



STRANDLINE
resources limited

Building a Mineral Sands Powerhouse

Investor Presentation

September 2016

Disclaimer

Disclaimer & Forward Looking Statements

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Competent Persons Statement

The information in this report that relates to Exploration Results and Exploration Target is based on, and fairly represents, information and supporting documentation prepared by Dr Mark Alvin, a consultant to Strandline and Mr Brendan Cummins, a part time employee of Strandline. Dr Alvin is a Member of The Australasian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and they both have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Alvin and Mr Cummins consent to the inclusion in this release of the matters based on the information in the form and context in which they appear. Both Mr Alvin and Mr Cummins are shareholders of Strandline Resources.

The information in this report that relates to mineral resources for Fungoni is based upon 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 this release of the matters based on the information in the form and context in which they appear.

The information in this report that relates to mineral resources for Tajiri is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Principal with GNJ Consulting) and Mr Brendan Cummins (Chief Geologist and part-time employee of Strandline). Mr Jones is a member of the Australian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and both have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Specifically, Mr Cummins is the Competent Person for the drill database, geological model interpretation and completed the site inspection. Mr Jones is the Competent Person for the resource estimation. Mr Jones and Mr Cummins consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

Other Information

Refer to the ASX announcement dated 23 February 2016 for further details of the Scoping Study Results for the Fungoni Project.

Refer to the ASX announcement dated 4 April 2016 for further details of the Mineral Resources for the Tajiri Project.

Refer to the ASX announcement dated 27 April 2016 for further details of the drilling results for Madimba East.

Refer to the ASX announcement dated 15 June 2016 for further information on the Exploration Target for the Tajiri Mineralised Corridor. The Exploration Target of 100 -270 MT @ 3-5% THM (not including Indicated Resources) is based on auger and AC drilling results, geochemical sampling and aeromagnetic data. The Exploration Target quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Strandline's Strategy

- Find and develop high value mineral sands deposits in Tanzania through dominant ground position and knowledge
 - Recent \$6.6m equity raising underwrites an aggressive exploration and development strategy
- Two complementary strategies differentiate Strandline from other players –
 1. Early cashflow potential through development of the low capex Fungoni Project
 2. Develop series of high value titanium and zircon product centres close to infrastructure
- Major players (Rio Tinto and Iluka) now showing direct interest in Tanzania as part of their SE African strategies



Strandline's Progress



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September 2015

Short of cash

One small
resource

Mineral sands
out of favour

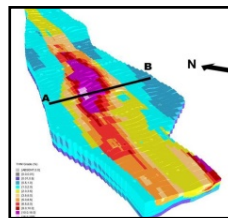


September 2016

Well financed

Three growing
resources

Mineral sands
prices
recovering

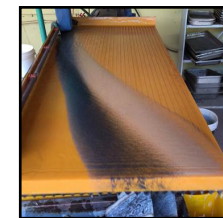


September 2017

Well financed

Projects at FS
or better

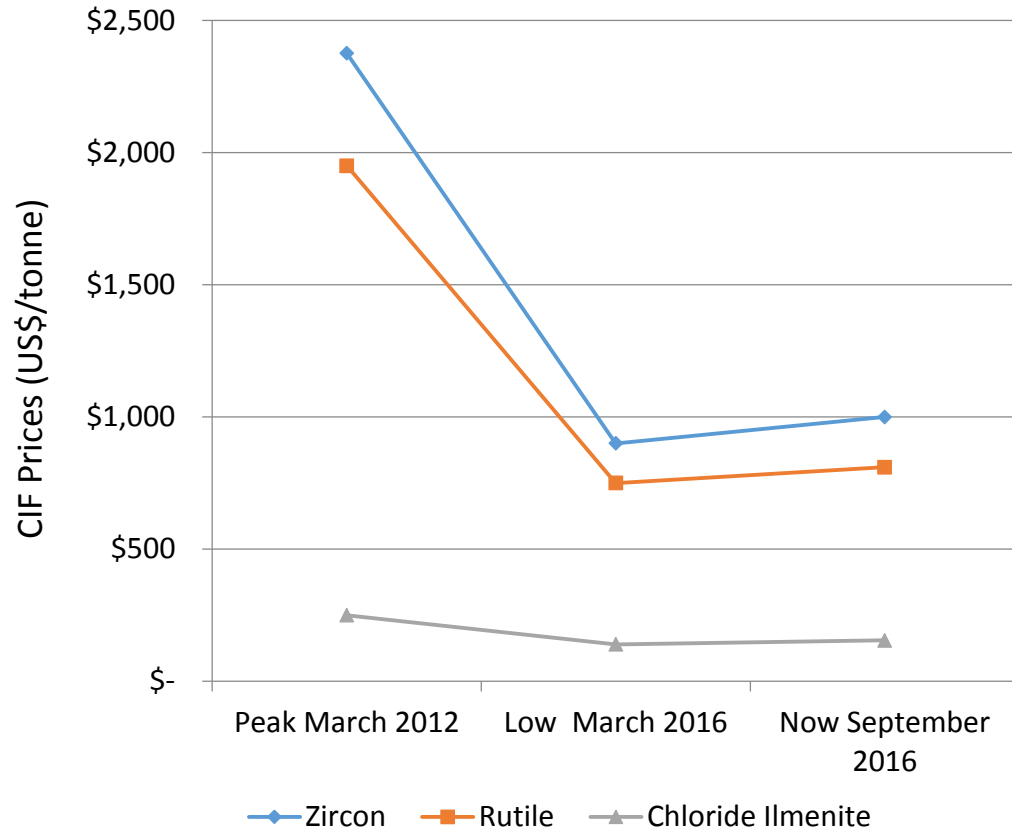
Prices??



