24	46	5	6
Amy Pits B-E	Probable	255	3.1	1.2	23	48	7	4
	<b>Total<sup>(3)</sup></b>	<b>308</b>	<b>3.8</b>	<b>1.2</b>	23	48	7	5
(1) Cut-off grade applied is 0.8% HM								
(2) Mineral assemblage is reported as a percentage of total HM content. Slimes average 2.7% of the ore and oversize 3.3%.								
(3) Appropriate rounding applied								

Refer to the ASX announcement dated 07 January 2010 for full details of the Mineral Resource and Ore Reserve estimates. These estimates have not been updated to comply with the JORC code 2012 on the basis that the information has not materially changed since it was last reported. The information in this presentation relating to estimates of Ore Reserves and Mineral Resources for the Coburn Project has been extracted from the ASX announcement dated 07 January 2010. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Ore Reserves and Mineral Resource estimates, that all material assumptions and technical parameters underpinning the estimates in the market announcement continues to apply and has not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.

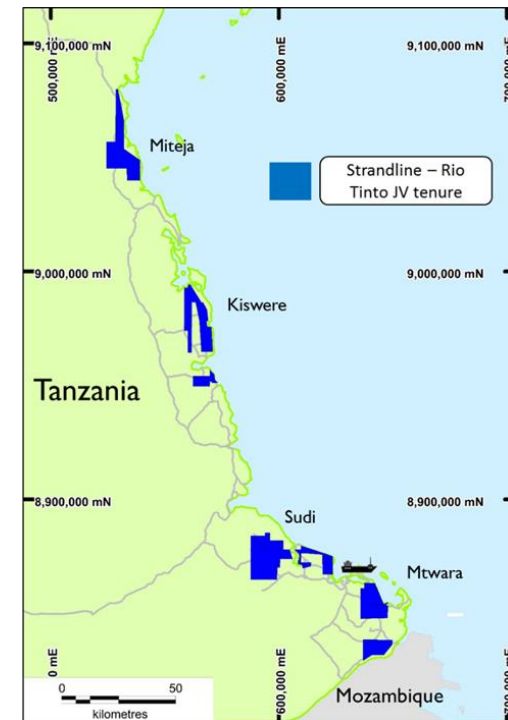
# Appendix D - Rio Tinto JV



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- Earn-in and JV agreement worth US\$10.75M (~A\$14.5m) for Strandline's southern Tanzania tenement package
- Aimed to explore, evaluate and, if feasible, develop one or more HMS mines
- Two Staged earn-in US\$9m on project expenditure and US\$1.75M in cash payments:
  - Stage 1 US\$5m expenditure within 3.5 years to earn a 51% interest ("Minimum JV Commitment US\$2m in 18 months)
  - Stage 2 additional US\$4m expenditure within 2 years to earn an aggregated 75% interest
- Strandline appointed as Manager until Rio has earned 51%
- Enables STA to accelerate exploration activities in the south of Tanzania
- JV is separate from core assets to the north of the country

**RioTinto**



Refer ASX Announcements 26 June 2017 and 26 April 2017 for information on Rio Tinto Earn-in and Joint Venture Agreement