

STRANDLINE

resources limited

ACN 090 603 642

NOTICE OF EXTRAORDINARY GENERAL MEETING AND EXPLANATORY MEMORANDUM

Notice is hereby given that an Extraordinary General Meeting of Strandline Resources Limited (**Company** or **Strandline**) will be held as follows:

Date: Thursday, 6 July 2017

Time: 9.00am (WST)

Place: At the offices of BDO Australia
38 Station Street
Subiaco Western Australia

Terms used in this Notice of Meeting and the Explanatory Memorandum are defined in the Glossary. The Explanatory Memorandum which accompanies and forms part of this Notice of Meeting describes the matters to be considered at the Extraordinary General Meeting.

AGENDA

1. Resolution 1 – Ratification of Tranche 1A Placement Shares issued under Listing Rule 7.1 capacity

To consider and, if thought fit, to pass the following as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue, on a pre-Consolidation basis, of 385,717,061 fully paid ordinary shares in the capital of the Company which were issued by the Company out of its capacity to issue Equity Securities under Listing Rule 7.1 (“Tranche 1A Shares”), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Ratification of Tranche 1B Placement Shares issued under Listing Rule 7.1A capacity

To consider and, if thought fit, to pass the following as an **ordinary resolution**:

“That, for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue, on a pre-Consolidation basis, of 55,532,939 fully paid ordinary shares in the capital of the Company which were issued by the Company out of its capacity to issue Equity Securities under Listing Rule 7.1A (“Tranche 1B Shares”), on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by a person who participated in the issue and any of their Associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Approval to Issue Tranche 2 Placement Shares to Ndovu Capital VII B.V.

To consider and, if thought fit, to pass the following as an **ordinary resolution**:

“That, for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue, on a pre-Consolidation basis, of 209,916,267 fully paid ordinary shares in the capital of the Company at an issue price of \$0.008 per Share to Ndovu Capital VII B.V., on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Ndovu Capital VII B.V. ("**Ndovu**") and any associate of Ndovu. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or if it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Consolidation of Capital

To consider and, if thought fit, to pass the following as an **ordinary resolution**:

"That, for the purposes of Section 254H of the Corporations Act, clause 28 of the Company's Constitution and for all other purposes, with effect on a date to be announced to the ASX in accordance with the Listing Rules, the issued capital of the Company be consolidated on the basis that:

- (a) every twelve (12) Shares be consolidated into one (1) Share;*
- (b) every twelve (12) Options be consolidated into one (1) Option;*
- (c) every twelve (12) Performance Rights be consolidated into one (1) Performance Right; and*
- (d) where this Consolidation results in a fraction of a Security being held, the Company be authorised to round that fraction up to the nearest whole Security,*

on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice of Meeting."

NOTES

These notes form part of the Notice of Meeting.

1. Background information

To assist you in deciding how to vote on the Resolutions, background information to the Resolutions is set out in the Explanatory Memorandum forming part of this Notice of Meeting.

2. Required majorities

All of the Resolutions are **ordinary resolutions** and will be passed only if supported by a majority of the votes cast by Shareholders entitled to vote on the Resolutions in person, by proxy, or by an authorised representative.

3. Recommendation

The Board believes Resolutions 1, 2, 3 and 4 are in the best interests of the Shareholders and (save where otherwise indicated in the Explanatory Memorandum) unanimously recommends Shareholders vote in favour of each of them.

4. Voting entitlements

The Directors have determined that, for the purpose of voting at the Meeting, Shareholders eligible to vote at the Meeting are those persons who are the registered holders of Shares at 5.00pm (WST) on **4 July 2017**.

5. How to vote

You may vote by attending the Meeting in person, by proxy, or by an authorised representative.

6. Voting in person

To vote in person, attend the Meeting on the date and at the place set out above. Shareholders are asked to arrive at the venue by **8.30am** (WST) so the Company may check their Shareholding against the Company's Share register and note attendances.