Strandline is Well Placed for Sector Recovery



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Source: Iluka Reports

- Lack of recent quality mineral sands discoveries anywhere in the world
- 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

Experienced Board & Management

Didier Murcia (AM) – Non-Executive Chairman



- 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.

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 Pasminco in the 1990s

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

Richard Hill – 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

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

John Hodder – Non Executive Director



- 20 years experience in the Resources Industry as a fund manager, director and geologist
- Principal of Tembo Resource Fund
- Established the Commonwealth Development Corporation (CDC) mining, oil and gas investment in 1995 and was responsible for its activities for eight years
- Served as a director of a number of junior mining companies and has significant experience of operating and investing in Africa

Strategically Positioned



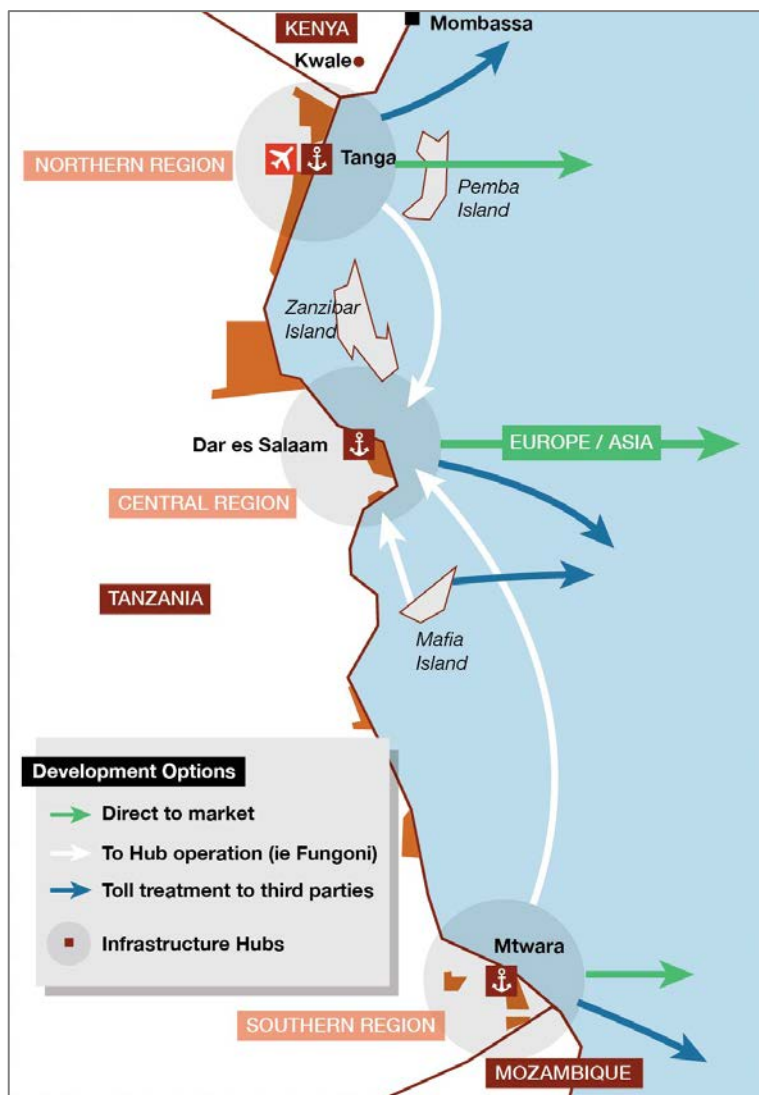
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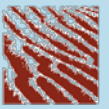
- Positioned within world's major zircon and titanium producing corridor – SE Africa
- Major Producers (including Rio Tinto, Iluka) actively looking to enter/ consolidate Region
- Neighbouring HMS operations demonstrate
 - ✓ Simple development pathways
 - ✓ Infrastructure solutions
 - ✓ Established market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



