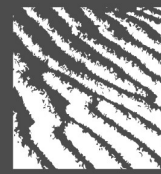


# ASX ANNOUNCEMENT

Quarterly Report  
For The Period Ending 30 June 2017

31 July 2017



**STRANDLINE**  
resources limited

## June 2017 Quarterly Report

# Strandline makes significant progress on each of its mineral sands projects

Strandline Resources (ASX: STA) is pleased to report on a highly successful June quarter in which it made strong progress on each of its mineral sand projects. Strandline has a pipeline of mineral sands projects in Tanzania and Australia at different stages of development. This strategy offers a combination of near-term development and cashflow potential, substantial exploration upside and varying production profiles.

## HIGHLIGHTS

### EXPLORATION AND DEVELOPMENT

Strong progress made on Tanzanian heavy mineral sands (HMS) exploration, resource building and engineering feasibility activities:

#### Fungoni HMS Project on Track to Deliver DFS in September Quarter

- Definitive-level feasibility study (DFS) remains on target for release in the September quarter this year and is set to demonstrate significant improvement to previous engineering study
- Extension drilling of the Fungoni north-west zone (Fungoni NW) has grown the project's global Mineral Resource by 38% (up ~6Mt) to 21.7Mt @ 2.82% Total Heavy Mineral (THM) at a 1% THM cut-off
- 27% increase (up ~130,000t) in contained Heavy Mineral (HM) to over 610,000t from previous 480,000t
- Recently-identified soil anomalies close to the existing Fungoni mine site show potential to add mine life and increase financial returns from Fungoni
- Environmental Certificate granted subsequent to the end of the quarter. This is a key project approvals milestone to support development; positive support from Tanzanian authorities shown, paving the way for mine licence application.

#### Northern Tanzania Projects

- Resource drilling underway at Tanga South (Tajiri) project in northern Tanzania; this will be followed by maiden drilling of Tanga North prospects
- Large soil sampling campaign completed across the Bagamoyo tenement package with assays pending

#### Rio Tinto Earn-in and JV Agreement worth up to US\$10.75 million signed; Exploration underway

- Rio Tinto successfully completed due diligence on Strandline's heavy mineral sands tenements in southern Tanzania, enabling the earn-in and Joint Venture Agreement to start
- Rio paid a cash advance of US\$340,000 to Strandline; under Rio's commitment to spend at least US\$2 million on exploration over the initial 18-month period
- Exploration of Strandline's southern Tanzanian tenement portfolio has commenced in preparation for a reconnaissance air core (AC) drilling programme to start in July
- The JV with Rio Tinto is separate from Strandline's other HMS assets in Tanzania, including the advanced Fungoni Project and the Bagamoyo and Tanga projects, which remain 100% owned by the Company.

## Tanzania Natural Resources Legislative Changes

Subsequent to the end of the quarter, the Tanzanian Parliament passed three bills of legislation containing changes to the legal framework governing the natural resources sector. Based on the information currently available to Strandline, the Company does not believe the legislation will have a major impact on its strategy or ability to achieve its exploration and project development goals.

Strandline continues to work with the Government of Tanzania to progress the development of its HMS projects in a manner which delivers significant benefits to both the people of Tanzania and Strandline shareholders.

## CORPORATE

- Completion of capital raising to raise AUD\$5.2 million through a strategic share placement 651.2 million shares at an issue price of AUD0.8 cents per share which is at a premium to the current share price.
- No debt and AUD\$3.61m cash in hand as at 30 June 2017.
- Improving HMS market trend with the TiO<sub>2</sub> pigment and zircon industry in recovery phase.

Strandline Managing Director Luke Graham said: *“The Company made strong progress in the quarter on our Fungoni and Tanga South mineral sands projects in Tanzania. This culminated in the Company securing the environmental certificate for Fungoni earlier this month. We are close to completing the Fungoni DFS which, with the environmental certificate, will pave the way for mining licence application.*

*“Early exploration activities at the Company’s southern Tanzania ground has commenced in earnest under the joint venture agreement with Rio Tinto group, one of the world’s largest mineral sands producers.*

*“With Rio providing valuable funds and expertise, the JV enhances the development potential of the Company’s southern ground and further positions Strandline to unlock the value of its entire land holding in Tanzania.”*

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## EXPLORATION AND DEVELOPMENT

The Company progressed its strategic exploration and development activities in Tanzania through the June quarter. The operational activities were aimed at building known Mineral Resources and discovering new HMS mineralisation zones across priority targets, while in parallel, progressing engineering feasibility work on the Fungoni HMS Project, near Dar es Salaam.

