



# Building a Mineral Sands Powerhouse

Investor Presentation

February 2016



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# Strategically Positioned



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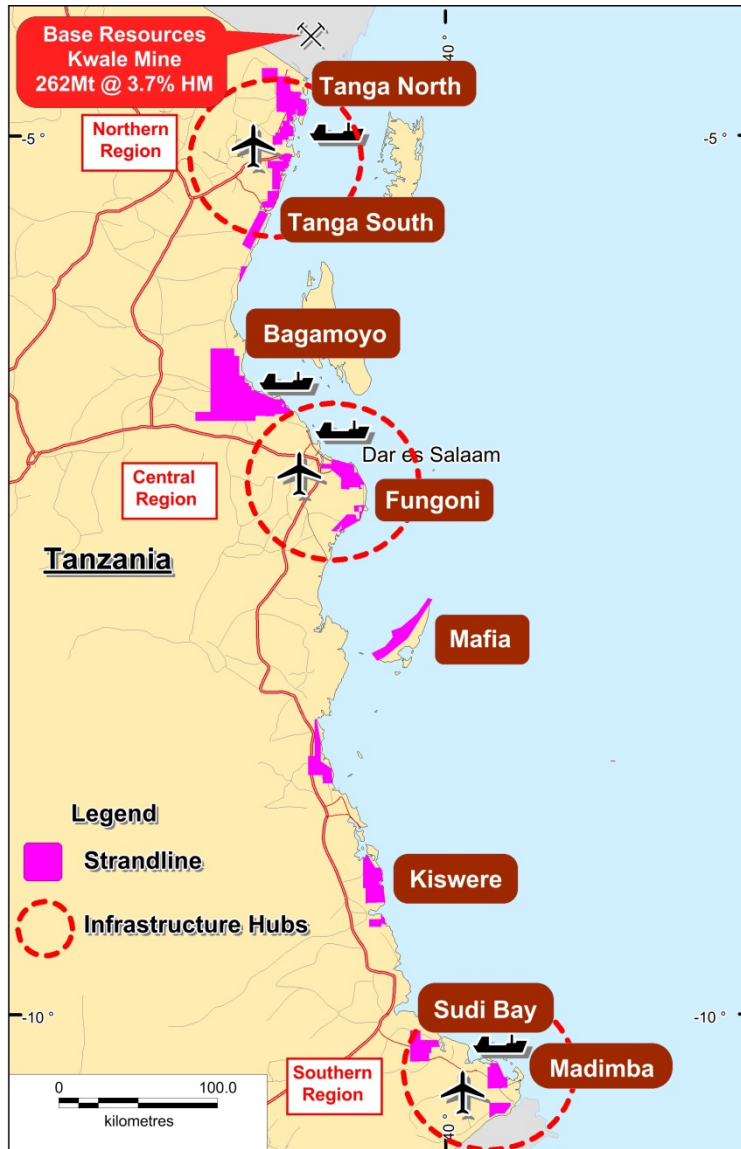


- Positioned within world's major zircon and titanium producing corridor – SE Africa
- Major Producers (including Rio Tinto, Iluka) actively looking to enter/ consolidate Region
- Neighbouring HMS operations demonstrate
  - ✓ Simple development pathways
  - ✓ Infrastructure solutions
  - ✓ Established market
- Tanzania - Mining friendly, politically stable jurisdiction with rapidly developing Resources Industry and coastal infrastructure

# Tanzania – Strandline's Dominant Position



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- A series of 100% held projects spread along 350km of the Tanzanian coastline
- Exclusive access to only detailed country-wide mineral sands database & specialist team
- Focus on High Value Mineral Assemblages – proven through drilling of key projects to date
- Rapid low cost Resources delineation – one high value Resource already delineated and a further two on the way
- Major infrastructure advantage with Key Projects close to infrastructure hubs of port and power
- Envious position for majors wanting entry into the last underexplored piece of southeast African coastline

# Experienced Board & Management

## Mike Folwell – Non-Executive Chairman



- Extensive experience in a range of Mining and industrial companies at MD and CEO level
- Former Managing Director of Iluka Resources
- Managed a number of other businesses on a global basis including Pivot Ltd., Pioneer International, BOC Gases and Shell

## Tom Eadie – Managing Director



- Explorer, mining executive and company director with many significant mineral discoveries and several successful companies to his name
- Founding Chairman of Syrah Resources retiring in 2014 and previously EGM Exploration & Technology at Pasmaenco in the 1990s

## Didier Murcia (AM) – Non-Executive Director



- Honorary Consul for Tanzania in Australia, with extensive Tanzanian experience and high level connections
- 25 years legal and corporate expertise in resources sector • Awarded Order of Australia for services to the international community through support for the provision of medical and educational resources in Tanzania

## Asimwe Kabunga – Non-Executive Director



- Tanzanian born Australian entrepreneur with over 18 years' technical and commercial experience in Tanzania, the United States and Australia
- Extensive experience in the mining industry, logistics, land access, tenure negotiation & acquisition
- Instrumental in establishing the Tanzania Community of Western Australia Inc, and served as it's first President.

## Richard Hill – Non-Executive Director



- 20 Years experience in the Resource Industry as a company director, geologist and solicitor
- Previous roles as geologist and commercial manager for major and mid cap Australian mining companies and as founding director for a series of successful ASX-listed Junior companies

## Mark Hanlon – Non-Executive Director



- Broad range of senior executive experience in mining, banking, electricity distribution, electronics manufacturing, packaging and insurance
- Most recently Finance Director of mining company ENK Plc
- Currently a Director of Copper Strike Limited and Rusina Mining NL and Company Secretary of VU Group Pty Ltd

## Mark Alvin PhD – Consultant Geologist



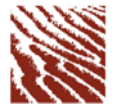
- 20 years experience in mine & exploration geology (ex Rio Tinto)
- Proven track record for discovery and development of Tier 1 Minerals Sands projects in south eastern Africa
- Extensive hands on experience in exploring for Mineral Sands in Tanzania and fluent in Kiswahili

## Brendan Cummins – Consultant Geologist



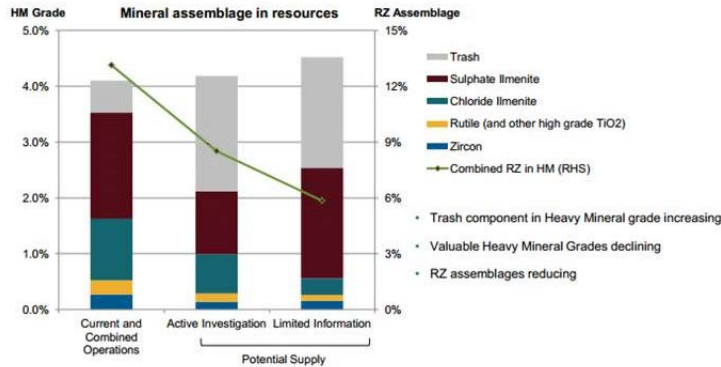
- 20 years experience in mine and exploration geology both within Australia, southern Africa, South America and China
- Specialist in identifying exploration assets and developing them from greenfields through to resource definition and feasibility study
- Has managed exploration teams on a number of projects in Tanzania over the past 4 years