Tanzania – Strandline's Dominant Position



- A series of 100% held projects spread along 350km of the Tanzanian coastline
- Exclusive access to the 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** – three high value Indicated Resources already delineated plus large Exploration Targets
- **Major infrastructure advantage** with Key Projects close to infrastructure - Ports and Power
- Envious position for majors and other African producers wanting entry into the last underexplored piece of SE African coastline



BASE RESOURCES

Kwale Mine 262Mt @ 3.7 HM

TANGA
NORTH



Tanga

*Pemba
Island*

TANGA
SOUTH

*Zanzibar
Island*

Northern Region - Tanga

- Base's operating Kwale Mine and Port 40km to north in Kenya.

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** identified an initial Resource and much larger Exploration Target

BAGAMOYO

Dar es Salaam



FUNGONI

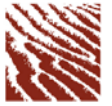


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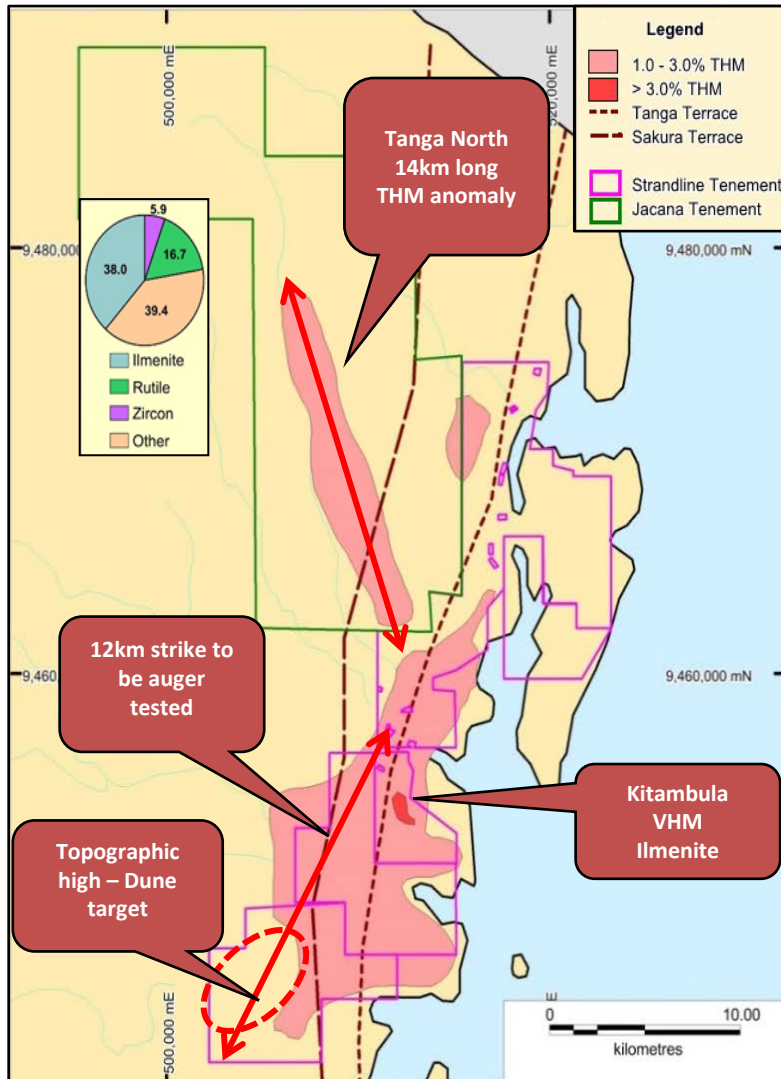


