ASX ANNOUNCEMENT

15 June 2016

STRANDLINE
resources limited

Strandline Launches Major Exploration Campaign in Tanzania

Highlights

- The Company is now funded and preparing for 6 month drilling and geophysical campaign to grow existing high grade resources and seek additional high value discoveries.

Campaign Includes:

- **Tajiri Drilling** – Resource extension drilling between and along strike from the high grade deposits already defined within the 20km long Tajiri Mineralised Corridor;
- **Tongani and Pangani Drilling** – Maiden drilling campaign targeting additional high grade discoveries at Tongani and Pangani Prospects;
- **Tanga North** – Initial drilling programme to test for large rutile-rich mineral sands, and
- **Detailed Aeromagnetic Survey** over key prospective areas to delineate new targets.

Strandline Managing Director, Tom Eadie commented, "Following on from our recently announced funding partnership with Tembo Capital, the Company now enters a very active phase beginning with an aggressive exploration and resource building campaign.

"This campaign will focus on delivering high value heavy mineral projects capable of economic development, even in low commodity environments. We look forward to reporting a series of exciting results over the coming six to twelve months.

"The Exploration Target defined in this report represents our goal for the remainder of the year. The quantum and grade of the Exploration Target is comparable to resources defined at nearby operating mines, giving us confidence we are heading in the right direction."

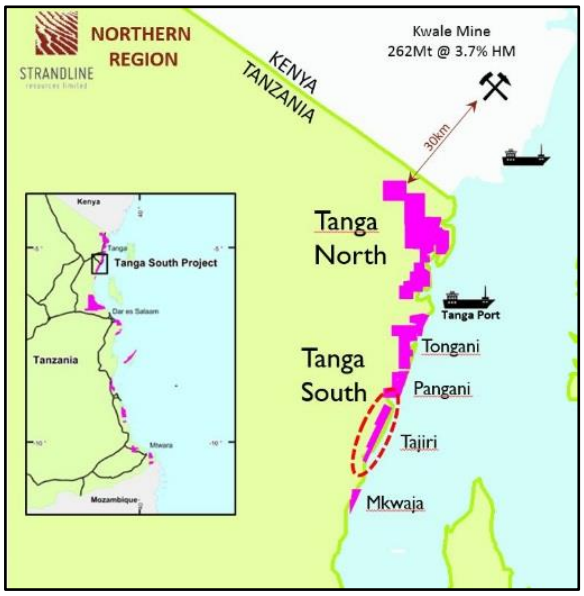

Figure 1. Location of the northern Tanzania heavy mineral sands projects and prospects to be drill tested in the next 6 months

Planned Exploration Activities

With funding now in place, the Company is well positioned to execute its 2016 exploration program in Tanzania. Our exploration team is mobilising the necessary expertise and equipment, and are preparing for the start of a busy field season. Initial activities will comprise:

1. Resource Extension Aircore (AC) drilling activities will commence at the Tajiri project where the Company has already defined an Indicated Resource of 59Mt @ 3.7% THM for 2.2Mt of contained HM (see ASX announcement, 4 April 2016).

   The program will be focussed on firstly extending mineralisation from the current Tajiri North and Tajiri Resources.

   In addition, a number of other targets have been defined using the Company's large database along strike of the known mineralisation and these will also be tested this upcoming drill program. A total of 4,000 to 5,000m of AC drilling is planned for these programs.

2. Maiden AC drilling programs will also be undertaken at the Tongani and Pangani prospects within the Tanga South Project. Historical surface geochemistry and detailed aerial magnetic/radiometric data has been compiled to generate priority targets for AC drill testing. A systematic grid based drill program has been designed to provide coverage over the majority of the tenure with closer spaced drill patterns targeting the priority targets. A total of 5,000m is planned for this program.

3. At Tanga North, there are large dune systems containing huge volumes of sand. Previous sampling has indicated that the amount of rutile, as a percentage of the heavy mineral concentrate, is unusually high at about 17% rutile plus about 6% zircon. A first pass drilling programme of about 1,500m is planned to search for areas of high concentrations of this very favourable assemblage.