# Strandline is Well Placed for Sector Recovery



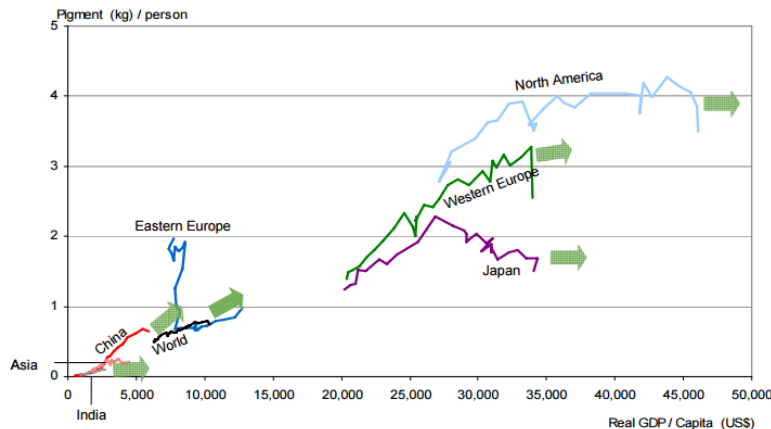
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## MAJOR MINERAL SAND PRODUCERS DECLARE GRADES DECLINING



## CHINA'S MOVE FROM CONSTRUCTION LED TO CONSUMER DRIVEN

- China's mineral sands consumption intensity/capita is low

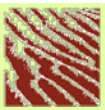


Source: Iluka Reports

- Lack of quality mineral sands discoveries
- Major producers acknowledging Reserves and quality of existing deposits dropping rapidly
- Producers moving to secure sources of supply through acquisition
- China moving from a construction-led to a consumption driven economy (positive for minerals sands – ceramics, coatings, paints, electronics, new technologies)
- Strandline's projects have the product quality and size potential to buck the trend







# NORTHERN REGION

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KENYA  
TANZANIA

Kwale Mine  
262Mt @ 3.7% HM



30km

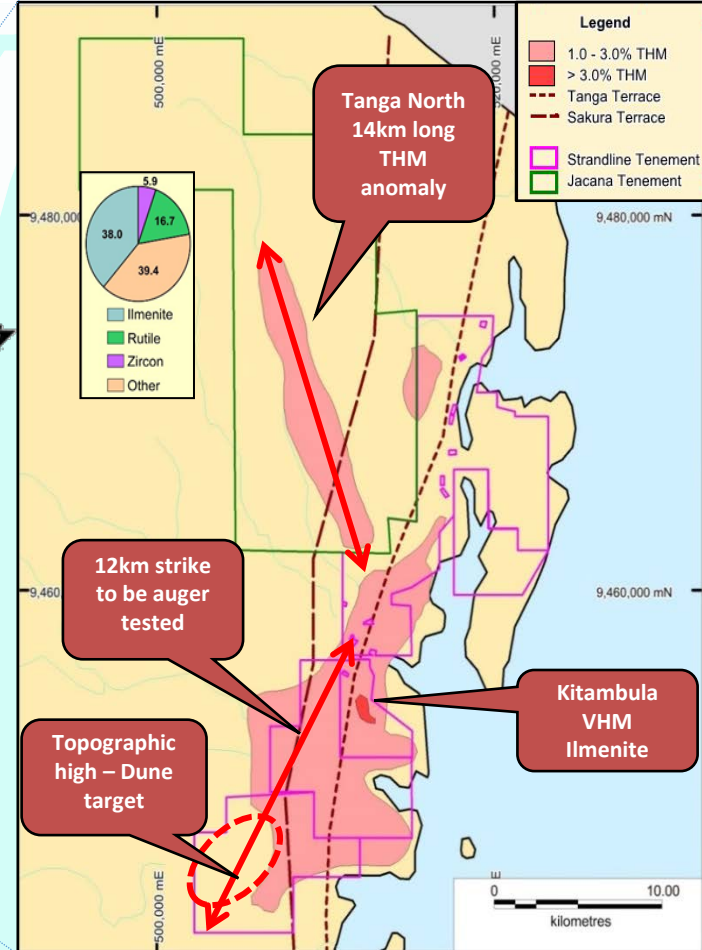


Tanga North



Tanga Port

Tanga South



## Northern Region - Tanga

- Operating Kwale Mine and Port 30km north in Kenya. Tanga port centrally located

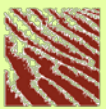
## Tanga North

- targeting valuable high tonnage rutile-rich deposits
- 14km long +1% THM dune system with huge volumes of sand outlined by auger drilling

## Tanga South

- Drilling Program at Tajiri Project rapidly revealing potentially large, high quality corridor of mineralisation.

(Refer to the Jacana replacement Prospectus dated 6 November 2014 for further details)

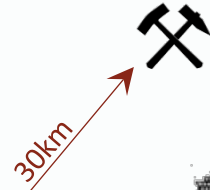


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# NORTHERN REGION

KENYA  
TANZANIA

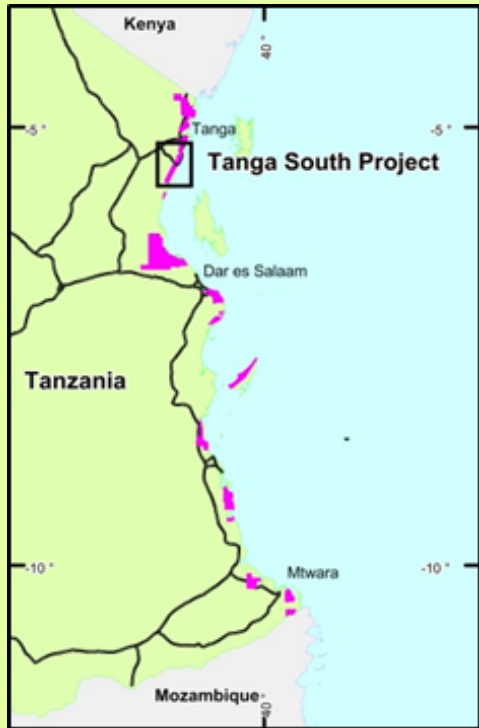
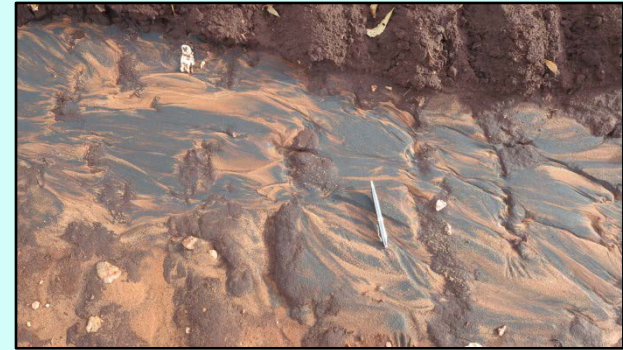
Kwale Mine  
262Mt @ 3.7% HM