**Infrastructure
Hubs**

Tanga North

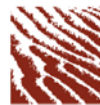


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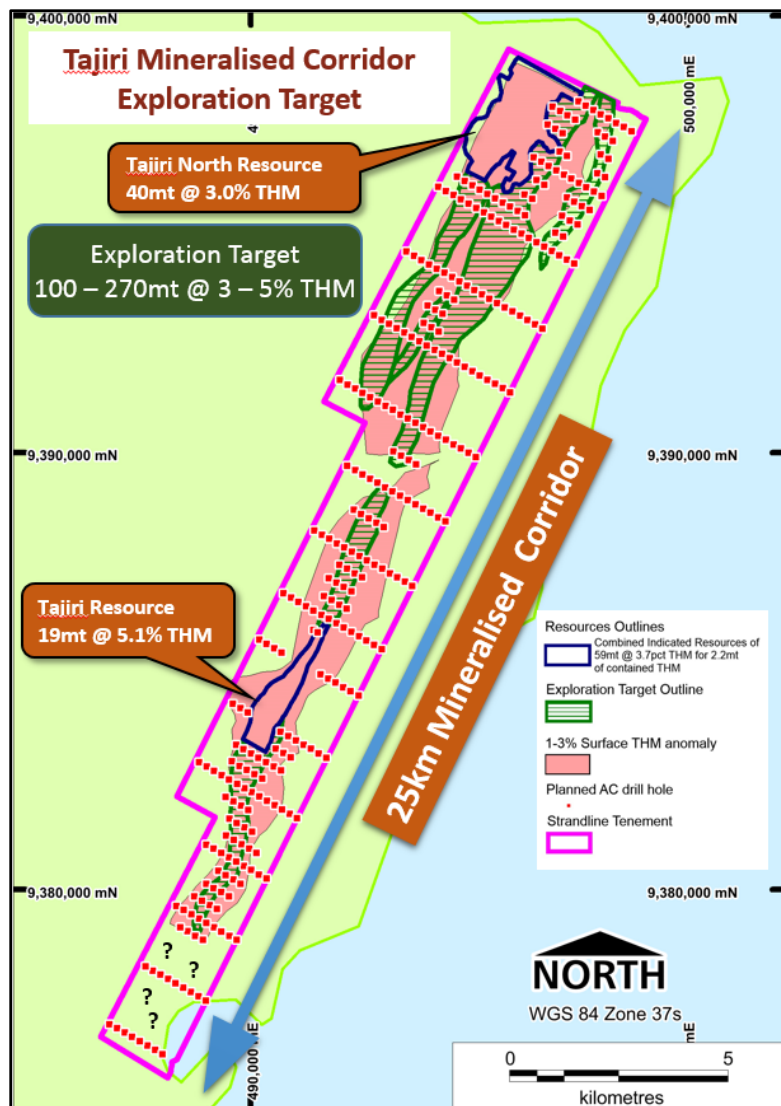


- Significant >10km THM anomalies
- Close to infrastructure at Tanga Port
- Multiple targets being assessed in current program





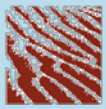
Tanga South – Tajiri Mineralised Corridor



- Tajiri – Indicated Resource 19Mt @ 5.1% THM¹
Assemblage - 12% rutile, 6% leucoxene, 6% zircon and 65% ilmenite
- Tajiri North – Indicated Resource 40Mt @ 3% THM¹
Assemblage - 7% rutile, 2% leucoxene, 5% zircon and 70% ilmenite
- Exploration Target – 100 -270Mt @ 3-5% THM (not including Indicated Resources)
- Immediate Drilling Planned – 4,000 to 5,000 metres



¹JORC 2012 compliant Indicated Resource – Refer to Appendix 1 for details



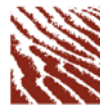
BASE RESOURCES
Kwale Mine 262Mt @ 3.7 HM