### FUNGONI HMS PROJECT

The Company continued to advance development on its low cost zircon-rich Fungoni Mineral Sands Project located near the port infrastructure of Dar es Salaam (see Figure 2).

### High Value Fungoni Mineral Resource Continues to Expand

As announced on 2 May 2017, Strandline released details of a JORC-2012 Mineral Resource update; a significant increase in the global Fungoni Mineral Resource Estimate and confirmed the continuity of the higher grade, zircon dominated upper zone. This was achieved through an aircore infill (AC) and extension drill programme completed earlier this year. The highlights of the update included:

- 38% increase (up ~6Mt) in the global Mineral Resource to 21.7Mt @ 2.82% Total Heavy Mineral (THM) at a 1% THM cut-off, previously 16Mt @ 3.1% THM;
- 27% increase (up ~130,000t) in contained Heavy Mineral (HM) to over 610,000t from previous 480,000t;
- Upper zone core of mineralisation 10.8Mt @ 4.4% THM for 472,000t of HM at a 1.5% THM cut-off, comprising 42.4% Ilmenite, 18.3% zircon, 4.5% rutile and 1.2% leucoxene; and
- High degree of confidence in the Mineral Resource with 41% Measured and 59% Indicated, with both categories suitable for Ore Reserve estimation and detailed mine plan optimisation.

The infill and extension drilling results confirmed a very high grade zircon-rich core within the Mineral Resource (continuous domains). The mineralisation shows strong geological and grade continuity along and across strike, which bodes well for mine planning and scheduling.

**Promising Signs of HMS Mineralisation in the Broader Fungoni Tenement Area:**

Exploration continues in the broader Fungoni Region with a surface geochemical sampling programme of radiometric anomalies and known mineralised trends identifying prospective high grade mineralised zones close to the Fungoni Project. These targets have the potential to add mine life and increase financial returns from Fungoni.

**Strong Progress Made on Fungoni Definitive Feasibility Study:**

Based on the positive drill results and strong geological definition, the Company continued to advance its engineering feasibility work targeting completion of the Feasibility Study in the third quarter this year.

A status of the key work packages is summarized below:

1. Project Approvals & Stakeholder Engagement:

- Achievement of the Environment Certificate, a key Project approval milestone, now paves the way for the mining license application and one step closer to an investment decision to mine;
- Stakeholder engagement continues with positive support from Tanzanian authorities, including local communities and the Tanzanian Port Authority (TPA) to determine practical product logistics solutions.

2. Technical Design and Product Off-take:

- Mine optimisation by AMC Consultants confirms efficient mining from surface, targeting the higher grade upper zone to achieve a significant improvement on the previous Fungoni engineering study in terms of a higher mining rate and increased tonnes of recovered valuable HM for the Project;
- Bulk metallurgical testwork undertaken at TZMI's Allied Mineral Laboratories confirms a simple and practical process flowsheet for processing plants, incorporating embedded design flexibility and robustness to tailor the final product suite to maximise product value, marketability and project returns;
- Preliminary flowsheets incorporate proven mineral process beneficiation and separation technology achieving excellent process performance metrics, including high recoveries for preferred products;
- High quality final product suite to be produced suitable for the global HMS markets, including ilmenite quality favourable for the production of TiO<sub>2</sub> pigment via the Chloride Process and high purity zircon containing very low contaminants suitable for the ceramic's industry;
- Product off-take discussions and market testing continued with a high level of market interest from major end-users in an improving heavy mineral sands market;
- Auxiliary engineering packages relating to hydrogeology, hydrology, geotechnics and tails storage facility design also progressed well by Knight Piésold Consulting.



Figure 1 Preliminary 3D image of Fungoni HMS Project (Feasibility level design)