Tanga North

Tanga Port

Tanga  
South



### Tajiri North

13.5m @ 4.94% THM from surface  
9m @ 7.83% THM from surface  
9m @ 6.94% THM from surface

### Reconnaissance Line 3

21m @ 3.87% THM from surface until EOH including 10.5m @ 5.45% THM from 4.5m  
16.5m @ 6.49% THM from 7.5m until EOH including 7.5m @ 9.75% THM from 12m

### Tajiri

12m @ 8.26% THM from surface  
9m @ 10.38% THM from surface  
7.5m @ 13.16% THM from surface  
7.5m @ 16.10% THM from surface  
18m @ 11.45% THM from surface  
22.5m @ 8.66% THM from surface

20km Mineralised Zone

Future Priority Targets (untested)

AC drill Completed

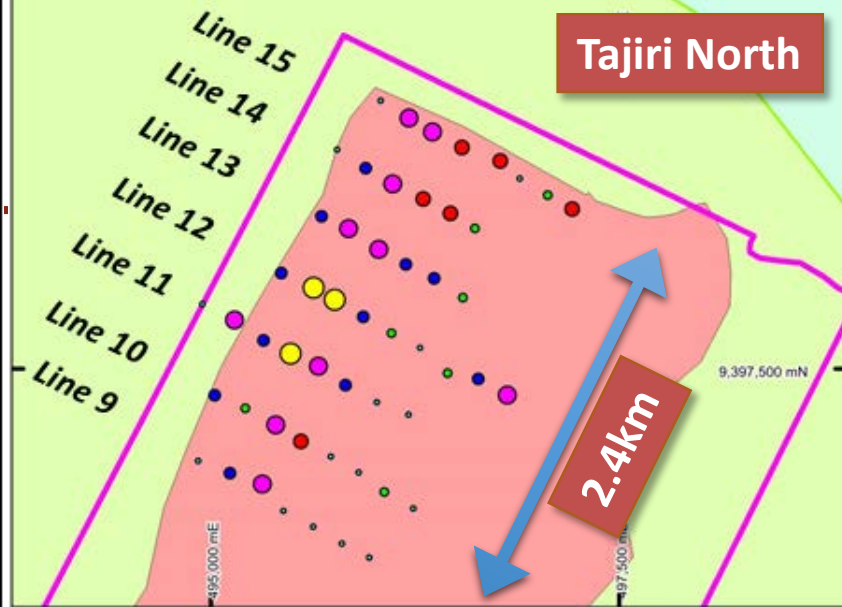
Surface THM anomaly

> 1% THM anomaly

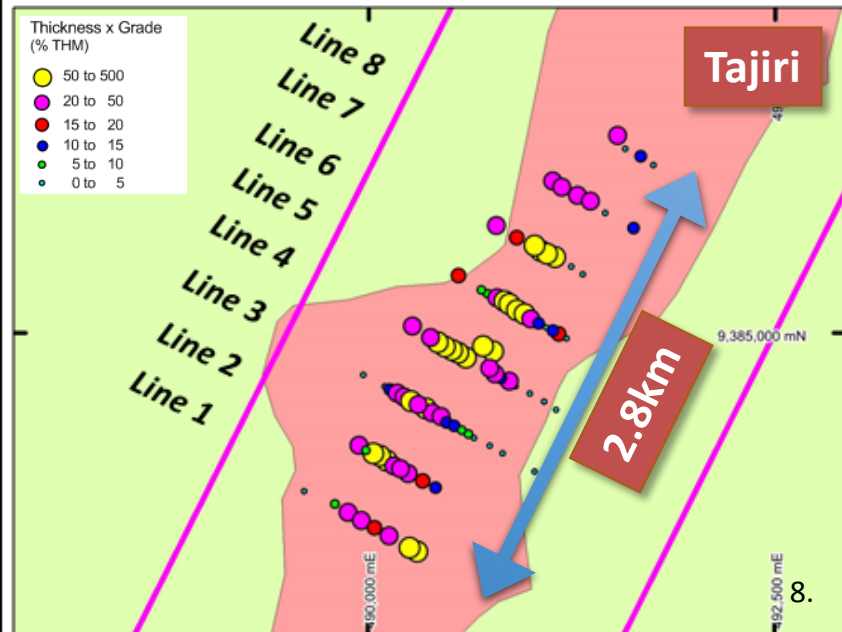


(Refer to ASX announcement dated 9 February 2016 for further details of the results for Tajiri)