4. Detailed aeromagnetic survey extending across all prospective tenements (aside from Tanga South, which has already been flown) using flight lines varying from 100m to 200m apart and a flight height of 30m. A total of approximately 20,000 line km have been planned for this extensive aerial magnetic, radiometric and topographic survey. The technique was very successful at Tanga South in delineating zones of heavy minerals forming coherent targets.

Tajiri Mineralised Corridor Exploration Target

With the completion of the initial AC drilling programs at the Tajiri prospects late last year, the Company has been able to determine an Exploration Target estimate of the exploration potential for the remainder of the undrilled portion of the 20km long mineralised corridor. The Exploration Target is an estimate of potential where there has been insufficient exploration for Mineral Resource Estimation.

The Company has defined an Exploration Target of **100 to 270Mt at 3% to 5% Total Heavy Minerals** (THM), not including the current Indicated Resources of 59Mt @ 3.7% HM already identified in this corridor.

Strandline would caution the reader that the potential quantity and grade of the combined Exploration Target is conceptual in nature and there has been insufficient exploration to define a JORC Compliant Mineral Resource. It is also uncertain if further exploration and resource development work will result in the determination of a Mineral Resource.

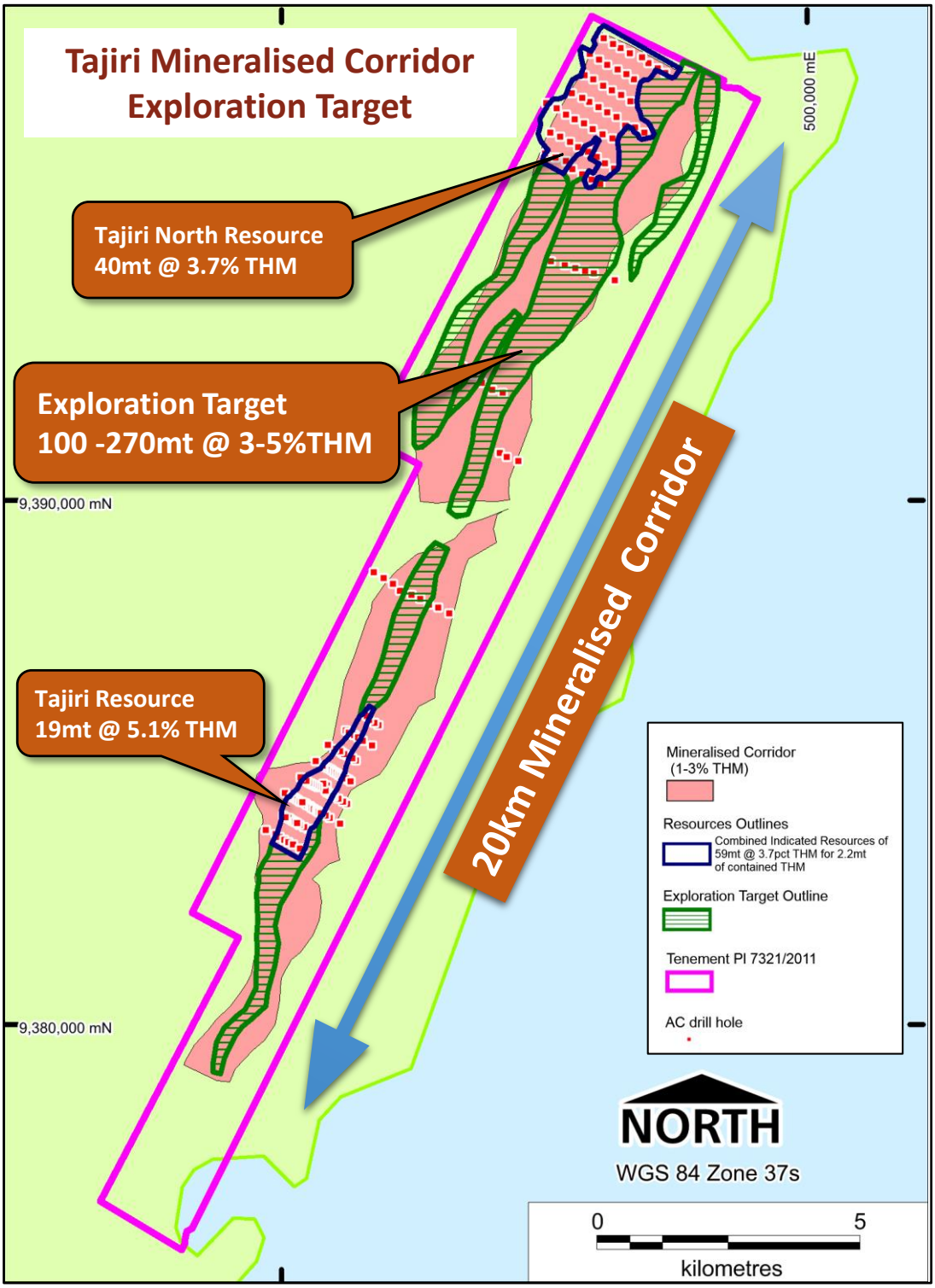

Figure 2. Tajiri Mineralised Corridor with overlying Exploration Target

The Exploration Target has been determined based on the following previous exploration data:

1. Extensive auger and AC drill database for width, depth and grade ranges;
2. The grades were determined using traditional heavy media separation and visual estimates from field logging;
3. Widespread geochemical sampling forming coherent surface anomalies which have been since drill tested and known to overlie heavy sand mineralisation;
4. A combination of the magnetic and radiometric anomalies generated from processing detailed (100m flight line and 30m sensor height) aeromagnetic data;