Central Region - Fungoni

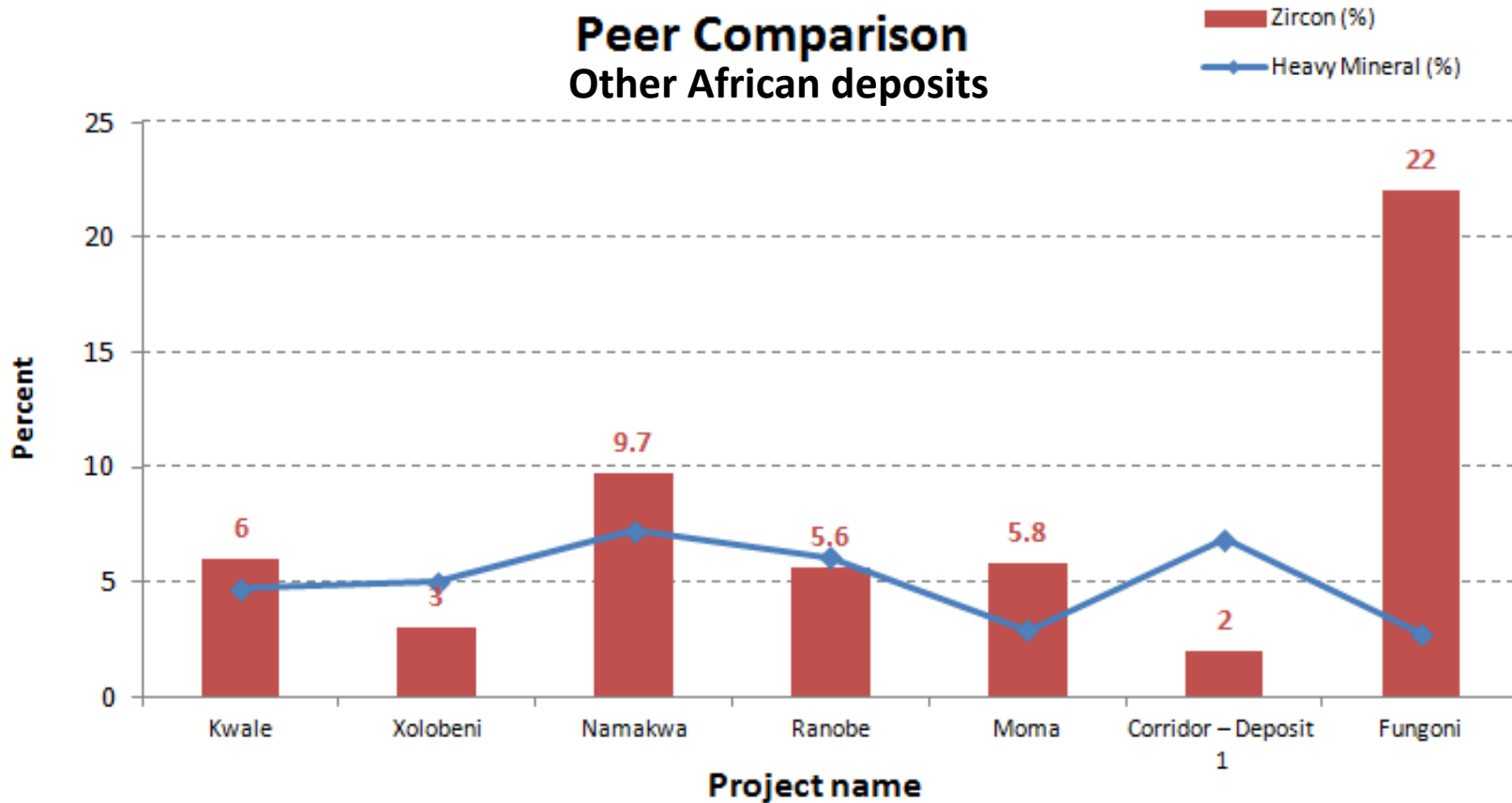
- Initial Resource¹: Indicated – 11Mt @ 3.1% heavy minerals (HM) and Inferred 3Mt @ 1.7% HM
- Very high value Assemblage – 22% zircon, 4% rutile and 44% ilmenite. Ilmenite contains 58% TiO₂
- Recent drilling appears to have extended this Resource – assays pending
- Scoping Study recently completed on high grade shallow area – 2.4 Mt @ 8.3%HM; very positive cashflow with mobile plant to be moved to other high grade Resources
- Close to Infrastructure including major port city of Dar es Salaam
- Drilling constrained to Resource area – New target areas sought via current aeromagnetic programme

