



Strandline finalises heavy mineral sands joint venture with Rio Tinto; Exploration is underway

HIGHLIGHTS

- **Rio Tinto successfully completes due diligence on Strandline's heavy mineral sands tenements in southern Tanzania, enabling the earn-in and Joint Venture Agreement to start**
- **Rio to make first cash payment of US\$500,000 to Strandline within 30 days; in addition, Rio required to spend at least US\$2 million on exploration over next 18 months**
- **Exploration of Strandline's southern Tanzanian tenement portfolio has commenced in preparation for a reconnaissance air core (AC) drilling programme to start in July**

Strandline Resources (ASX: STA) is pleased to announce that its Earn-in and Joint Venture Agreement with Rio Tinto covering Strandline's heavy mineral sands (HMS) tenements in southern Tanzania is now effective following the successful completion of a two-month due diligence review period.

This completion means Rio is required to make its first cash payment to Strandline of US\$500,000 within 30 days. Rio Tinto also sole funds at least US\$2 million on exploration within the first 18 months.

Exploration activities under the joint venture are underway in preparation for a reconnaissance level air core drilling programme at the priority target areas of Sudi, Kiswere, Madimba and Miteja.

The Agreement with Rio Tinto is worth up to US\$10.75 million (~A\$14.5 million) consisting of a two-stage earn-in plus cash payments. The Stage 1 earn-in has now commenced with Rio Tinto having the option to sole fund US\$5 million of exploration within 3.5 years to earn a 51% interest in the joint venture.

Strandline Managing Director Luke Graham said the completion of the joint venture agreement marked another key milestone in the Company's strategy to establish a pipeline of mineral sands projects in Tanzania.

"The Strandline team, in conjunction with Rio Tinto, has planned an initial reconnaissance drilling programme over a number of priority project areas," Mr Graham said.

"With Rio Tinto funding this exploration programme, Strandline can direct its financial resources towards developing the Fungoni HMS Project and the AC drilling of its Tanga projects in northern Tanzania.

"This multi-pronged approach will underpin strong newsflow and allows us to have projects at different stages of development and scale."

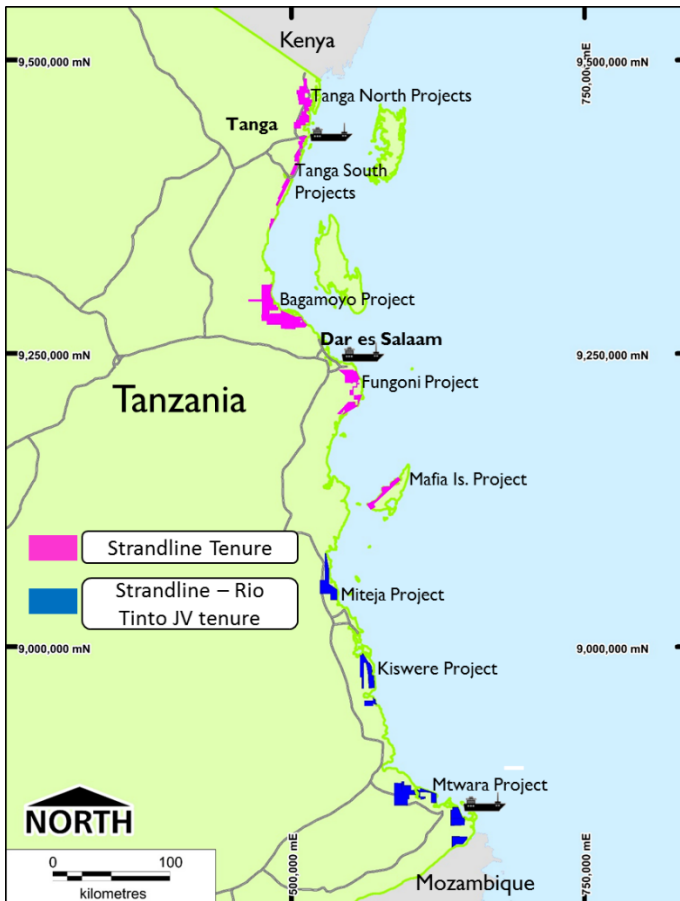


Figure 1 - Strandline holds a strategic mineral sands tenement package located along 350 km of the Tanzanian coastline

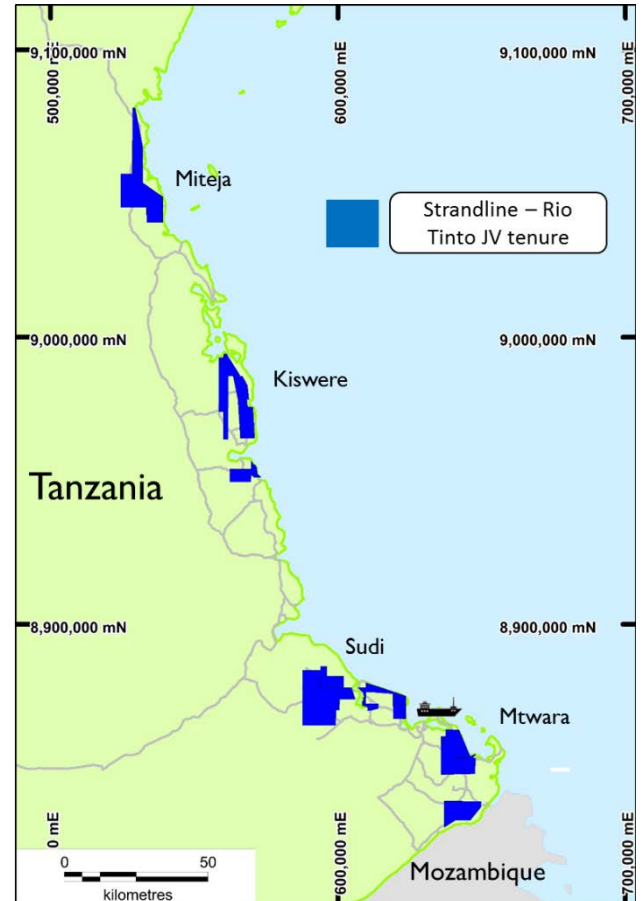


Figure 2 – Rio Tinto JV encompasses some of the Company’s southern tenements including the Miteja, Kiswera, Sudi and Mtwara prospects

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ABOUT STRANDLINE RESOURCES

Strandline Resources Limited (**ASX: STA**) is a Tanzanian-focused mineral sands developer positioned within the world’s major zircon and titanium producing corridor in South East Africa. Strandline has a dominant mineral sands position with a series of 100% owned projects spread along 350km of the Tanzanian coastline.

Strandline’s strategy is to develop and operate quality, low cost, expandable mining assets with market differentiation. Leveraging off the exploration success of 2016, the Company’s focus is to continue its aggressive exploration and development strategy to progress economically attractive projects based on high unit value titanium and zircon products.