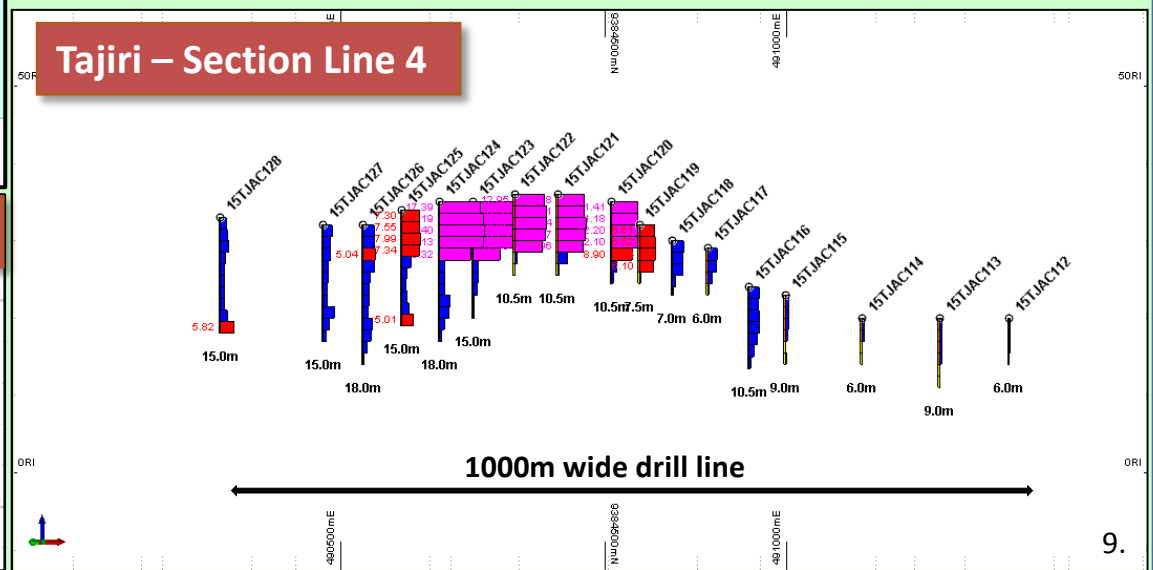
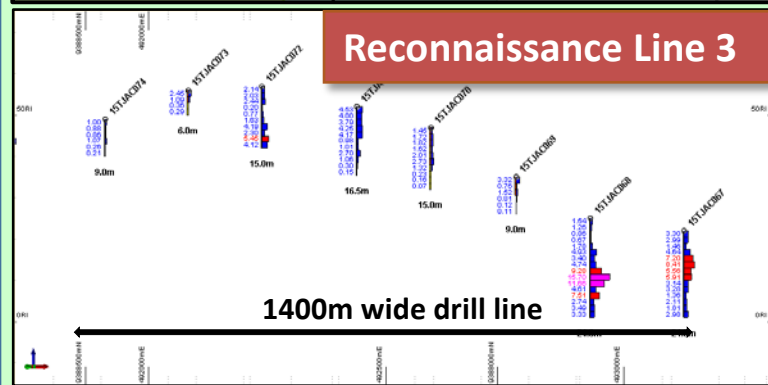
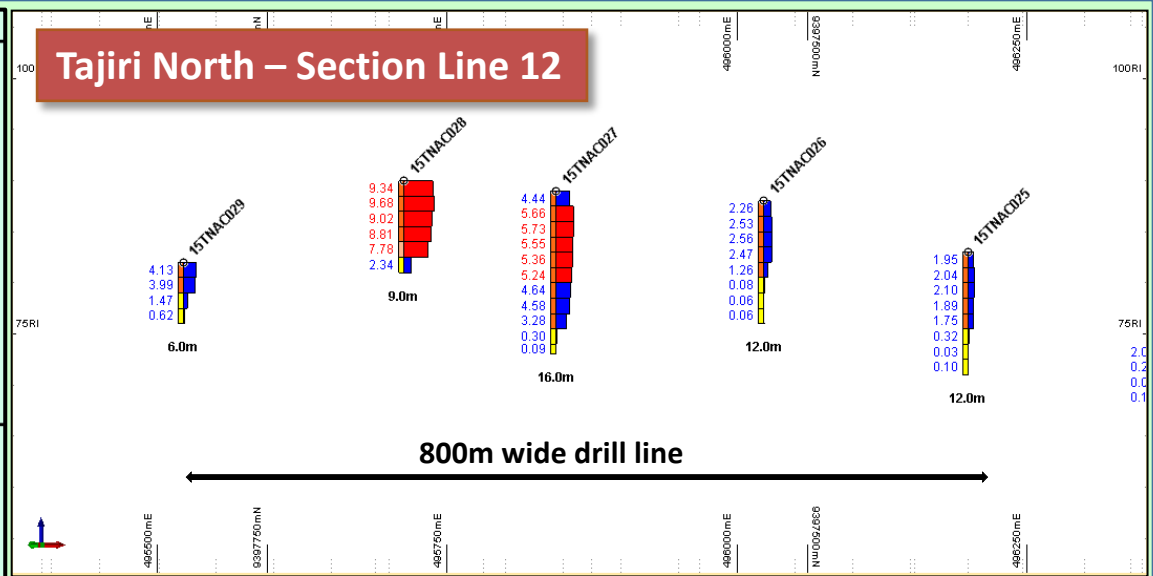
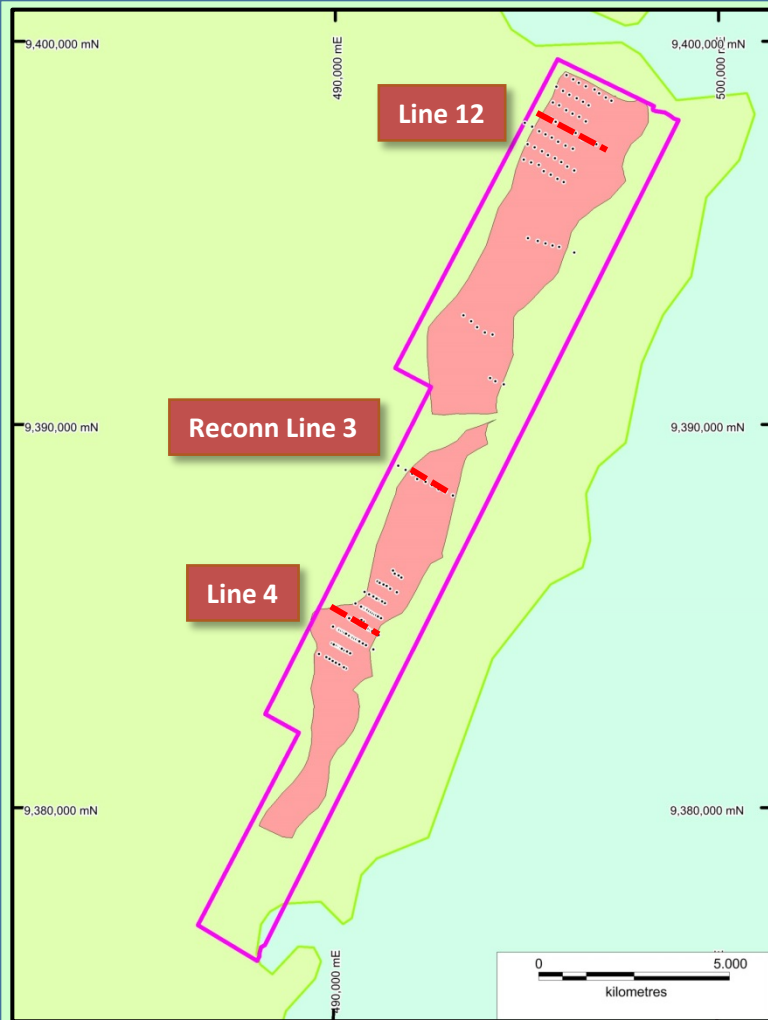
### Tajiri North