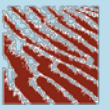


¹JORC 2012 compliant Indicated Resource – Refer to Appendix 1 for details



Fungoni's high zircon content





High Grade & Scale Potential

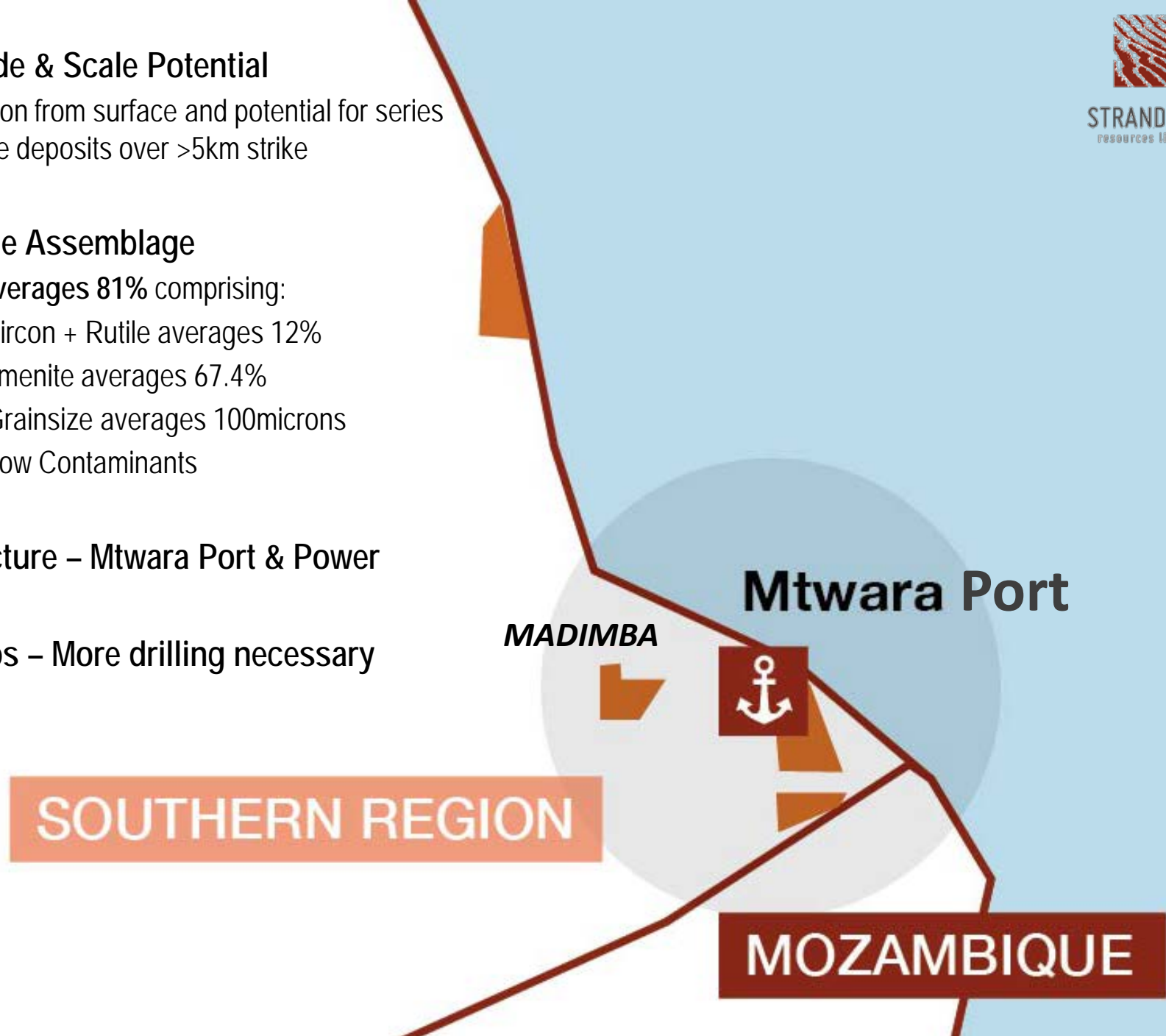
Mineralisation from surface and potential for series of strandline deposits over >5km strike

High Value Assemblage

- VHM averages 81% comprising:
 - Zircon + Rutile averages 12%
 - Ilmenite averages 67.4%
 - Grainsize averages 100microns
 - Low Contaminants