7. Voting by proxy

A Shareholder has the right to appoint a proxy (who need not be a Shareholder). A proxy can be an individual or a body corporate. A body corporate appointed as a Shareholder's proxy must appoint a representative to exercise any of the powers the body corporate can exercise as a proxy at the Meeting. The representative should bring to the meeting evidence of their appointment, including any authority under which the appointment is signed, unless it has previously been given to the Company.

If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise.

To vote by proxy, the Proxy Form (together with the original of any power of attorney or other authority, if any, or certified copy of that power of attorney or other authority under which the Proxy Form is signed) must be received at the Share Registrar **no later than 9.00am** (WST) **on 4 July 2017** (Proxy Forms received after that time will be invalid). Proxy Forms must be received before that time via any of the following methods:

Online www.investorvote.com.au
By Post: Computershare Investor Services Pty Limited
GPO Box 242
Melbourne, Victoria 3001
Australia
By Facsimile (inside Australia): 1800 783 447
By Facsimile (outside Australia): +61 3 9473 2555

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions. Any proxy form received after 9.00am (WST) on 4 July 2017 will not be valid for the Meeting.

8. Voting by corporate representatives

A body corporate may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act. A certificate of appointment of the corporate representative will be sufficient for these purposes and must be lodged with the Company and/or the Share Registrar before the Meeting or at the registration desk on the day of the Meeting. Certificates of appointment of corporate representatives are available on request by contacting the Share Registrar on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia).

9. Enquiries

Shareholders are invited to contact the Company Secretary, **Geoff James** on +61 8 9226 3130 if they have any queries on the matters set out in these documents.

By order of the Board

Date 26 May 2017

Signed 
Name Geoff James
Company Secretary

The Notice of Meeting, Explanatory Memorandum and Proxy Form should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum and all attachments are important documents and should be read carefully. If you have any questions regarding the matters set out in this Explanatory Memorandum or the preceding Notice of Meeting please contact the Company, your stockbroker or other professional adviser.

This Explanatory Memorandum has been prepared for Shareholders in connection with the Extraordinary General Meeting of the Company to be held on **Thursday 6 July 2017**.

The purpose of this Explanatory Memorandum is to provide Shareholders with information the Board believes to be material to Shareholders in deciding whether or not to approve the Resolutions detailed in the Notice of Meeting.

1. Resolution 1 – Ratification of Tranche 1A Placement Shares issued under Listing Rule 7.1 capacity

1.1 Background

On 17 May 2017, Strandline announced a strategic placement of 651.2 million Shares at an issue price of \$0.008 per Share to institutional and sophisticated investors to raise \$5.2 million before costs (“**Placement**”). The Placement consists of two tranches, as follows:

- the first tranche of 441,250,000 Shares, which were issued on 24 May 2017, comprises:
 - 385,717,061 Shares issued under Listing Rule 7.1 (being the Shares the subject of Resolution 1) (“**Tranche 1A Shares**”); and
 - 55,532,939 Shares issued under Listing Rule 7.1A (being the Shares the subject of Resolution 2) (“**Tranche 1B Shares**”); and
- the second tranche of 209,916,267 Shares is subject to the approval of Shareholders (which approval is sought by way of Resolution 3) (“**Tranche 2 Shares**”).

Resolution 1 seeks Shareholder ratification of the issue of the Tranche 1A Shares.

1.2 ASX Listing Rule 7.1

Subject to certain exceptions, Listing Rule 7.1 prevents a company from issuing or agreeing to issue in any 12 month period new securities, or other securities with rights of conversion to equity (such as an option), which amount to more than 15% of the company's ordinary securities on issue without shareholder approval.

1.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval under Listing Rule 7.1 provided the issue did not breach Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to the limit imposed by Listing Rule 7.1. The Company confirms the issue of the Tranche 1A Shares the subject of Resolution 1 did not breach Listing Rule 7.1.