### Tajiri

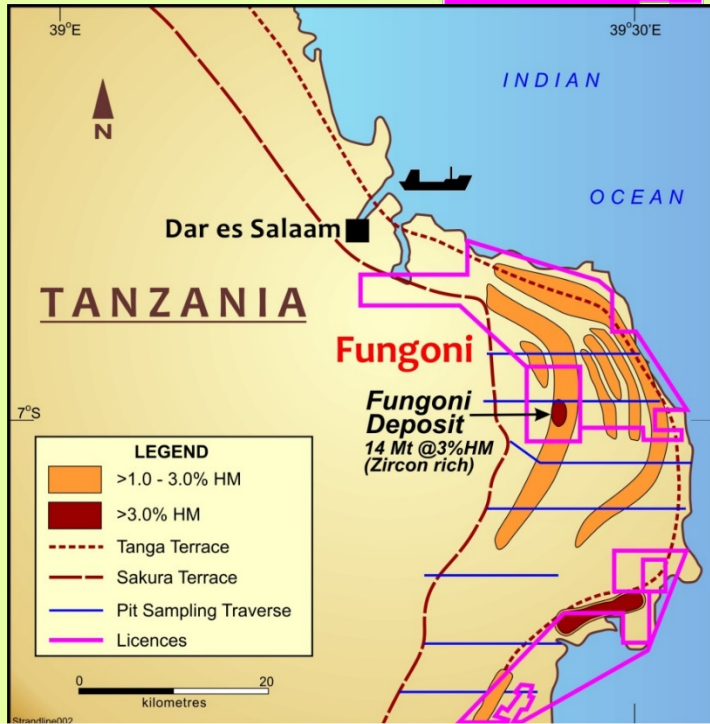








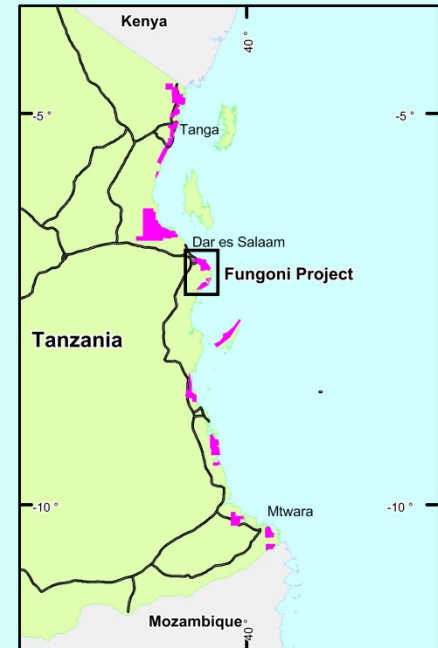
# CENTRAL REGION



Bagamoyo

Dar es Salaam

Fungoni

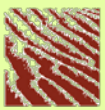


Mafia Island

- Initial Resource<sup>1</sup>: Indicated – 11Mt @ 3.1% heavy minerals (HM) and Inferred 3Mt @ 1.7% HM
- Very high value Assemblage –
  - 22% zircon, 4% rutile and 44% ilmenite. Ilmenite contains 62% TiO<sub>2</sub>
- High Quality Product indicated by TZMI and CSIRO testwork
- Close to Infrastructure including major port city of Dar es Salaam
- Scoping Study near completion on a low cost, start up operation
- Drilling constrained to Resource area – New areas targeted

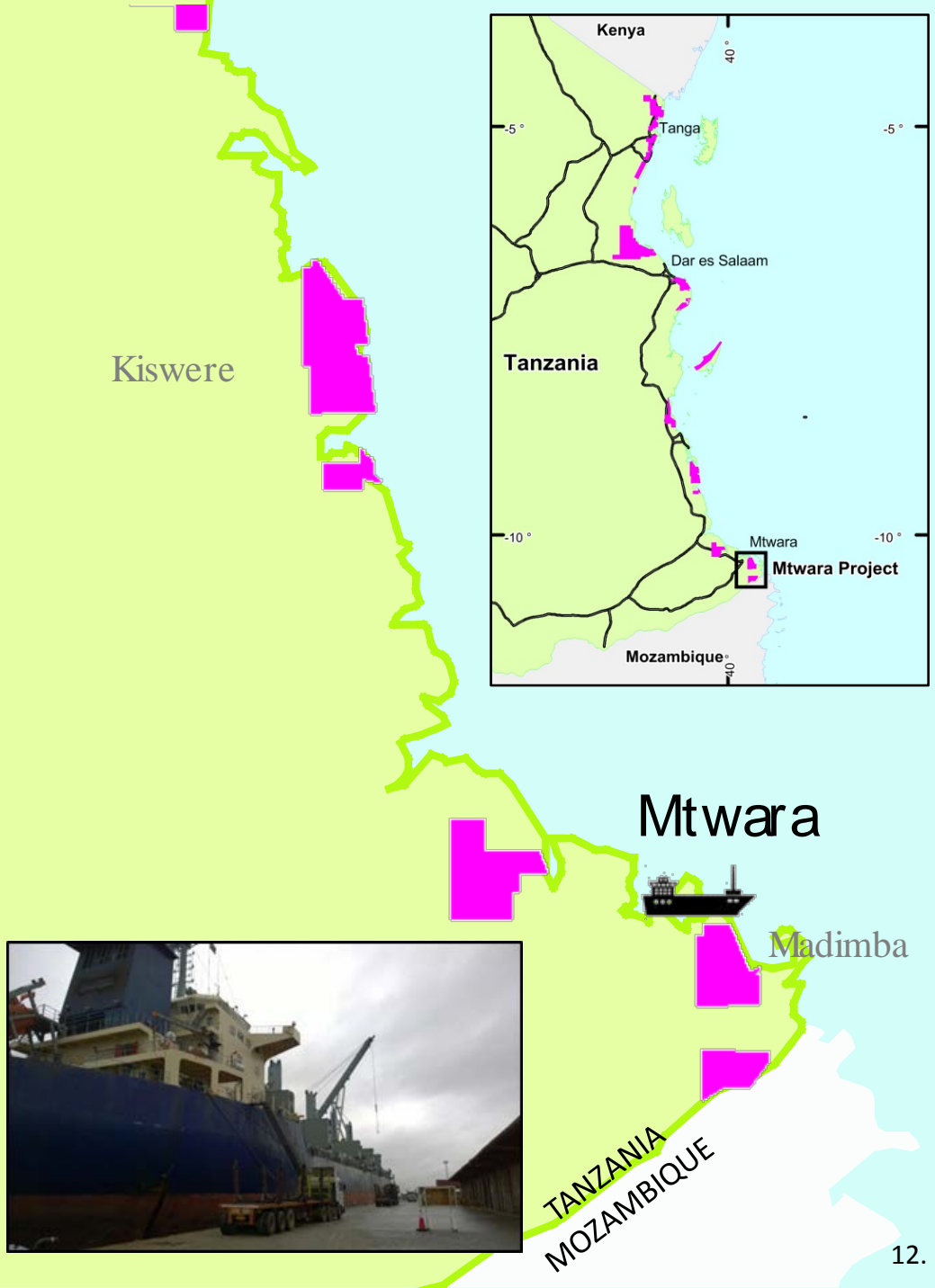
<sup>1</sup>JORC 2012 compliant Indicated Resource – refer to Appendix 1 for details.

