

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

Strandline Resources Limited

**ABN**

32 090 603 642

**Quarter ended ("current quarter")**

30 June 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(1,186)	(4,127)
(b) development	-	-
(c) production	-	-
(d) staff costs*	(161)	(776)
(e) administration and corporate costs	(253)	(838)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	13	54
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (Rio Tinto receipts/JV contributions)	454	454
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,133)</b>	<b>(5,233)</b>

\*Excludes staff costs allocated to exploration & evaluation activities. Costs include remuneration for prior periods which had been previously deferred.

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(1)	(8)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(1)</b>	<b>(8)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	3,530	7,816
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(196)	(587)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,334</b>	<b>7,229</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,409	1,621
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,133)	(5,233)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1)	(8)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,334	7,229
4.5	Effect of movement in exchange rates on cash held	-	4
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,613</b>	<b>3,613</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	296	102
5.2 Call deposits	3,317	1,307
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,613</b>	<b>1,409</b>

<b>6. Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to these parties included in item 1.2	143
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

<b>7. Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
7.1 Aggregate amount of payments to these parties included in item 1.2	51
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Legal fees paid to MPH Lawyers, a director related entity

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8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Exploration and evaluation	2,094
9.2 Development	-
9.3 Production	-
9.4 Staff costs*	260
9.5 Administration and corporate costs	346
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>2,700</b>

\*Excludes staff costs allocated to exploration & evaluation activities.

The Company's outflows for the September quarter will be partially offset by payments received pursuant to the Earn-in and Joint Venture Agreement with Rio Tinto in connection with the Company's HMS tenements located in the southern region of Tanzania. These cash inflows are estimated to be AUD 1.79 million.

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	None			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	PL 11076/2017 Bagamoyo PL 11131/2017 Sudi Central	Owner	0%	100%

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:   
(Company Secretary)

Date: 31 July 2017

Print name: Geoff James

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

## Additional Information Required by LR 5.3.3

## Tenement Schedule

Tenement Number	Name/Location	Interest
<b>Tanzania</b>		
<b>Mineral Sands Projects</b>		
PL 7321/2011	Tajiri	100%
PL 7499/2011	Fungoni	100%
PL 7588/2012	Kitambula	100%
PL 7666/2012	Pangani	100%
PL 7753/2012	Bagamoyo	100%
PL 7754/2012	Fungoni	100%
PL 7940/2012	Kiswera North	100%*
PL 7960/2012	Tongoni	100%
PL 8008/2012	Tanga North	100%
PL 8123/2012	Tongoni North	100%
PL 8134/2012	Bagamoyo West	100%
PL 8185/2012	Bagamoyo West	100%
PL 8196/2012	Bagamoyo West	100%
PL 8197/2012	Mafia	100%
PL 9427/2013	Kitambula	100%
PL 9951/2014	Fungoni South	100%
PL 9969/2014	Sud	100%*
PL 9970/2014	Madimba	100%*
PL 9971/2014	Bagamoyo West	100%
PL 9972/2014	Miteja	100%*
PL 9976/2014	Tanga	100%
PL 9977/2014	Songa	100%*
PL 9978/2014	Mahuranga	100%*
PL 9980/2014	Kiswera South	100%*
PL 10265/2014	Bagamoyo	100%
PL 10424/2014	Ziwani	100%*
PL 10425/2014	Tanga North	100%
PL 10429/2014	Mkwaja	100%
PL 10978/2016	Fungoni South	100%
PL 11025/2017	Naumbu	100%*
PL 11029/2017	Fungoni South	100%
PL 11030/2017	Fungoni West	100%
PL 11076/2017	Bagamoyo	100%
PL 11131/2017	Sudi Central	100%*
* Subject to Earn-in and Joint Venture Agreement with Rio Tinto		
<b>Australia</b>		
<b>Coburn Mineral Sands Project</b>		
EL 09/939	Shark Bay District, Western Australia	100%
EL 09/940	Shark Bay District, Western Australia	100%
M 09/102	Shark Bay District, Western Australia	100%
M 09/103	Shark Bay District, Western Australia	100%
M 09/104	Shark Bay District, Western Australia	100%
M 09/105	Shark Bay District, Western Australia	100%
M 09/106	Shark Bay District, Western Australia	100%
M 09/111	Shark Bay District, Western Australia	100%
M 09/112	Shark Bay District, Western Australia	100%
L 09/21	Shark Bay District, Western Australia	100%
L 09/43	Shark Bay District, Western Australia	100%
<b>Fowlers Bay Gold-Base Metal Project*</b>		
EL 4440	Ceduna District, South Australia	100%*
* Western Areas earning 90%		