5. Topographic features using a detailed digital terrain model generated from the aeromagnetic survey;
6. Bulk density value of 1.7 derived from the average values used for the Indicated Resources at Tajiri and Tajiri North; and
7. Grade ranges used for the Exploration Target are based on the actual resource grades estimated for the Indicated Resources at Tajiri and Tajiri North, which show two styles of mineralisation for the area. Using a 1.7% THM cut-off, the resource grade at Tajiri North is 3%, whilst at Tajiri the resource grade is 5.1%. The resource grade ranges of Tajiri and Tajiri North approximate the grade ranges that are expected for this region and are considered appropriate to use for this Exploration Target.

Zones (1 to 5) for the Exploration Targets were generated in GIS software integrating the above datasets. The surface areas were calculated and multiplied by the average bulk density used for the Indicated Resource estimate completed at the Tajiri and Tajiri North prospects. The outlines were then multiplied by the depth ranges as defined by auger and AC drilling in the various zones. The mineralisation is assumed to be defined from surface. The results are presented in Table 1 and the locations and data distribution is presented in Figure 3.

Table 1. Conceptual Exploration Target for the Tajiri Mineralised Corridor

Zone	Lower Thickness (m)	Upper Thickness (m)	Lower Tonnage (Mt)	Upper Tonnage (Mt)	Lower Grade	Upper Grade
ET Zone 1	5	20	11	44	3.0% THM	5.0% THM
ET Zone 2	3.5	7	38	77		
ET Zone 3	3.5	7	3	6		
ET Zone 4	3.5	7	17	34		
ET Zone 5	5	20	12	49		
ET Zone 6	5	20	15	62		
Totals			**97**	**271**		

In summary, the Tajiri Mineralised Corridor Exploration Target is 100 to 270Mt at 3% to 5% Total Heavy Minerals (THM), not including the current Indicated Resources of 59Mt @ 3.7% HM already identified in this corridor.

As outlined above, the Company will be undertaking 4,000 to 5,000m of AC drilling across these Exploration Targets to test their validity. The drilling will be utilising 400 to 1,600m spaced drill lines with drill holes located every 200m along the lines. The program will be undertaken over the next 6 months.