Infrastructure – Mtwara Port & Power

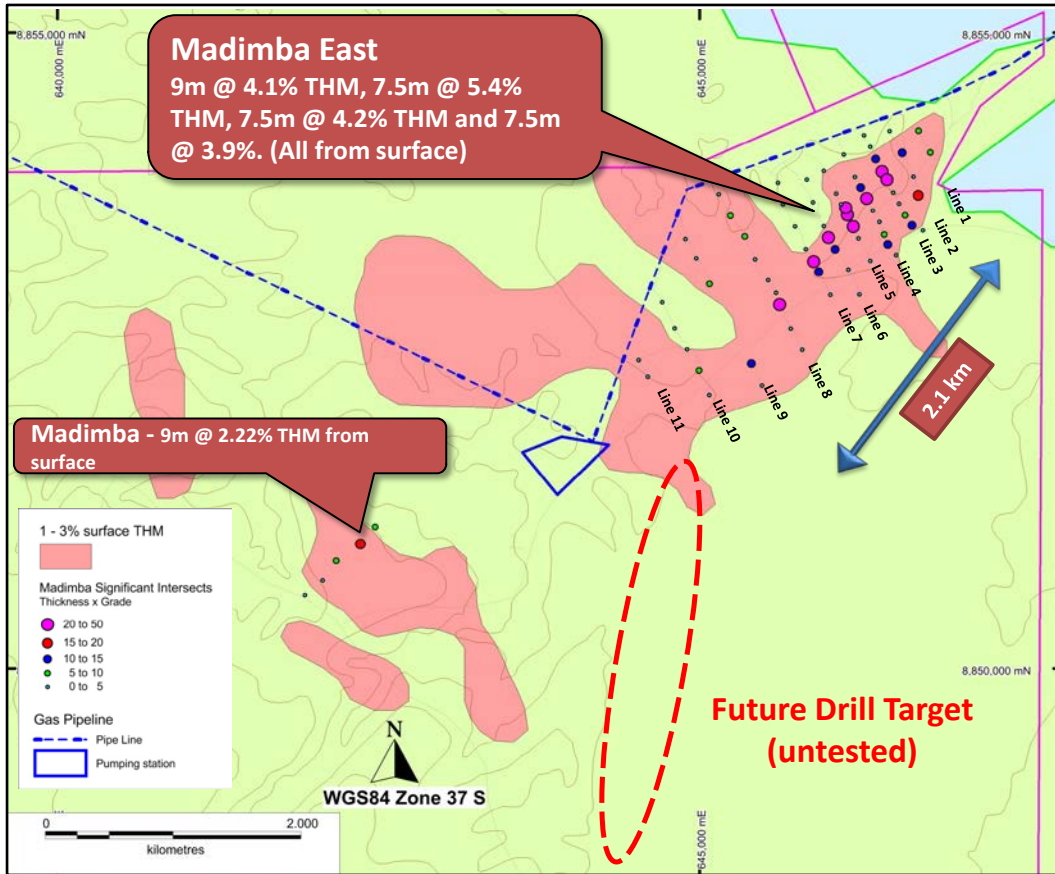
Next Steps – More drilling necessary

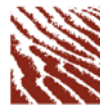


Madimba



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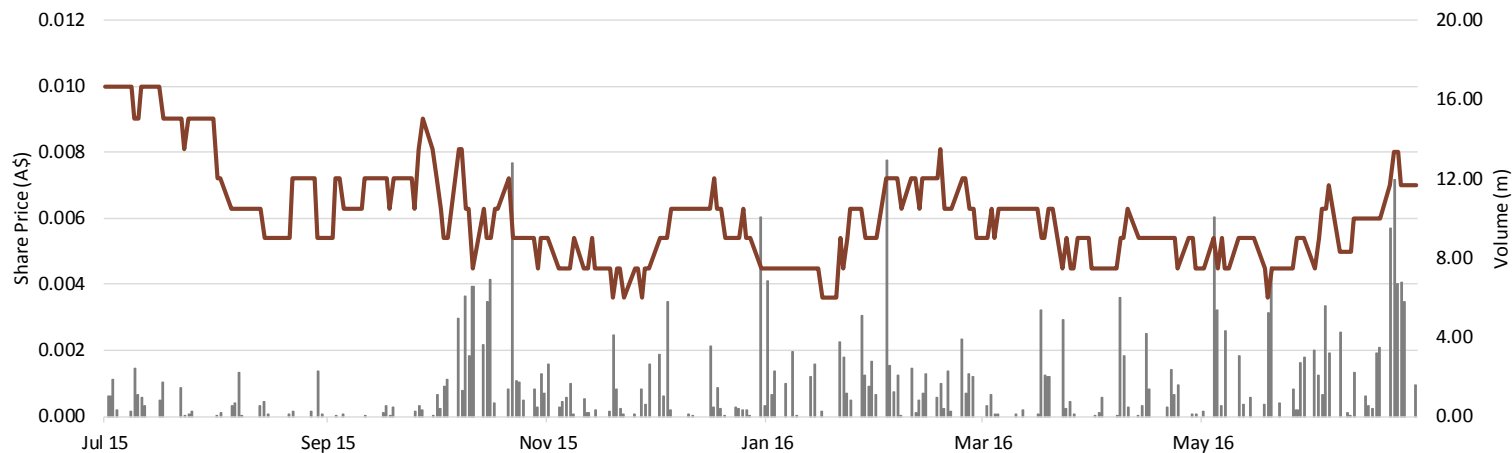


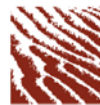


Corporate Overview

Shares on Issue	2,571.4m
Unlisted Options	1,003.5m
Performance Rights	4.8m
Market Cap (@ 0.7c/share)	A\$18m
Current Cash (31/8/16)	A\$4.8m
Enterprise Value	A\$13.2m

