

ASX ANNOUNCEMENT

Coburn Mineral Sands Project

Successful completion of Institutional Offer

31 March 2021



STRANDLINE
resources limited

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Successful Completion of Placement and Institutional Entitlement Offer as part of A\$122m Fully Underwritten Equity Raising

HIGHLIGHTS

- Placement and Institutional Entitlement Offer attracted significant demand from both eligible existing and new institutional investors located in Australia and internationally
- The Institutional Offer, combined with Tembo's pre-commitment, will raise ~A\$89 million
- Fully underwritten Retail Entitlement Offer to existing, eligible retail shareholders opens on Wednesday, 7 April 2021, and expected to close at 5:00pm (Sydney time) Tuesday, 20 April 2021
- Equity raising to complete funding for Strandline's 100%-owned Coburn mineral sands project in WA and enables construction to ramp-up immediately after a FID, expected next month
- Tembo, Strandline's largest shareholder, has signed a pre-commitment to subscribe for A\$14.4m worth of New Shares via the Retail Entitlement Offer

Strandline Resources Limited (**Strandline** or **Company**) is pleased to announce that it has successfully completed an institutional placement (**Placement**) and the institutional component of a 1 for 1.3 fully underwritten pro-rata accelerated non-renounceable entitlement offer (**Institutional Entitlement Offer**, together with the Placement, the **Institutional Offer**) of new fully paid ordinary shares in Strandline (**New Shares**).

The Institutional Offer, combined with Tembo's pre-commitment, will raise approximately A\$89 million as part of the Company's fully underwritten A\$122 million equity raise (**Offer** or **Equity Raise**), as announced by Strandline on Monday, 29 March 2021.

Strandline received significant demand during the Institutional Offer bookbuild from eligible existing and new institutional investors located in Australia and internationally. The **Offer Price** was A\$0.205 per New Share .

Strandline Managing Director Luke Graham said the Company is pleased by the strong support received for the Equity Raise from domestic and international institutions.

"The Company is set to make a final investment decision once all proceeds from the Equity Raise are received next month and plan to commence full-scale construction immediately after that, putting Coburn on track for production in the second half of 2022." Mr Graham said.

"Importantly, the Company is pleased to be offering participation in the Equity Raise to our existing, eligible retail shareholders, with the Retail Entitlement Offer scheduled to open on Wednesday, 7 April 2021."

Completion of the Institutional Offer

The Equity Raise was supported by the Company's major shareholder Tembo Capital, which has committed to taking up 70 million shares in the equity raise worth ~A\$14.4 million.

The Institutional Offer comprises the issue of approximately 191.1 million New Shares under the Placement to raise approximately A\$39.2 million, and approximately 171.3 million New Shares under the Institutional Entitlement Offer to raise approximately A\$35.1 million.

The New Shares subscribed for under the Institutional Offer are expected to settle on 9 April 2021, with allotment and normal trading on ASX to commence on 12 April 2021. New Shares issued under the Institutional Offer will rank equally with existing fully paid ordinary shares in Strandline on issue.

New Shares in respect of institutional entitlements not taken up under the Institutional Entitlement Offer and New Shares that would have represented the entitlements of ineligible shareholders were offered to existing and eligible new institutional shareholders concurrently with the Institutional Entitlement Offer. Strandline expects ASX to lift the trading halt on its shares today and that its shares will recommence trading on ASX on an ex-entitlement basis from market open today.

Shaw and Partners Limited and Morgans Corporate Limited are Joint Lead Managers, Bookrunners and Underwriters to the Offer. Euroz Hartleys Limited and Foster Stockbroking are Co-Managers to the Offer.

Retail Entitlement Offer

The retail component of the entitlement offer (**Retail Entitlement Offer**) of ~A\$47.3 million, which is fully underwritten, is expected to open on 7 April 2021 and close at 5:00pm (Sydney time) on 20 April 2021 (unless extended).