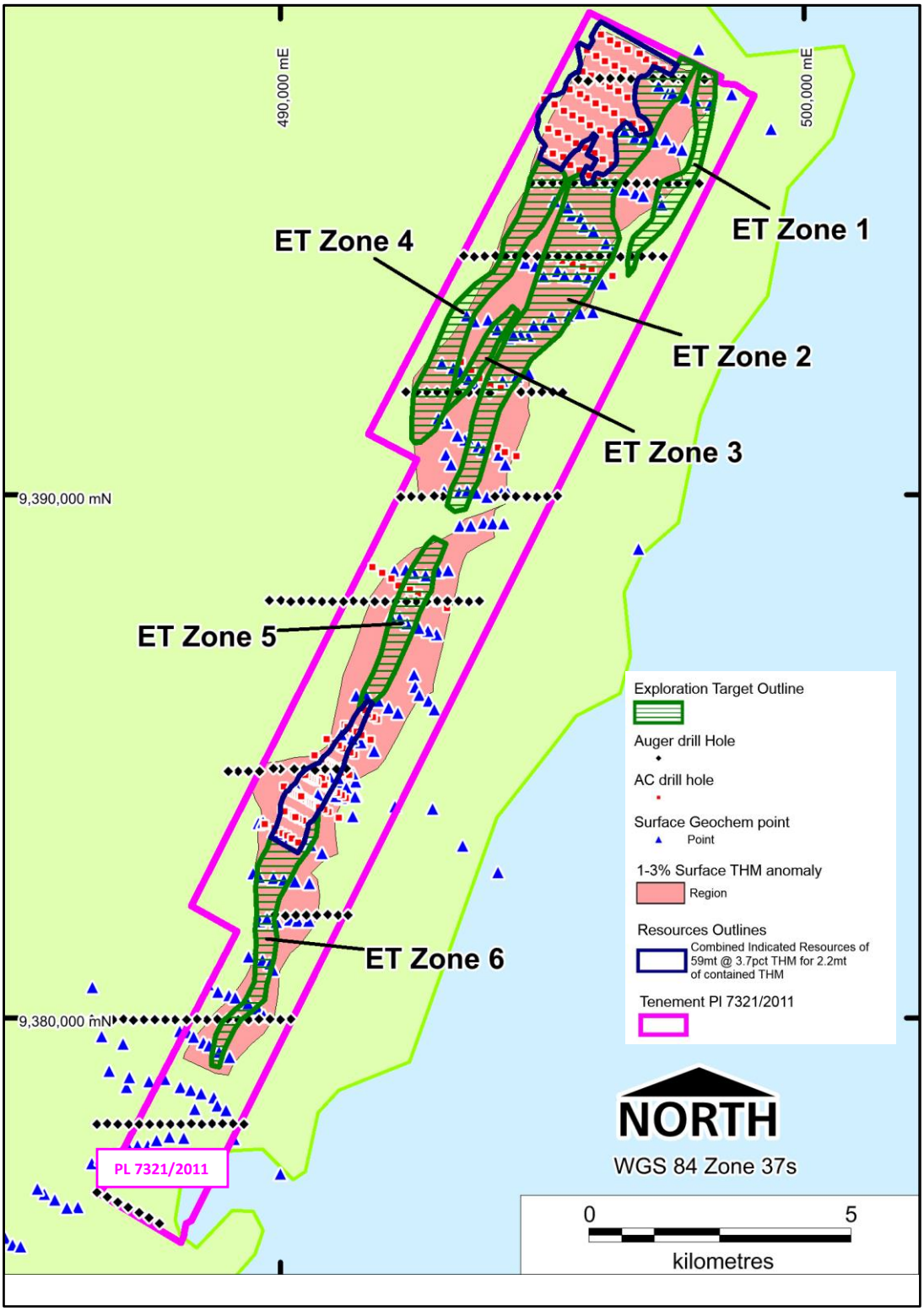

Figure 3. Tajiri Mineralised Corridor - Exploration Target data

The Exploration Target defined in Table 1 is in addition to the Indicated Resources for the Tajiri Prospects previously announced and presented in Table 2 (announced 4th April 2016).

Table 2. Mineral Resource Statement for the Tanga South Project announced April 2016.

MINERAL RESOURCE SUMMARY FOR TANGA SOUTH 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										

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Competent Person's Statements

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.

FORWARD LOOKING STATEMENTS

This report contains certain forward looking statements. 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. 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.