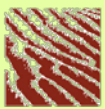




# SOUTHERN REGION

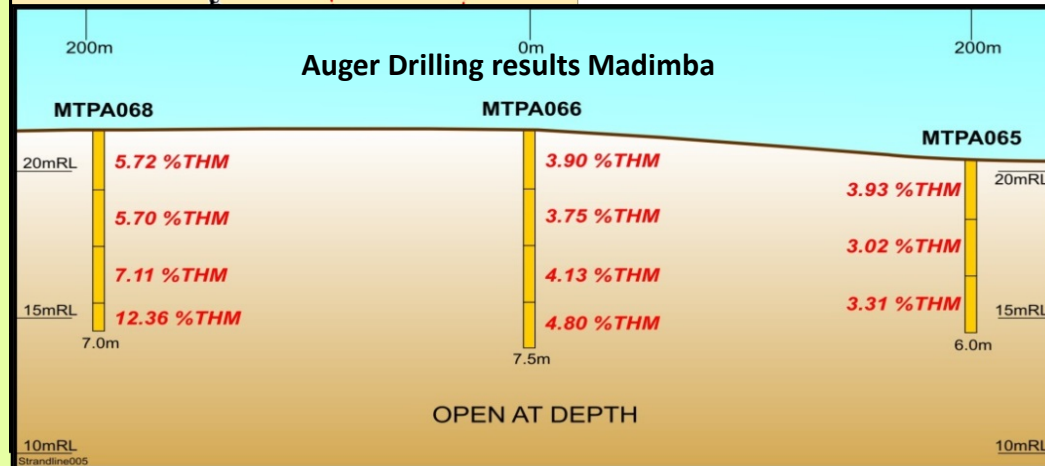
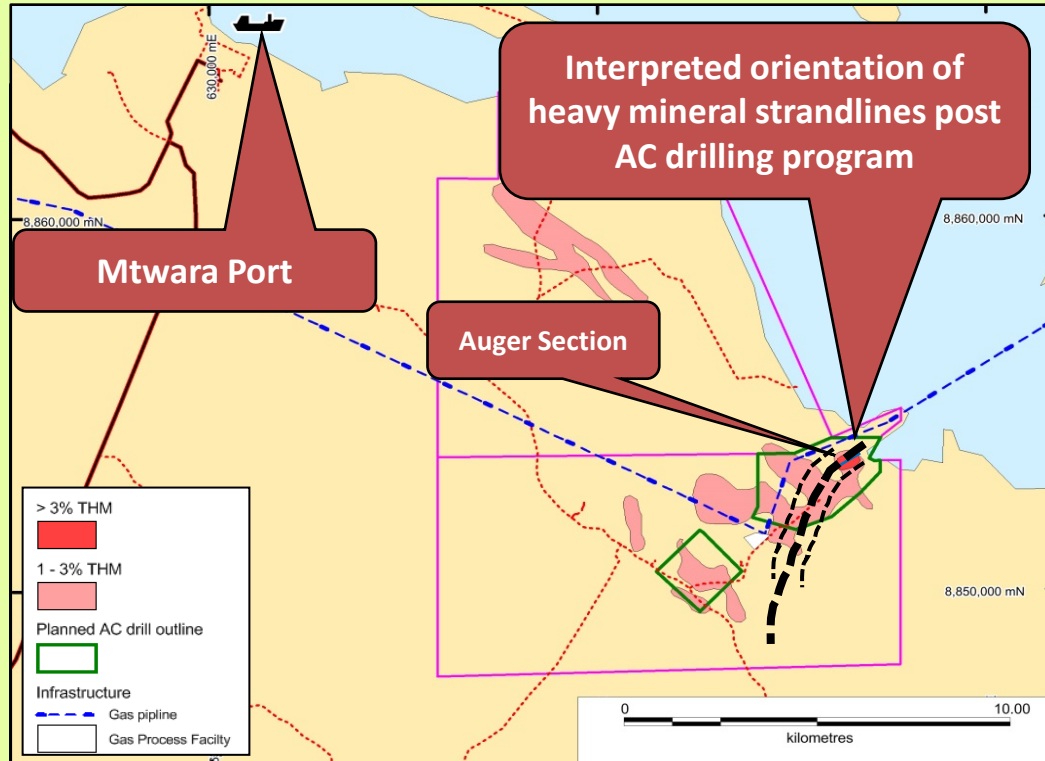
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# MADIMBA DRILL PROGRAM

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## High Grade

Up to 12.4% THM from auger drilling

## Scale Potential

Mineralisation from surface and potential for series of strandline deposits over >5km strike

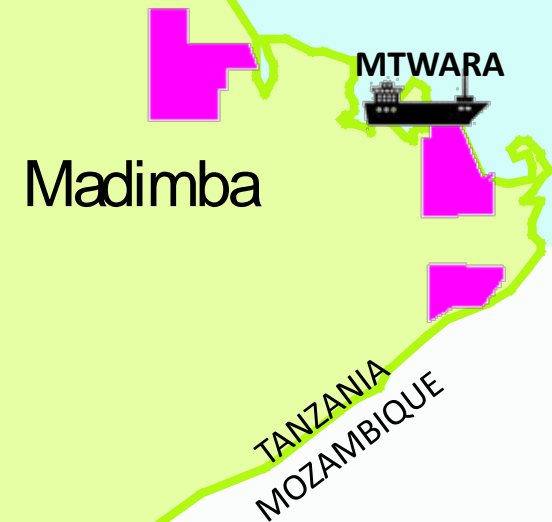
## High Value Assemblage

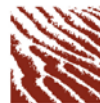
- VHM up to 98% (av 81%) comprising:
  - Zircon up to 13.7% (av 8.8%)
  - Zircon + Rutile up to 16.4% (av 12%)
  - Ilmenite averaging 67.4%
  - Grainsize averages 100microns
  - Low Contaminants

