

ASX ANNOUNCEMENT

30 November 2016



STRANDLINE
resources limited

UNMARKETABLE PARCEL SHARE SALE FACILITY

Strandline Resources Limited (ASX: STA) is pleased to announce that it has established a Share Sale Facility for holders of Unmarketable Parcels of shares in the Company (**Facility**).

The Company is providing the Facility to holders of Unmarketable Parcels to sell their shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic or difficult. The Company will organise remittance of sale proceeds for those shareholders who participate in the Facility.

The Company values its shareholders and by making this Facility available the Company expects to reduce the administrative costs associated with maintaining a number of small holdings.

The ASX Listing Rules defines an "Unmarketable Parcel" as those with a market value of less than A\$500. As at market close on 24 November 2016 (**Record Date**) an unmarketable parcel of shares in the Company is any shareholding of 62,499 shares or less, based on the closing price of 0.8 cents per Strandline share. This represents 45,269,757 ordinary shares in Strandline, held by 4,590 shareholders.

The shares to be sold under the Facility will be purchased by Ndovu Capital VII B.V (**Ndovu**) (part of the Tembo Capital private equity fund group). Ndovu currently holds 29.24% of the issued ordinary shares in the Company. Ndovu's shareholding is likely to increase to 31.00% assuming all holders of Unmarketable Parcels sell their shares under the Facility.

The sale price has been determined as the volume weighted average trading price of the Company's shares on ASX in the 5 trading days up to the Record Date of 0.8 cents per share.

A summary of the key dates in relation to the Facility is as follows:

Event	Date
Unmarketable Parcels Record Date	24 November 2016
Unmarketable Parcels Announcement to ASX	30 November 2016
Letters sent to shareholders holding Unmarketable Parcels	30 November 2016
Closing Date for receipt of Share Retention Form	11 January 2017

Attached is a copy of the Letter sent to all shareholders holding an Unmarketable Parcel of the Company's shares as at the Record Date.

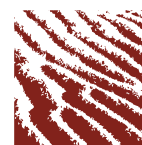
For further enquiries, please contact:

Geoff James

CFO and Company Secretary

Strandline Resources Limited

T: +61 8 9226 3130 E: enquiries@strandline.com.au



STRANDLINE
resources limited

30 November 2016

35 Richardson Street
West Perth WA 6005

P +61 8 9226 3130
F +61 8 9485 2070

ACN 090 603 642

Dear Shareholder

SALE OF YOUR UNMARKETABLE PARCEL OF STRANDLINE RESOURCES SHARES

I am writing to advise you that Strandline Resources Limited (**Strandline**) has established a Share Sale Facility (**Facility**) for eligible shareholders to sell their unmarketable parcel shareholding in Strandline without incurring any brokerage or handling costs.

The Facility is available to shareholders who as at 24 November 2016 (**Record Date**) were holders of Shares in Strandline valued at less than A\$500 (each being an **Unmarketable Parcel**). Based on the closing price of 0.8 cents for a share on the Record Date, an Unmarketable Parcel is any holding of 62,499 shares or less (**Sale Shares**).

Our records show that you were an Unmarketable Parcel holder at the Record Date. Unless you advise the Company by 5.00pm (AEDT) on 11 January 2017 (**Closing Date**) that you do NOT wish to sell your shares, Strandline intends to sell your shares through the Facility in accordance with Clause 9 of the Company's Constitution. However, if on the Closing Date the value of your shares has increased such that you no longer have an Unmarketable Parcel (e.g. due to an increase in the Company's share price or the number of shares you hold) your shares will NOT be sold.

Key Dates

Event	Date
Unmarketable Parcels Record Date	24 November 2016
Unmarketable Parcels Announcement to ASX	30 November 2016
Letters sent to shareholders holding Unmarketable Parcels	30 November 2016
Closing Date for receipt of Share Retention Form	5.00pm (AEDT) 11 January 2017

To retain your holding of Shares

If you wish to retain your Unmarketable Parcel of Strandline Shares (i.e. you do NOT wish to sell your Shares through the Facility) you must complete and return the **Share Retention Form** so that it is received by 5.00pm (AEDT) on the Closing Date which is 11 January 2017. This Share Retention Form is attached.