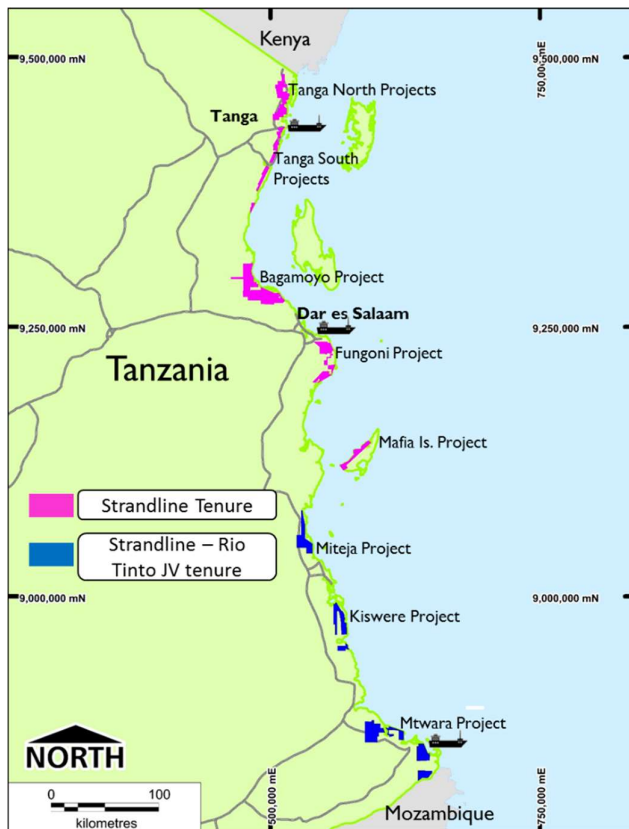


Figure 2 Strandline holds a large tenement package strategically located along the Tanzanian Coastline

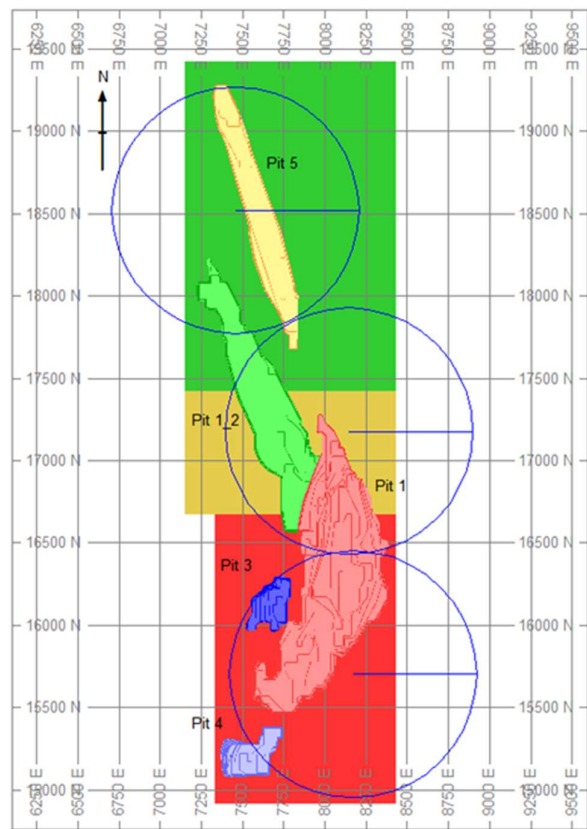


Figure 3 Preliminary Mine Plan Map of Fungoni Mineral Resource

Table 1 below displays the Mineral Resources estimated for the Fungoni Project main orebody area (including Fungoni NW area).

**Table 1 - Mineral Resource Statement for Fungoni at May 2017**

<b>MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT</b>										
<b>Summary of Mineral Resources<sup>(1)</sup></b>					<b>VHM assemblage<sup>(2)</sup></b>					
<b>Deposit</b>	<b>Mineral Resource Category</b>	<b>Tonnage</b>	<b>In situ THM</b>	<b>THM</b>	<b>Ilmenite</b>	<b>Rutile</b>	<b>Zircon</b>	<b>Leucoxene</b>	<b>Slimes</b>	<b>Oversize</b>
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
<b>FUNGONI</b>	Measured	8.77	0.37	4.26	43.3	4.3	18.3	1.0	18.5	6.8
<b>FUNGONI</b>	Indicated	12.97	0.24	1.84	36.7	4.3	14.6	1.4	24.4	7.3
	Total <sup>(3)</sup>	21.74	0.61	2.82	40.7	4.3	16.9	1.2	22.0	7.0
(1) Mineral Resources reported at a cut-off grade of 1.0% THM										
(2) Valuable Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										
(4) Refer to Appendix 3 for detailed breakdown by zone of Trash and VHM										

The overall Fungoni Mineral Resource is exposed at surface with the mineralised body showing strong geological continuity along strike and at depth. Low strip ratios are anticipated from the mining model with a large portion of the high-grade mineral resource favourably positioned at surface.

Within upper Zone 2, continuous zones of elevated mineralisation of 10.8Mt @ 4.4% THM is comprised of 42.4% Ilmenite, 18.3% zircon, 4.5% rutile and 1.2% leucoxene using a 1.5% THM cut-off.