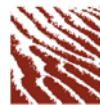
Major Shareholders	Current
Tembo	29.24%
Harry Hatch	13.77%
Artemis Corporate Limited	2.78%
Kabungo Holdings	2.64%
Tom Eadie	2.39%
Westoria Resource Investments Ltd	1.88%
Top 20 Shareholders	62.02%
Board & Management	~10%





Summary

- ❑ **Well-financed**
 - ❑ Tembo Capital investment in Placement and support of Rights Issue underwrites the Company's aggressive exploration and development plans
- ❑ **Whole of Country HMS Play – Tanzania (100%)**
 - ❑ Looking to develop **high value** titanium and zircon products close to infrastructure through rapid / low cost definition of existing Resources (Fungoni, Tajiri, Tajiri North) - and possible new discoveries - through to low cost production
 - ❑ Exploiting our dominant land and data position to turn Strandline and Tanzania into a world-class producer
- ❑ **Ample Evidence of price recovery – More to come??**



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Thank you

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Appendix 1 – Tanzanian Mineral Sands Resources



MINERAL RESOURCE SUMMARY FOR TAJIRI PROJECT

Summary of Mineral Resources ⁽¹⁾					THM assemblage ⁽²⁾					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Tajiri	Indicated	19	1.0	5.1	65	12	6	6	34	3
Tajiri North	Indicated	40	1.2	3.0	70	7	5	2	52	3
	Total ⁽³⁾	59	2.2	3.7	68	10	5	4	46	3
(1) Mineral Resources reported at a cut-off grade of 1.7% THM										
(2) Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

Mineral Resource Statement for the Tajiri Project at March 2016. Both deposits are very shallow, starting at surface.

MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT

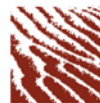
Summary of Mineral Resources ⁽¹⁾					THM assemblage ⁽²⁾					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Fungoni	Indicated	11	0.34	3.1	44	4	22	-	27	9
Fungoni	Inferred	3	0.05	1.7	44	4	22	-	24	9
	Total ⁽³⁾	14	0.4	2.8	44	4	22	-	27	9

(1) Mineral Resources reported at a cut-off grade of 1.0% THM

(2) Mineral assemblage is reported as a percentage of in situ THM content

(3) Appropriate rounding applied

Mineral Resource Statement for the Fungoni Project



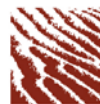
Appendix 2 - Coburn HMS Project (100%) – WA

- ❑ Only DFS completed, fully permitted, construction-ready zircon-rich project globally
- ❑ Long mine life of +19 years with ~\$30 million invested on the project to date
- ❑ Simple process with access to existing infrastructure
- ❑ Mineral Resource (JORC 2004) – 979mt @ 1.26% HM*
- ❑ NPV A\$306 million, IRR 26%, with a 4.5 year payback (using TZMI base case pricing)**
- ❑ Project economics strongly leveraged to improving mineral sands prices
- ❑ Actively seeking to realise value through strategic partner or sale



*Refer to Appendix 3 for JORC Resource & Reserve Statements (also refer to ASX Announcement dated 7 January 2010)

**Recent costs review indicates significant Capex/Opex reduction and improved AUD environment - see ASX Announcement dated 9 February 2015



Appendix 3 - Coburn HMS Project Reserves and Resources

Coburn HMS Mineral Ore Reserves Estimate – January 2010

JORC Category	Prospect	Ore Million Tonnes*	HM Grade %	Zircon %	Ilmenite %	Rutile %	Leucoxene %
Proved	Amy Pit A	53	1.3	24	46	5	6
Probable	Amy Pits B-E	255	1.2	23	48	7	4
Total		308	1.2	23	48	7	5

*Cut-off grade applied is 0.8% HM

The valuable mineral assemblage listed above is expressed as a percentage of the total HM content of each ore reserve category. Slimes average 2.7% of the ore and oversize 3.3%.

Refer to the ASX announcement dated 7 January 2010 for full details of the Ore Reserve estimate. This Ore Reserve estimate has not been updated to comply with the JORC code 2012 on the basis that the information has not materially changed since it was last reported.

Coburn HMS Mineral Resource Estimate – January 2010

JORC Category	Ore Million Tonnes*	HM Grade %	Contained HM Tonnes
Measured	119	1.3	1.5
Indicated	599	1.2	7.2
Inferred	261	1.4	3.6
Total	979	1.26	12.3

*Cut-off grade applied is 0.8% HM

Refer to the ASX announcement dated 7 January 2010 for full details of the Mineral Resource estimate. This Mineral Resource estimate has not been updated to comply with the JORC code 2012 on the basis that the information has not materially changed since it was last reported.