If you do not take any action before the Closing Date your Shares will be sold

The shares to be sold under the Facility will be purchased by Ndovu Capital VII B.V (**Ndovu**) (part of the Tembo Capital private equity fund group). Ndovu currently holds 29.24% of the issued ordinary shares in the Company. Ndovu's shareholding is likely to increase to 31.00% assuming all holders of Unmarketable Parcels sell their shares under the Facility.

The sale price has been determined as the volume weighted average trading price of the Company's shares on ASX in the 5 trading days up to the Record Date of 0.8 cents per share.

Under the Facility, the Company:

- i) Is authorised to sell all of your Sale Shares without any transaction costs being incurred by you; and
- ii) Will pay you the sales proceeds by cheque or direct credit following settlement of the sale of all Sale Shares through the Facility.



STRANDLINE
resources limited

To ensure the sales proceeds are paid to you by direct credit, please update your direct credit instructions online through Computershare's Investor Centre site www.computershare.com.au/investor. Please ensure your direct credit instructions are provided by the Closing Date which is 11 January 2017.

If you need help deciding what to do or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial or taxation or professional adviser.

The attached information sheet sets out further details of the Facility, which you should read before making any decision. You can also contact the Company if you have any queries about lodging your Share Retention Form or the operation of the Facility.

Yours faithfully,

STRANDLINE RESOURCES LIMITED

A handwritten signature in blue ink that reads "G. A. James".

Geoff James
Company Secretary

INFORMATION SHEET UNMARKETABLE PARCEL SHARE SALE FACILITY

1. What is an Unmarketable Parcel?

An Unmarketable Parcel is a holding of Strandline Resources Shares valued at less than A\$500. Based on the closing price of Strandline Shares at the Record Date, this is a holding of 62,499 ordinary shares or less.

2. What was the closing price of a Share at the Record Date?

The closing price of a Strandline Share at the Record Date was 0.8 cents per Share.

3. What do I have to do to sell my Shares through the Facility?

Nothing. Your Shares will automatically be sold unless you return a Share Retention Form.

4. How will my Shares be sold under the Facility?

Under the Facility, your Shares will be sold by the Company (acting as your agent) to Ndovu Capital VII B.V (**Ndovu**) (part of the Tembo Capital private equity fund group). Ndovu currently holds 29.24% of the issued ordinary shares in Strandline. Ndovu's shareholding is likely to increase to 31.00% assuming all holders of Unmarketable Parcels sell their shares under the Facility.

5. What price will I receive for Shares sold through the Facility?

The shares will be sold for 0.8 cents per share, being the volume weighted average trading price of Strandline Resources shares on ASX in the 5 trading days up to the Record Date of 24 November 2016. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the media or quoted by ASX on any day and may not be the best price on the day that your shares are sold.

6. When will the proceeds for the sale of Shares be sent to me?

Payment will be sent to you following settlement of the sale of all Sale Shares through the Facility or otherwise as soon as it is practicable. Payment will be made in Australian dollars either by direct credit to your nominated account (where we have your details) or by cheque. You will be notified by way of a transaction confirmation statement of the number of your Shares that have been sold and total sale proceeds payable to you. The transaction confirmation statement (and cheque if direct credit details have not been provided) will be sent by post to your address as shown in the share register.

7. What if my details require updating?

Should you wish to update either your direct credit instructions or your address in the share register, you can amend these details online through Computershare's Investor Centre site www.computershare.com.au/investor. You will be required to enter your SRN or HIN and postcode as shown on your enclosed Share Retention Form. As an additional security measure, you will also be required to create a user ID and password if you have not previously used the Investor Centre site. Please ensure your updated instructions are provided by the Closing Date which is 11 January 2017.

8. What do I have to do if I wish to retain my Strandline Resources Shares?

If you wish to retain your Strandline Resources Shares, you must sign and return the Share Retention Form so that it is received before the Closing Date 5.00pm (AEDT) on 11 January 2017. If your Share Retention Form is not received by the Closing Date and you have not otherwise validly notified the Company that you wish to retain your Shares by the Closing Date, the Company will be entitled to sell your Shares for you.