Refer to the ASX announcement dated 2 May 2017 for full details of the Fungoni Mineral Resource Estimate.

## TANGA REGIONAL EXPLORATION – NEXT PHASE OF RESOURCE DRILLING IS UNDERWAY

The Company undertook engineering desk-top analysis (internal) and field preparation work on its Tanga projects in northern Tanzania and is now undertaking its next phase of aircore drilling, aimed at building mineral resources and discovering new mineralisation zones in the Tanga South and Tanga North project areas.

This follows the successful new discoveries of higher grade mineralisation at Tajiri and Pangani-Tongoni tenements reported earlier in the year. Strandline believes the prospective Tanga Region, which is located just ~100km south of the major Kwale mineral sands project owned by Base Resources (ASX: BSE), has the potential to host a major titanium-dominant resource. The region already hosts a sizable high grade Indicated Mineral Resource inventory at Tajiri across two project areas totally 59Mt @ 3.7% THM, comprising a high value assemblage of 87% valuable mineral, which includes 68% Ilmenite, 10% Rutile, 5% Zircon and 4% Leucoxene.

Infill air core drilling of the Tanga South Tajiri tenement is now well underway and will be followed by a maiden drilling programme at several Tanga North higher-grade targets. This forms part of the Company’s strategy to establish a series of high-grade deposits which can be mined and processed over multiple decades using an innovative and cost-effective development approach. The prospects are located near to existing port infrastructure at the city of Tanga.

### BAGAMOYO REGIONAL PROJECT - SOIL SAMPLING COMPLETE

During the quarter, Strandline performed a large surface soil sampling programme across the various Bagamoyo tenements north of Dar es Salaam and is currently performing assay and mineral assemblage analysis on the higher grade samples. The results will be used to identify the most prospective mineralised zones and project targets, to allow planning a maiden discovery drilling campaign for execution later in the year.

### SOUTHERN TANZANIA EXPLORATION ACCELERATED IN JV WITH RIO TINTO; EXPLORATION IS UNDERWAY

As announced on 26 April and 26 June 2017, Strandline entered into an Earn-in and Joint Venture (JV) Agreement with Rio Tinto in connection with the Company’s suite of HMS tenements located in the southern region of Tanzania, plus a surrounding “area of interest” (refer Figure 6).

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

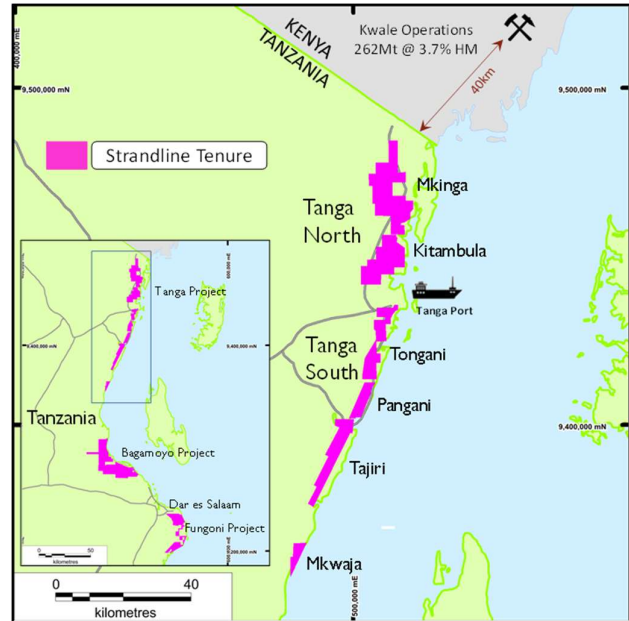


Figure 4 Strandline’s significant HMS tenure position in the Tanga region, located along the northern coastline of Tanzania