Appendix 1

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• 3kg surface samples were gathered during first pass exploration by Tanganyika in the late 1990's • Auger samples were taken by Jacana Resources in 2012 • Aircore drilling was used to obtain samples at 1.5m intervals • Each 1.5m sample was homogenized within the bag by rotating the sample bag • A sample of sand, approx. 20gm, is scooped from the sample bag for visual THM% estimation and logging. The same sample mass is used for every pan sample for visual THM% estimation • The standard sized sample is to ensure calibration is maintained for consistency in visual estimation • A sample ledger is kept at the drill rig for recording sample intervals and sample mass, and photographs are taken of samples for each hole to cross-reference with logging • The large 1.5m Aircore drill samples have an average of about 8kg and were split down to approximately 1000gm by riffle splitter for export to the processing laboratory • The laboratory sample was dried, de-slimed (removal of -45µm fraction) and then had oversize (+1mm fraction) removed. Approximately 100gm of sample was then split to use for heavy liquid separation using TBE to determine total heavy mineral content
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Auger drilling by Jacana Resources • Aircore drilling with inner tubes for sample return was used • Aircore is considered a standard industry technique for HMS mineralization. Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face and returned inside the inner tube • Aircore drill rods used were 3m long • NQ diameter (76mm) drill bits and rods were used

Criteria	JORC Code explanation	Commentary
		• All drill holes were vertical
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill sample recovery is monitored by measuring and recording the total mass of each 1.5m sample at the drill rig with a standard spring balance • While initially collaring the hole, limited sample recovery can occur in the initial 0.0m to 1.5m sample interval owing to sample and air loss into the surrounding loose soil • The initial 0.0m to 1.5m sample interval is drilled very slowly in order to achieve optimum sample recovery • The entire 1.5m sample is collected at the drill rig in large numbered plastic bags for dispatch to the initial split preparation facility • At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes • The twin-tube aircore drilling technique is known to provide high quality samples from the face of the drill hole • Wet and moist samples are placed into large plastic basins to dry prior to splitting
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The 1.5m aircore samples were each qualitatively logged onto paper field sheets prior to digital entry into an Microsoft Excel spreadsheet • The aircore samples were logged for lithology, colour, grainsize, rounding, sorting, estimated THM%, estimated Slimes% and any relevant comments - such as slope, vegetation, or cultural activity • Every drillhole was logged in full • Logging is undertaken with reference to a Drilling Guideline with codes prescribed and guidance on description to ensure consistent and systematic data collection
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field*	• Surface samples were not subsampled • The Auger samples were not all assayed for THM but selected intervals were chosen. The remainder of the samples were panned and logged visually • The entire 1.5m drill sample collected at the source was dispatched to a sample preparation facility to split with a riffle splitter to reduce sample size • The water table depth was noted in all geological logs if intersected • Samples with aggregates are gently hit with a rubber mallet to break them down so the sample with flow easily through the splitter chutes

Criteria	JORC Code explanation	Commentary
	duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• A total of 1000 to 1300gm of each sample was inserted into calico sample bags and exported to Diamantina Laboratory for analysis • Employees undertaking the splitting are closely monitored by a geologist to ensure sampling quality is maintained • Almost all of the samples are sand, silty sand, sandy silt, clayey sand or sandy clay and this sample preparation method is considered appropriate • The sample sizes were deemed suitable to reliably capture THM, slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff • Field duplicates of the samples were completed at a frequency of 1 per 25 primary samples • Standard Reference Material samples are inserted into the sample stream in the field at a frequency of 1 per 50 samples
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The wet panning at the drill site provides an estimate of the THM% which is sufficient for the purpose of determining approximate concentrations of THM in the first instance • Auger sampling quality is considered appropriate for early stage evaluation. The panning and visual estimate are considered effective low cost alternatives to THM analysis using heavy media Aircore sample: • The individual 1.5m aircore sub-samples (approx. 1000gm) were assayed by Diamantina Laboratories in Perth, Western Australia, which is considered the Primary laboratory • The aircore samples were first screened for removal and determination of Slimes (-45µm) and Oversize (+1mm), then the sample was analysed for total heavy mineral (-1mm to +45µm) content by heavy liquid separation • The laboratory used TBE as the heavy liquid medium – with density range between 2.92 and 2.96 g/ml • This is an industry standard technique • Field duplicates of the samples were collected at a frequency of 1 per 25 primary samples • Diamantina Laboratory completed its own internal QA/QC checks that included bulk standards and laboratory duplicates every 20th sample prior to the results being released • Analysis of QA/QC samples show the laboratory data to be of acceptable accuracy and precision