Eligible retail shareholders with a registered address in Australia or New Zealand, and certain investors in the Netherlands, Hong Kong and Singapore, as at 7:00pm (Sydney time) on Friday, 31 March 2021 (**Record Date**), (**Eligible Retail Shareholders**) will be invited to participate in the Retail Entitlement Offer at the Offer Price. Eligible Retail Shareholders will be able to subscribe for 1 New Share for every 1.3 Strandline shares held as at the Record Date.

Further information will be provided to Eligible Retail Shareholders in a booklet (**Retail Offer Booklet**) expected to be issued on Wednesday, 7 April 2021 and lodged with ASX on that date.

In deciding whether to participate in the Retail Entitlement Offer, Eligible Retail Shareholders should carefully read the Retail Offer Booklet. The Retail Offer Booklet and personalised Entitlement and Acceptance Form will contain instructions on how to apply to participate in the Retail Entitlement Offer. Acceptances and payments under the Retail Entitlement Offer must be received by no later than 5:00pm (Sydney time) on Tuesday, 20 April 2021 (unless the Retail Entitlement Offer is extended).

Offer Timetable

An indicative timetable of key dates in relation to the equity raising is detailed below.

Event	Time / Date
Record date for Entitlement Offer	7:00pm Wednesday, 31 March 2021
Retail Entitlement Offer opens, Retail Entitlement Offer Booklet and Entitlement and Acceptance Form despatched	Wednesday, 7 April 2021
Settlement of the Placement and Institutional Entitlement Offer	Friday, 9 April 2021



Coburn Project – Successful Completion of Placement and Institutional Entitlement Offer

Allotment and commencement of trading of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 12 April 2021
Retail Entitlement Offer closes	Tuesday, 20 April 2021
Announce results of the Retail Entitlement Offer	Friday, 23 April 2021
Settlement of Retail Entitlement Offer	Tuesday, 27 April 2021
Allotment of New Shares under the Retail Entitlement Offer	Tuesday, 27 April 2021
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Wednesday, 28 April 2021
Despatch of holding statements for New Shares issued under the Retail Entitlement Offer	Wednesday, 28 April 2021

All dates and times are indicative only and, to the extent permitted by applicable law, subject to change at the discretion of Strandline. All dates and times are references to Sydney, Australia Time.

This announcement is authorised for release by the Board of Directors of Strandline Resources Limited.

Additional Information

Additional information about the Offer, including key risks, is contained in the investor presentation released to the ASX on Monday, 29 March 2021. All dollar amounts are in Australian dollars unless otherwise indicated.