Alternatively, you may also ensure that your Unmarketable Parcel of Strandline Resources Shares is not sold by increasing the total number of shares you hold at the Closing Date. If on the Closing Date the total number of shares you hold has increased such that you no longer have an Unmarketable Parcel (e.g. due to the purchase of additional shares) your shares will not be sold. For a purchase to be effective notification that you wish to retain your Shares, any additional Shares acquired must be registered by the Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Share Retention Form.

9. Where do I send my Share Retention Form?

Your Share Retention Form must be sent to:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

Further, your Shares will not be sold if, on the Closing Date, their value has increased to A\$500 or more.

10. If I buy more Shares, will I retain my holding?

Strandline Resources will not sell your Shares providing you increase your holding to a marketable parcel as at the Closing Date. A marketable parcel of Shares is one worth at least A\$500 based on the ASX closing price of Strandline Resources Shares, i.e. at least 62,500 Shares where the closing price is 0.8 cents per share.

For a purchase to be an effective notification that you wish to retain your Shares, any additional Shares acquired must be registered by the Closing Date under the same name and address and with the same holder number (SRN or HIN) as set out in the accompanying Share Retention Form.

11. What if my Shares are held in a CHESS Holding?

If you have an Unmarketable Parcel of Shares and your Shares remain in a CHESS Holding, the Company may move those Shares to an Issuer Sponsored Holding and the Shares will then be sold through the Facility on the terms described.

12. Where can I get further information?

If you have any questions concerning your shareholding or queries about how the Facility will work, please contact Strandline Resources Limited on (08) 9226 3130.

13. What if I do not know what to do?

This Information Sheet and accompanying letter do not constitute advice, nor a recommendation to buy, sell or hold Shares, nor that the Facility is the best way to sell your Shares. If you are in doubt about what to do, you should consult your legal, financial or taxation or other professional adviser.

14. Important notes

Strandline Resources Limited reserves the right to change any of the dates referred to in the accompanying letter, in the information above or the Share Retention Form, by written notice to the ASX. Strandline Resources Limited may, before a sale is affected under the Facility, suspend or terminate the Facility, either generally or in specific cases.

✉ **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

☎ **Phone:**
+61 8 9226 3130

STA
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Share Retention Form

 **If you wish to retain your shares, your form must be received by 5:00pm (AEDT) on 11 January 2017**

This is an important document that requires your immediate attention. It can only be used in relation to the shareholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Shareholding Details

Use this form if you wish to retain your shares in Strandline Resources Limited. If you have recently bought or sold shares your shareholding may differ from that shown. If you have already sold all your shares in Strandline Resources Limited, do not complete or return this form. If you have more than one shareholding on Strandline Resources Limited's register and you do not wish to sell your shares under the Share Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect.

If you have a CHESS sponsored shareholding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the shareholding is in one name, the shareholder must sign.

Joint Shareholding: Where the shareholding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the shareholding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either by:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

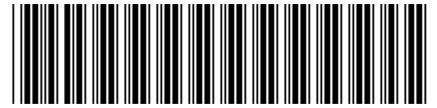
Overseas Companies: Where the shareholding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: Where the shareholding is in the name of a deceased estate, all executors must sign and a certified copy, or original, of the required documentation must accompany this form. Details of the documentation required can be obtained by calling Computershare Investor Services Pty Limited on 1300 850 505 or +61 3 9415 4000. If the shareholding is in more than one name the surviving shareholder may sign the form and return it together with a certified copy of the death certificate of the other joint shareholder.

Step 3: Contact Details

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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I ND

Share Retention Form

For your security keep your SRN/
HIN confidential.

STEP 1 Shareholding Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001



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

Shares held as at 7:00pm (AEDT) on 24
November 2016:

2000

STEP 2 Signature of Shareholder(s) *This section must be completed.*

By signing and returning this form in accordance with the requirements set out in 'Step 2: Signing Instructions' overleaf, I/we confirm that I/we understand that my/our **SHARES WILL NOT BE SOLD** under the Share Sale Facility.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

STEP 3 Contact Details

Contact Name _____ Contact Daytime Telephone _____ Date / /

Email Address _____

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuer (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.