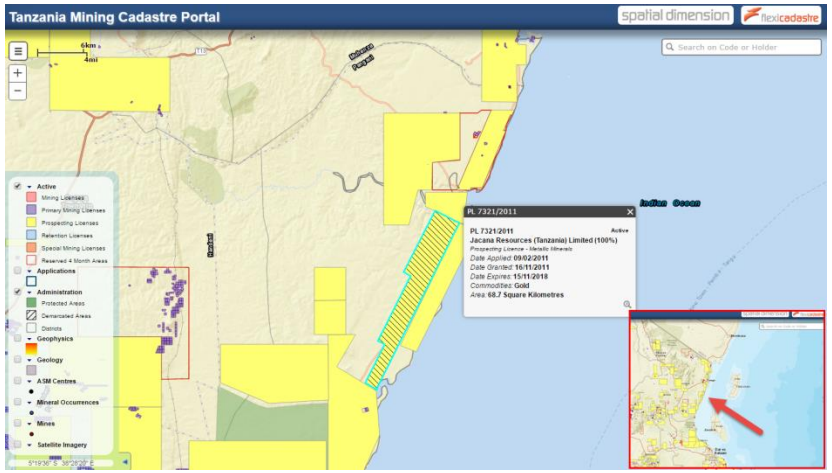
Criteria	JORC Code explanation	Commentary
		• The density of the heavy liquid was checked every morning and then after every 20 samples by volumetric flask • The adopted QA/QC protocols are acceptable for this stage test work • 1/40 samples from the Primary Laboratory have been sent to a Secondary Laboratory for check analysis and have been found to have very good repeatability for THM and Slimes.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Historic data from Tanyanika and Jacana has been verified with site check, visual panning and checking hardcopy records • All results are checked by the Chief Geologist and the Principal consulting geologist • The company Chief Geologist and independent geologist make periodic visits to Diamantina Laboratory to observe sample processing • A process of laboratory data validation using mass balance is undertaken to identify entry errors or questionable data • Field and laboratory duplicate data pairs (THM/oversize/slime) of each batch are plotted to identify potential quality control issues • Standard Reference Material sample results are checked from each sample batch to ensure they are within tolerance (<2SD) and that there is no bias • The field and laboratory data has been updated into a master spreadsheet which is appropriate for this stage in the programme. Data validation criteria are included to check for overlapping sample intervals, end of hole match between 'Lithology', 'Sample', 'Survey' files and other common errors • No twin holes were drilled in the programme • No adjustments are made to the primary assay data
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Historic data points have lower accuracy than those located using a GPS - +/- 25 to 50m • Down hole surveys for shallow aircore holes are not required • A handheld GPS was used to identify the positions of the drill holes in the field. The handheld GPS has an accuracy of +/- 10m in the horizontal • The datum used is WGS84 and coordinates are projected as UTM zone 37S • The drillhole collar elevation was collected from a detailed Digital Terrain Model collected in 2012. One metre contours were generated

Criteria	JORC Code explanation	Commentary
		and the x-y coordinates were cut to the RL using the contour information. • The accuracy of the locations is sufficient for this stage of exploration
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Historic surface samples use various grid spacings typically less than 1km apart • The Jacana auger samples were gathered in 2km spaced E-W lines with samples every 200m • Various grid spacing was used in the drill program, including 400m x 200m (at Tajiri North deposit), 400m x 100m, and 400m x 50m (at Tajiri deposit) • The 200m spaced aircore holes are sufficient to provide a good degree of confidence in geological models and grade continuity within the holes • Closer spaced drilling (100m and 50m spaced holes) provide a high degree of confidence in geological models and grade continuity between the holes • Each aircore drill sample is a single 1.5m sample of sand intersected down the hole • No compositing has been applied to models for values of THM, slime and oversize • Compositing of samples was undertaken on HM concentrates for mineral assemblage determination. Composite samples were classified high grade (>2%THM) and low grade (<2%THM)
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The historic samples were oriented close to perpendicular to the to the orientation of the mineralization. • The aircore drilling was oriented perpendicular to the strike of mineralization defined by reconnaissance data interpretation • The strike of the mineralization is sub-parallel to the contemporary coastline and is known to be relatively well controlled by the 20m topographic contour • Drill holes were vertical and the nature of the mineralisation is relatively horizontal • The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralization without any bias
Sample security	• *The measures taken to ensure sample security.*	• Aircore samples remained in the custody of Company representatives while they were transported from the field to Dar es Salaam for final packaging and securing