The Company wishes to ratify the issue of the Tranche 1A Shares the subject of Resolution 1 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital under Listing Rule 7.1.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) on 24 May 2017 the Company issued 385,717,061 fully paid ordinary shares (Tranche 1A Shares);
- (b) the Tranche 1A Shares were issued for \$0.008 each, raising a total of \$3,085,736 (before costs);
- (c) the Tranche 1A Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (d) the Tranche 1A Shares were issued to institutional and sophisticated investors;
- (e) the funds raised in connection with the issue of the Tranche 1A Shares are intended to be applied towards the completion of the feasibility study, mining approvals process and early stage development costs for the Fungoni Heavy Mineral Sands Project in Tanzania, ongoing exploration and development costs relating to the Company's other projects and general working capital, administration and corporate-related expenses as set out in the ASX announcement dated 17 May 2017; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 1.

1.4 Directors' Recommendation

If Resolution 1 is passed, the 15% limit imposed by Listing Rule 7.1 will be renewed to the extent of the ratification. The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

2. Resolution 2 – Ratification of Tranche 1B Placement Shares issued under Listing Rule 7.1A capacity

2.1 Background

Resolution 2 seeks Shareholder ratification of the issue of the Tranche 1B Shares as set out in section 1.1 above.

2.2 ASX Listing Rule 7.1A

Listing Rule 7.1A permits eligible entities, which have obtained shareholder approval by special resolution at the company's annual general meeting, to issue Equity Securities up to an additional 10% of its issued capital within a 12 month period after that annual general meeting (**10% Placement Capacity**).

Approval for the 10% Placement Capacity may only be obtained at the company's annual general meeting. The Company previously received Shareholder approval for the 10% Placement Capacity at its annual general meeting held on 24 November 2016. The Company has not issued any Equity Securities since that date in reliance on the 10% Placement Capacity, with the exception of the Tranche 1B Shares which are the subject of Resolution 2.

2.3 ASX Listing Rule 7.4

Listing Rule 7.4 permits the ratification of previous issues of Equity Securities made without prior shareholder approval under Listing Rule 7.1A, provided the issue did not breach Listing Rule 7.1A. The effect of such ratification is to restore a company's maximum discretionary power to issue further Equity Securities up to the limit imposed by Listing Rule 7.1A. The Company confirms the issue of the Tranche 1B Shares the subject of Resolution 2 did not breach Listing Rule 7.1A.

The Company wishes to ratify the issue of the Tranche 1B Shares the subject of Resolution 2 pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 10% of its issued capital under Listing Rule 7.1A.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) on 24 May 2017 the Company issued 55,532,939 fully paid ordinary shares (Tranche 1B Shares);
- (b) the Tranche 1B Shares were issued for \$0.008 each, raising a total of \$444,264 (before costs);
- (c) the Tranche 1B Shares are fully paid ordinary shares that rank equally in all respects with the Company's existing Shares;
- (d) the Tranche 1B Shares were issued to institutional and sophisticated investors;

- (e) the funds raised in connection with the issue of the Tranche 1B Shares are intended to be applied towards the completion of the feasibility study, mining approvals process and early stage development costs for the Fungoni Heavy Mineral Sands Project in Tanzania, ongoing exploration and development costs relating to the Company's other projects and general working capital, administration and corporate-related expenses as set out in the ASX announcement dated 17 May 2017; and
- (f) a voting exclusion statement has been included in the Notice of Meeting for the purposes of Resolution 2.

2.4 Directors' Recommendation

If Resolution 2 is passed, the 10% limit imposed by Listing Rule 7.1A will be renewed to the extent of the ratification. The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

3. Resolution 3 – Approval to Issue Tranche 2 Placement Shares to Ndovu Capital VII B.V.

3.1 General

As set out in section 1.1 above, on 17 May 2017 Strandline announced a strategic placement of 651.2 million shares at an issue price of \$0.008 per Share to institutional and sophisticated investors to raise \$5.2 million before costs ("Placement").

The Shares for the Placement were to be issued in two tranches as follows:

- (a) 441,250,000 Shares were issued under ASX Listing Rules 7.1 and 7.1A and are the subject of Resolutions 1 and 2; and
- (b) Subject to Shareholder approval, 209,916,267 Shares are to be issued to Ndovu ("Tranche 2 Shares").

Ndovu is a company which is part of the Tembo Capital private equity group (collectively "Tembo") that specialises in mining-focused investment into developing countries and has a strong track record of identifying and supporting emerging resources companies.