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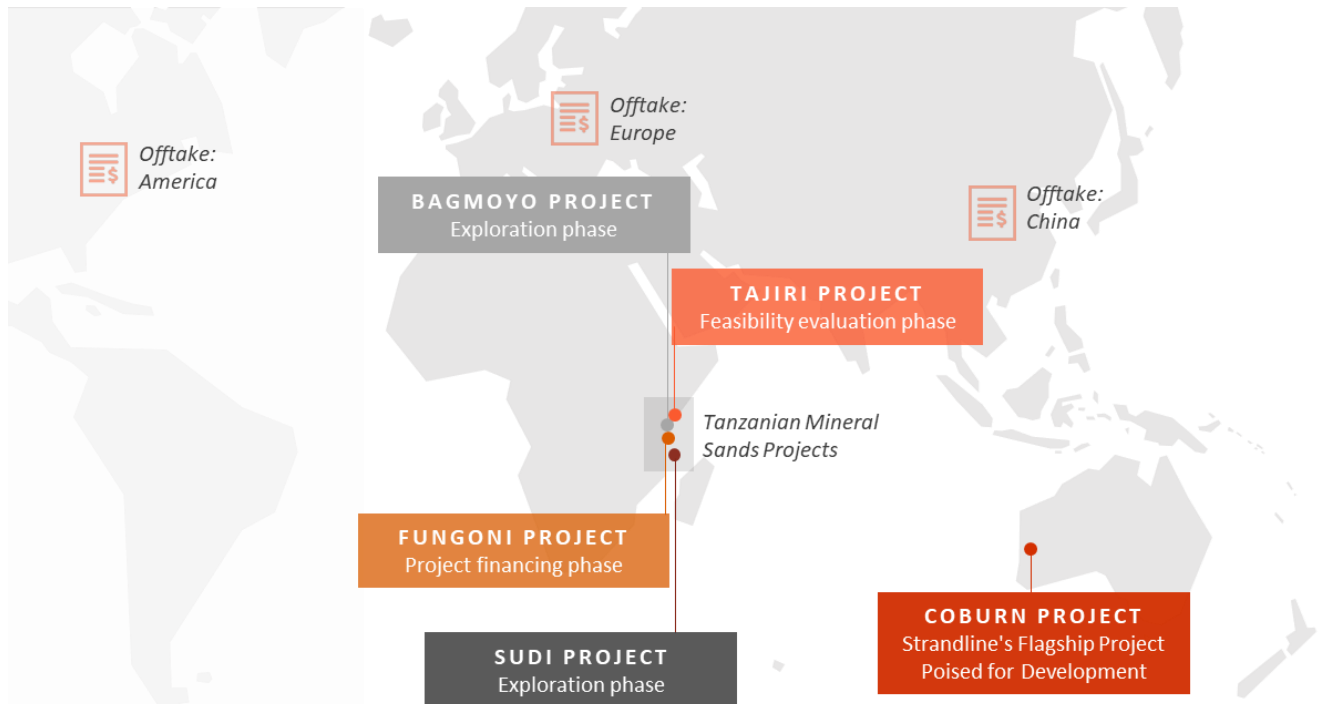
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ABOUT STRANDLINE

Strandline Resources Limited (**ASX: STA**) is an emerging heavy mineral sands developer with a portfolio of 100%-owned development assets located in Western Australia and within the world's major zircon and titanium producing corridor in East Africa. Strandline's strategy is to develop and operate high margin, expandable mining assets with market differentiation and global relevance.

Strandline's project portfolio contains high quality assets which offer a range of development options and timelines, geographic diversity and scalability. They include two zircon-titanium rich, 'development ready' projects, being the large Coburn Project in Western Australia and the Funconi Project in central Tanzania, as well as a series of titanium dominated exploration projects spread along the highly prospective Tanzanian coastline, including the advanced and large scale Tajiri Project in northern Tanzania.



FORWARD LOOKING STATEMENTS AND INVESTMENT RISK

This announcement contains certain forward looking statements. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Strandline, the outcome and effects of the Offer, and the use of proceeds from the Offer. 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. Neither Strandline, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this announcement will actually occur. 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.

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An investment in shares in Strandline is subject to known and unknown risks, some of which are beyond the control of Strandline and its directors, including possible loss of income and principal invested. Strandline does not guarantee any particular rate of return or the performance of Strandline, nor does it guarantee any particular tax treatment. Investors should have regard to (amongst other things) the risk factors outlined in the offer documents when making an investment decision.

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Neither the joint lead managers nor any other Limited Party make any recommendation as to whether any potential investor should participate in the Offer. Further, neither the joint lead managers nor any other Limited Party accept any fiduciary obligations to or relationship with any investor or potential investor in connection with the Offer or otherwise, and by accessing this announcement each recipient expressly disclaims any such fiduciary relationship and agrees that it is responsible for making its own independent judgements with respect to the Offer and any other transaction or other matter arising in connection with this announcement.

The joint lead managers and other Limited Parties may have interests in the securities of Strandline. Further, they may act as market maker or buy or sell those securities or associated derivatives as principal or agent. Such persons may receive fees or other benefits for engaging in these activities.

You acknowledge and agree that determination of eligibility of investors for the purposes of the institutional or retail components of the Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Strandline and the joint lead managers. You further acknowledge and agree that each of Strandline and the joint lead managers and each of their respective Limited Parties disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.