Criteria	JORC Code explanation	Commentary
		• The samples were then sent using Deugro to Perth and delivered directly to the laboratory after quarantine inspection • The laboratory inspected the packages and did not report tampering of the samples
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Internal reviews were undertaken

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• The exploration work was completed on tenements that are 100% owned by Strandline in Tanzania • The drill samples were taken from tenement PL7321/2011 • The tenement is 4 years old and was recently reduced by 50% and is valid to 15 Nov. 2018 • Traditional landowners and village Chiefs of the affected villages were supportive of the drilling program 
Exploration	• *Acknowledgment and appraisal of exploration by other parties.*	• Historic exploration work was completed by Tanganyika Gold in 1998

Criteria	JORC Code explanation	Commentary
done by other parties		and 1999. OmegaCorp undertook reconnaissance exploration in 2005 and 2007. Jacana Resources completed sample programs from 2012 to 2014 • The Company has obtained the hardcopy reports and maps in relation to this information • The historic data comprises surface sampling, limited aircore drilling and mapping • The historic results are not reportable under JORC 2012
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Two types of heavy mineral placer style deposits are possible in Tanzania 1. Thin but high grade strandlines which may be related to marine or fluvial influences 2. Large but lower grade deposits related to windblown sands • The coastline of Tanzania is not well known for massive dunal systems such as those developed in Mozambique, however some dunes are known to occur and cannot be discounted as an exploration model. Palaeo strandlines are more likely and will be related to fossil shorelines or terraces in a marine or fluvial setting. In Tanzania three terraces have been documented and include the Mtoni terrace (1-5m ASL), Tanga (20-40m ASL) and Sakura Terrace (40 to 60m ASL). Strandline mineral sand accumulations related to massive storm events are thought to be preserved at these terraces above the current sea level.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• The aircore drill hole data has been previously reported on 4th April 2016. • The historic surface sample and augering distribution is represented in Figure 3 and not reported in detail because it only forms part of the Exploration Target estimation methodology which also relies on the AC drilling completed by the Company and a detailed aeromagnetic survey that generated magnetic, radiometric and topographic targets.
Data aggregation	• *In reporting Exploration Results, weighting averaging techniques,*	• Details of data aggregation are reported

Criteria	JORC Code explanation	Commentary
methods	*maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The nature of the mineralisation is broadly horizontal, thus vertical aircore holes are thought to represent close to true thicknesses of the mineralisation • Downhole widths are reported
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Figures and plans are displayed in the main text of the Release
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All results have been previously reported in ASX release dated 4th April 2016
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Detailed mineral assemblage work was undertaken on composite samples for the Tajiri and Tajiri North deposits by Diamantina Laboratory using binocular microscopy and 300 grain point count analysis • All HM concentrates of samples with >2%THM from each two adjacent drill traverses were composited at Tajiri to create 4 'high grade' composites and at Tajiri North to create 2 'high grade' composites • All HM concentrates of samples with <2%THM from each two adjacent drill traverses were composited at Tajiri to create 4 'low grade' composites and at Tajiri North to create 2 'low grade' composites • Each composite HM concentrate sample underwent magnetic separation to create 4 fractions – high magnetic susceptibility fraction, magnetic fraction 1, magnetic fraction 2, and non-magnetic fraction • The graincount method was used to determine mineral assemblage

Criteria	JORC Code explanation	Commentary
		of each fraction and then define valuable heavy mineral proportions • Historic data for the area around Tajiri has shown the Ti content of the ilmenite to average 50-52% TiO2 • Detailed aerial geophysics was flown over the lease in 2012
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Additional Aircore drilling is planned to further enhance confidence levels and extend zones of mineralization • Additional work required for the determination of bulk density • As the project advances TiO2 and contaminant test work will be undertaken on ilmenite concentrates • Bench-scale testing of a large sand sample for determination of process recovery is planned