Prior to the Placement, Ndovu held a 32.24% interest in Strandline. The Shares the subject of Resolutions 1 and 2 diluted Ndovu's interest in the Company from 32.24% to 27.52%. The Company offered Ndovu the opportunity to participate in the Placement, subject to Shareholder approval. The Shares the subject of Resolution 3, if approved by Shareholders, would restore Ndovu's interest in the Company to its previous level of 32.24%.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10.11 and for all other purposes to issue to Ndovu 209,916,267 Shares at an issue price of \$0.008 per Share. If approved by Shareholders, the Company will issue the Tranche 2 Shares before the Consolidation the subject of Resolution 4.

3.2 ASX Listing Rule 10.11

Listing Rule 10.11 requires Shareholder approval by ordinary resolution for any issue of securities by a listed company to a related party or to a person whose relationship with the Company is, in ASX's opinion, such that approval should be obtained. Ndovu is not a related party of the Company. However, ASX has determined that Ndovu is a person whose relationship with the Company is such that approval is required under Listing Rule 10.11 to issue securities to it. Accordingly, Shareholder approval under Listing Rule 10.11 is sought to issue the Tranche 2 Shares to Ndovu pursuant to Resolution 3.

3.3 ASX Listing Rule 10.13

The following information in relation to the Tranche 2 Shares proposed to be issued pursuant to Resolution 3 is provided to Shareholders for the purposes of Listing Rule 10.13:

- (a) the number of Shares the Company will issue to Ndovu under Resolution 3 is 209,916,267 Shares (Tranche 2 Shares);
- (b) the Company will issue the Tranche 2 Shares within one month of the date of the Meeting (or such later date as approved by ASX);
- (c) the issue price of the Tranche 2 Shares is \$0.008 each;
- (d) the Tranche 2 Shares will be issued to Ndovu, an existing Shareholder which is as a result of its level of shareholding in the Company an entity to which ASX has determined Listing Rule 10.11 applies in connection with the proposed issue of the Tranche 2 Shares;
- (e) the Tranche 2 Shares to be issued are fully paid ordinary shares which rank equally in all respects with existing Shares; and
- (f) the funds raised in connection with the issue of the Tranche 2 Shares are intended to be applied towards the completion of the feasibility study, mining approvals process and early stage development costs for the Fungoni Heavy Mineral Sands Project in Tanzania, ongoing exploration and development costs relating to the Company's other projects and general working capital, administration and corporate-related expenses as set out in the ASX announcement dated 17 May 2017.

If Shareholder approval is given under Listing Rule 10.11, Shareholder approval is not required under Listing Rule 7.1.

3.4 Directors' Recommendation

The Directors, with the exception of Mr Hodder who is a principal of the Tembo Capital private equity fund, recommend Shareholders vote in favour of Resolution 3.

The Directors note that, if Shareholder approval to Resolution 3 is not obtained, no Shares will be issued to Ndovu under the Placement. Under that scenario:

- the number of Shares issued under the Placement would be limited to the 441,250,000 Shares already issued (being the Shares described in Resolutions 1 and 2);
- the funds raised by the Company under the Placement would be limited to the \$3,530,000 (before costs) already raised in connection with those 441,250,000 Shares;
- the use to which funds raised by the Company in connection with the Placement are intended to be put would remain consistent with the descriptions set out in sections 1.3(e) and 2.3(e) of this Explanatory Memorandum, however the Company's capacity to advance the work described in those sections would necessarily be reduced; and
- Ndovu's shareholding in the Company would remain at its current level of 27.52%.

4. Resolution 4 – Consolidation of Capital

4.1 General

Resolution 4 seeks shareholder approval to consolidate the Company's capital on a 12:1 basis ("**Consolidation**").

It should be noted that all references to Shares in Resolutions 1-3 of the Notice of Meeting and Explanatory Memorandum are on a pre-Consolidation basis.

Section 254H of the Corporations Act provides that a company may, by resolution passed in a general meeting, convert all or any of its shares into a larger or smaller number.

ASX Listing Rules 7.21 and 7.22 require that the number of Performance Rights and Options on issue be consolidated in the same ratio as the ordinary capital and the exercise price of Options be amended in inverse proportion to that ratio.