Infrastructure – Mtwara Port & Power

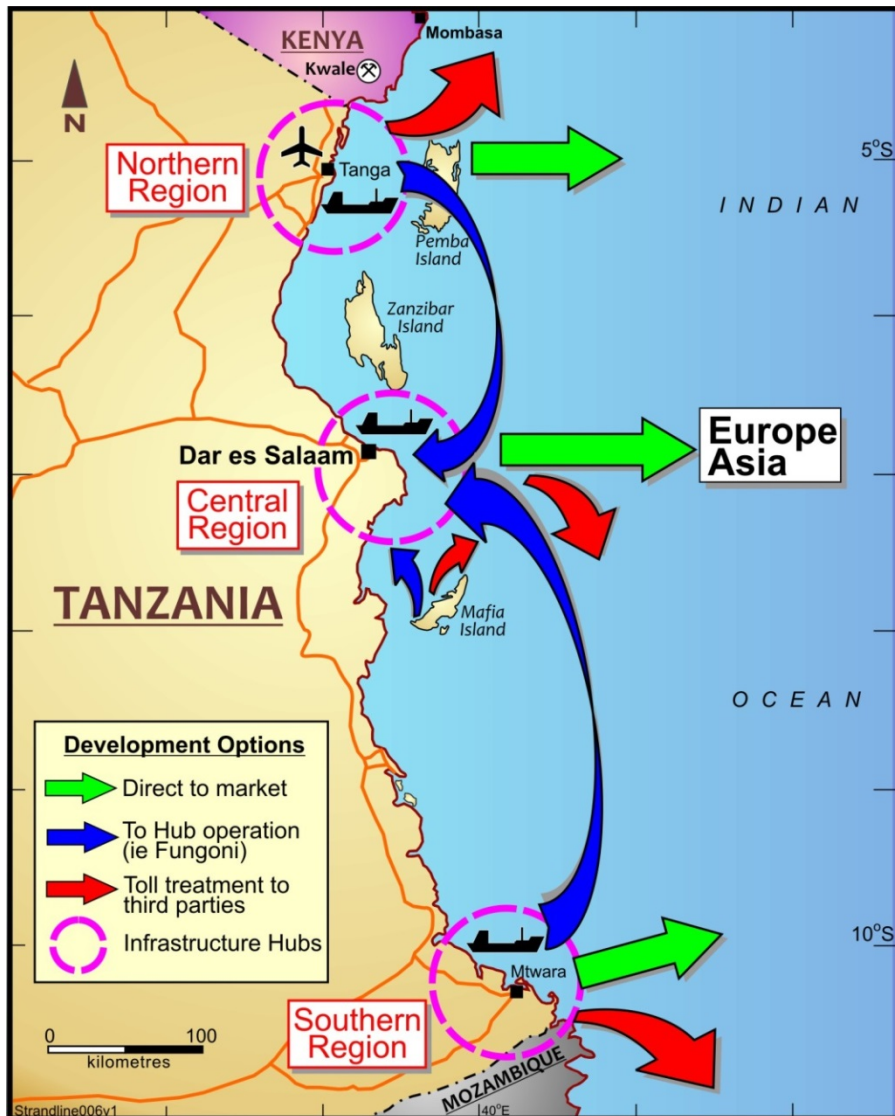
Next Steps – Results pending from AC drill program then Resource Estimation

*(Refer to ASX announcements dated 5 February and 10 March 2015 for further details)*





# Production and Marketing Options



## Standalone Treatment Plant/s

- Production of final zircon, rutile and ilmenite products onsite at Regional projects for direct export
- Infrastructure (port, power, water) supportive in Northern, Central and/or Southern Regions

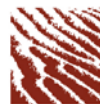
## Toll Treatment of Intermediate Product

- Lower cost production of high value Heavy Mineral Concentrate (HMC)
- Sale of HMC to existing third party plants along the SE African coast or direct to offshore markets

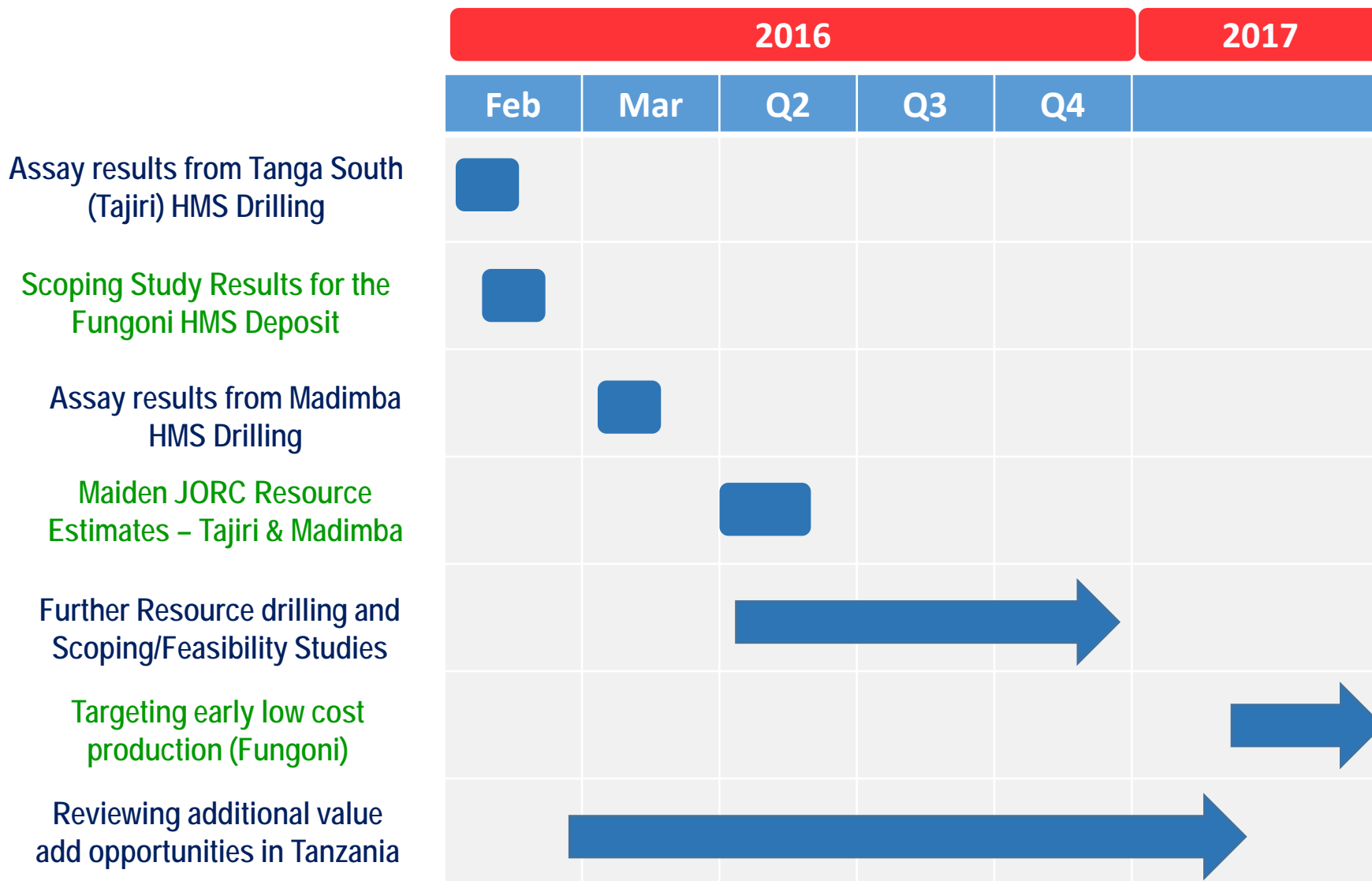
## Hub and Spoke Strategy

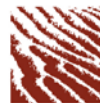
- Establish a central/hub production facility (eg Fungoni/Dar es Salaam)
- HMC from multiple sites transported to Hub for central processing and export





# Newsflow & Catalysts for Growth

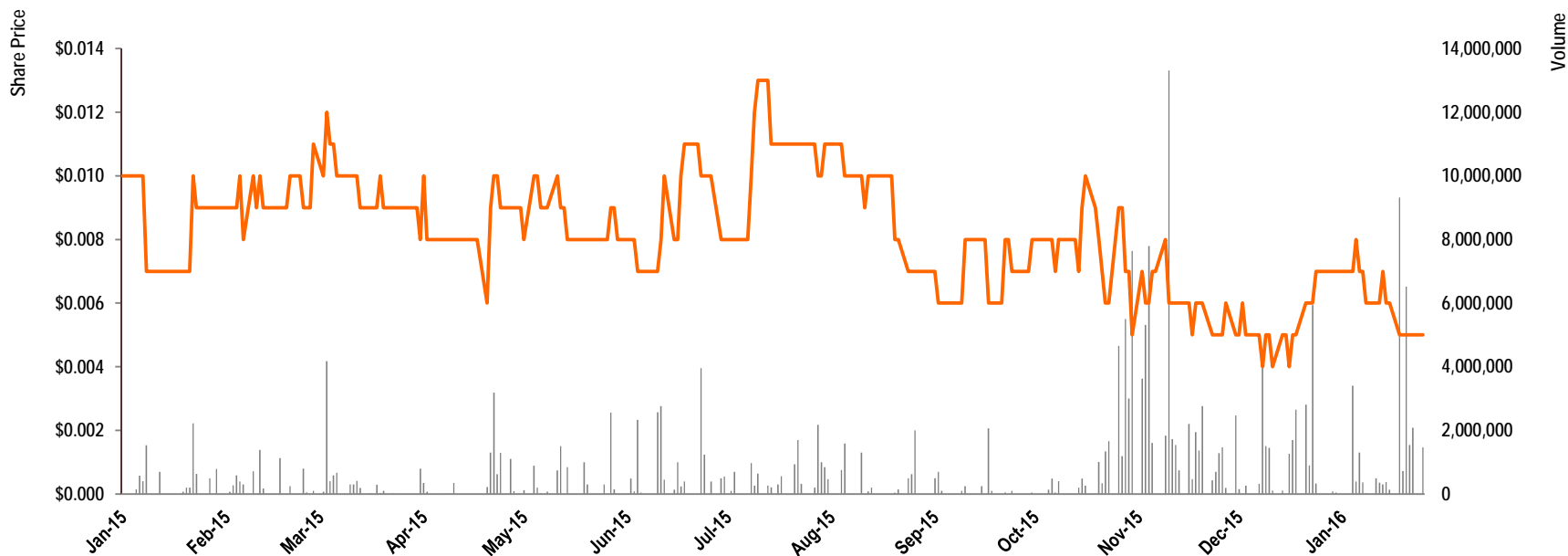


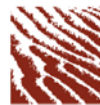


# Corporate Overview

Shares on Issue	1,372.8m
Unlisted Options	146.4m
Performance Rights	18.1m
<b>Market Cap (@ 0.5c/share)</b>	<b>A\$6.8m</b>
Current Cash (January 2016)	A\$0.7m
<b>Enterprise Value</b>	<b>A\$6.1m</b>

Major Shareholders	Current
Harry Hatch	15.15%
Artemis Corporate Limited	3.18%
Kabungo Holdings	3.08%
Westoria Resource Investments Ltd	2.92%
<b>Top 20 Shareholders</b>	<b>43.5%</b>
<b>Board &amp; Management</b>	<b>~10%</b>





# Summary

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- **World Class Team (Iluka / Rio Tinto / Syrah Pedigree)**
  
- **Whole of Country HMS Play – Tanzania (100%)**
  - Looking to develop **high value** titanium and zircon products close to infrastructure through
    - Rapid and low cost definition of existing resources and ongoing discovery using exclusive database
    - Low cost production pathway from resource definition to positive feasibility and first shipment
  - Well positioned on doorstep of major regional operations with active corporate interest of majors
  
- **12-18 Month Target - Pipeline of Resources and Development to CASHFLOW**
  - Definition of high value JORC Resources on at least two key projects
  - Completion of Feasibility level economic study on at least one of these key projects
  - DFS, offtake agreements and development leading to early cash flow (Fungoni)
  
- **Bottom of Price Cycle Opportunity**
  - Supply side tightening – very few new operations
  - Global decline in grade and assemblage quality, Costs increasing
  - Majors widening search efforts (with a focus on southern Africa)





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# Contact Details

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# Disclaimer

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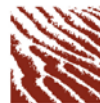
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## Competent Persons Statement

The details contained in this report that pertains to exploration results is based upon information compiled by Dr Mark Alvin, a consultant to Strandline Resources. Dr Alvin is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Alvin consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

The information in this report that relates to mineral resources for Fungoni is based on and fairly represents information compiled by Mr Tom Eadie, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Eadie, who is Managing Director of Strandline Resources, has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Eadie consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.



## Appendix 1 - Fungoni Project Resources

### Fungoni Mineral Resource Estimate – April 2014

Classification	Ore Million Tonnes*	THM (%)	Slimes (%)	Oversize (%)	Zircon (%)	Rutile (%)	Ilmenite (%)
Indicated	11.0	3.1	27.5	8.7	0.7	0.1	1.4
Inferred	3.0	1.7	24.2	8.9	0.4	0.1	0.7
<b>Total</b>	<b>14.0</b>	<b>2.8</b>	<b>26.8</b>	<b>8.8</b>	<b>0.6</b>	<b>0.1</b>	<b>1.2</b>

*\*Cut-off grade applied is 1% THM*

Refer to the Replacement Prospectus for Jacana Minerals dated 6 November 2014 for full details of the Mineral Resource estimate.