The purpose of the Consolidation is to provide the Company with a more appropriate capital structure for a company of its size and nature. If Shareholders approve Resolution 3, the Company will have over 3.2 billion Shares on issue. The Board considers that having such a large number of Shares on issue subjects the Company to a number of disadvantages including:

- additional share price volatility arising from the fact that a change in the price of the Shares represents a higher percentage of the Share price than it would if the Company had a greater Share price;
- the Company has a far greater number of Shares on issue than comparable companies; and
- negative perceptions associated with a low share price.

As at the date of this Notice, the Company has 3,012,697,074 Shares on issue. As noted above, if the Tranche 2 Shares the subject of Resolution 3 are issued, and if Resolution 4 is passed, the number of Shares on issue will be reduced from 3,222,613,341 to 268,551,112 (subject to rounding).

Under the Consolidation, the number of Options on issue will be reduced from 1,003,425,364 to 83,618,779 (subject to rounding) and the number of Performance Rights on issue will be reduced from 55,000,000 to 4,583,334 (subject to rounding).

4.2 Fractional Entitlements

Not all Securityholders will hold that number of Securities (as the case may be) which can be evenly divided by 12. Where a fractional entitlement occurs, the Company will round that fraction up to the nearest whole Security.

4.3 Taxation

It is not considered that any taxation implications will exist for Securityholders arising from the Consolidation. However, Securityholders are advised to seek their own advice on the effect of the Consolidation and neither the Company, nor its advisers, accept any responsibility for the individual taxation implications arising from the Consolidation.

4.4 Holding Statements

Taking effect from the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of Securities on a post-Consolidation basis. New holding statements will be issued to Securityholders, who are encouraged to check their holdings after the Consolidation.

4.5 Effect on Capital Structure

The effect which the Consolidation will have on the Company's capital structure is set out in the table below:

Capital Structure	Shares	Options ¹	Performance Rights ²
Pre-Consolidation Securities	3,012,697,074	1,003,425,364	55,000,000
Issue of Shares pursuant to Resolution 3	209,916,267	Nil	Nil
Post 12:1 Consolidation of Securities (Resolution 4)³	268,551,112	83,618,779	4,583,334

¹ The terms of these Options are set out in the table below.

² The terms of these Performance Rights are set out in the table below.

³ This table assumes that no Securities are issued (other than as contemplated by this Notice) and no Options or Performance Rights are exercised. Post-Consolidation numbers are subject to rounding.

Shareholders will hold the same proportion of the Company's Share capital and net assets before and after the Consolidation. The Current rights attaching to Securities will not be affected by the Consolidation. However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue. Theoretically, in the absence of market or other events, the post-Consolidation Share price should be approximately twelve times its pre-Consolidation price. The actual effect of the Consolidation on the Share price will depend on a number of factors outside the control of the Company and the market price following the Consolidation may be higher or lower than the theoretical post-Consolidation price.

The effect the Consolidation will have on the terms of the Options and Performance Rights is set out in the table below:

Terms	Pre-Consolidation Number	Pre-Consolidation Exercise Price \$	Post-Consolidation Number ¹	Post-Consolidation Exercise Price \$
Unlisted Options expiring 03/11/17	10,000,000	0.030	833,333	0.36
Unlisted Options expiring 30/06/18	428,508,795	0.010	35,709,066	0.12
Unlisted Options expiring 12/10/18	136,366,924	0.015	11,363,910	0.18
Unlisted Options expiring 30/06/19	428,549,645	0.015	35,712,470	0.18
Total Number of Options	1,003,425,364		83,618,779	
Unlisted Performance Rights expiring 15/08/18	27,500,000	N/A	2,291,667	N/A
Unlisted Performance Rights expiring 15/08/19	27,500,000	N/A	2,291,667	N/A
Total Number of Performance Rights	55,000,000		4,583,334	

¹ Post-Consolidation numbers are subject to rounding.

In accordance with their terms and conditions of grant, the Performance Rights referred to above will only vest upon the satisfaction of performance conditions which are linked to the Company's "Total Shareholder Return" (TSR) performance. The TSR is calculated as being the increase in the Company's Share price during the performance measurement period. The number of Performance Rights that will vest will depend upon the Company's TSR performance when measured against a peer group of companies as determined by the Board in its discretion.

In accordance with Listing Rule 7.21, the number of Performance Rights on issue are required to be reorganised so that the holders of Performance Rights will not receive a benefit that holders of ordinary securities do not receive. The Directors confirm that, if Resolution 4 is passed, the effect of the Consolidation on the Company's share price will be disregarded for the purposes of calculating TSR performance as it relates to the performance conditions for Performance Rights.

4.6 Indicative Timetable

If Resolution 4 is passed, the Consolidation will take effect in accordance with the following indicative timetable (as set out in Appendix 7A (paragraph 8) of the ASX Listing Rules):

Key Event	Date*
Extraordinary General Meeting	6 July 2017
Notification to ASX of Results of Extraordinary General Meeting	6 July 2017
Issue of the Shares the subject of Resolution 3	7 July 2017
Last day for pre-Consolidation trading	7 July 2017
Post-Consolidation trading starts on a deferred-settlement basis	10 July 2017
Last day for Company to register transfers on a pre-Consolidation basis	11 July 2017
First day for Company to send notice to each holder of the change in their details of holdings	12 July 2017
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements	12 July 2017
Change of details of holdings date. Deferred settlement market ends	18 July 2017
Last day for Securities to be entered into holders' Security holdings	18 July 2017
Last day for the Company to send notice to each holder of the change in their details of holdings	18 July 2017

* Subject to change in accordance with ASX Listing Rules.

4.7 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

GLOSSARY

In this document:

Associate has the meaning given to it by Division 2 of Part 1.2 of the Corporations Act.

ASX means ASX Limited (ACN 000 943 377) or the Australian Securities Exchange, as appropriate.

Board means the Company's Board of Directors.

Chair means the chair of the Meeting.

Company or **Strandline** means Strandline Resources Limited (ACN 090 603 642).

Consolidation means the consolidation of the Company's issued capital on a one for twelve basis the subject of Resolution 4.

Constitution means the Company's Constitution, as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the Directors of the Company.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the Explanatory Memorandum which accompanies and forms part of the Notice of Meeting.

General Meeting or **Meeting** means the meeting convened by the Notice.

Glossary means the Glossary set out in the Explanatory Memorandum.

Listing Rules means the Listing Rules of the ASX.

Notice or **Notice of Meeting** means this notice of General Meeting including the Explanatory Memorandum and the Proxy Form.

Option means an option to acquire one Share in the Company.

Optionholder means a registered holder of an Option.

Performance Right means a right to be issued, for no consideration, a fully paid ordinary share in the capital of the Company upon the satisfaction of specified performance conditions.

Placement Capacity means the Company's capacity to issue Equity Securities without Shareholder approval having regard to the operation of Listing Rule 7.1 and Listing Rule 7.1A as they apply to Strandline from time to time.

Proxy Form means the proxy form attached to the Notice of Meeting.

Resolution means a resolution referred to in the Notice of Meeting.

Security means a Share, Option or Performance Right.

Securityholder means a registered holder of a Security.


Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Share Registrar means Computershare Investor Services Pty Ltd (ACN 000 937 879).

WST means Australian Western Standard Time.

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555


For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 723 670
(outside Australia) +61 3 9946 4435



Proxy Form

XX

 **Vote online**
• Go to www.investorvote.com.au or scan the QR Code with your mobile device.
• Follow the instructions on the secure website to vote.



Your access information that you will need to vote:

Control Number: 999999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 9.00am (WST) Tuesday, 4 July 2017**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Strandline Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Extraordinary General Meeting of Strandline Resources Limited to be held at the Offices of BDO Australia, 38 Station Street, Subiaco, Western Australia on Thursday, 6 July 2017 at 9.00am (WST) and at any adjournment or postponement of that meeting.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Ratification of Tranche 1A Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of Tranche 1B Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval to Issue Tranche 2 Placement Shares to Ndovu Capital VII B.V.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Consolidation of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date / /