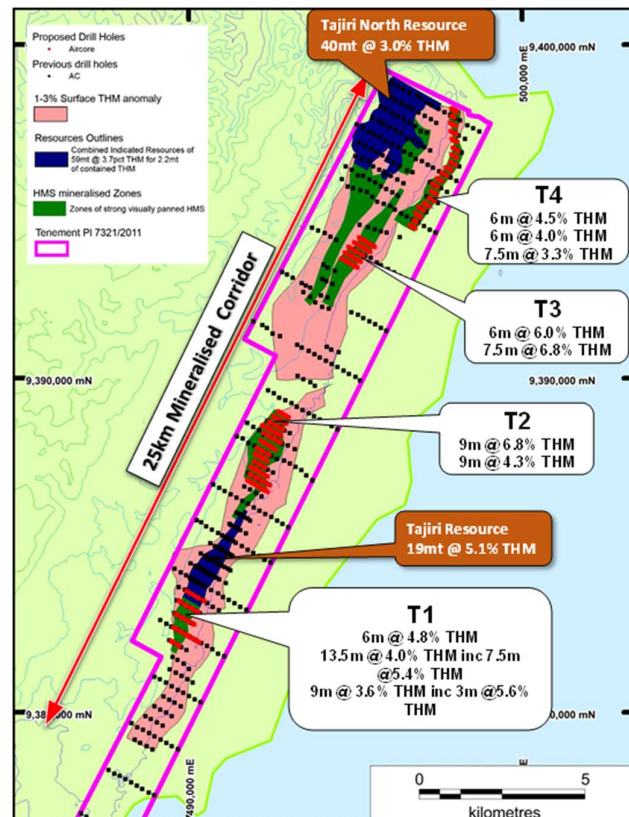


Figure 5 Resource aircore drilling is underway at Tanga South (Tajiri) project areas)

US\$5 million of exploration within 3.5 years to earn a 51% interest in the joint venture. Stage 2 involves a further US\$4 million expenditure within 2 years to earn an aggregated 75% interest.

Due diligence was successfully completed by Rio Tinto during the quarter enabling to the JV to formally start and triggering the first cash payment to Strandline of US\$500,000. This is in addition to the minimum commitment milestone of US\$2 million on exploration within the first 18 months.

Exploration activities under the JV are now underway in preparation for a significant reconnaissance air core drilling programme of priority target areas at Sudi, Kiswera, Miteja and Madimba tenements.

Rio Tinto group is one of the world's largest HMS producers with major HMS operations in nearby South Africa and Madagascar.

The JV allows Strandline to accelerate exploration activities on the Project Area, with Rio Tinto contributing expertise and funding, whilst enabling the Company to concurrently progress its exciting northern projects (Fungoni, Tanga and Bagamoyo) and to pursue additional strategic exploration and development initiatives.

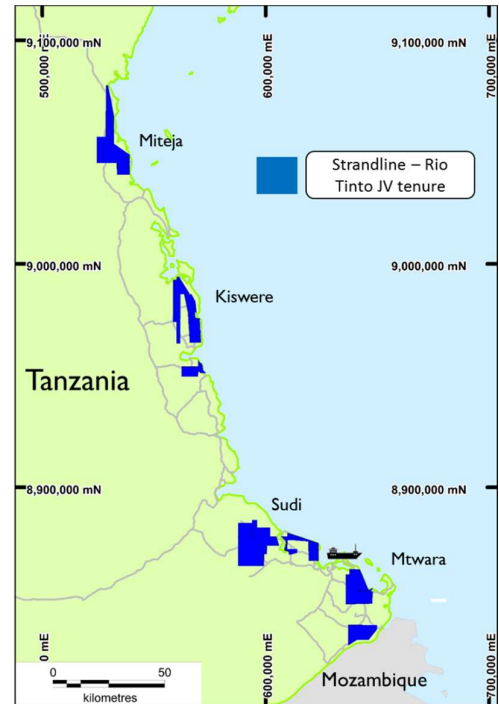


Figure 6 Strandline-Rio Tinto JV Project Area in the southern region of Tanzania

### COBURN ZIRCON PROJECT

During the quarter, Strandline continued to maintain the currency of its fully permitted 100% owned large scale zircon-rich HMS project in Western Australia through low cost strategies. The Coburn Zircon Project has a high value assemblage composition of 23% Zircon, 48% Ilmenite, 7% Rutile and 5% Leucoxene.

The HMS market trend shows signs of improvement with the TiO<sub>2</sub> pigment industry and zircon demand in recovery phase, which is encouraging for the sector in general. The Coburn Zircon Project is leveraged to an improving HMS commodity market and the Company continued to evaluate and solicit external interest in the Project with a view to realising value for this advanced asset over the longer term.

### FOWLERS BAY NICKEL-GOLD PROJECT

Exploration activities, being funded by joint venture partner Western Areas Limited (ASX: WSA) (**Western Areas**), continued over Strandline's 700km<sup>2</sup> Fowlers Bay Project, which is a key part of Western Areas' aggressive exploration push in the Western Gawler region of South Australia.

During the quarter, Western Areas obtained access to conduct the next phase of exploration activities on the project area. Stratigraphic drilling commenced within the Yalata Aboriginal Reserve and results are expected in the September quarter.

The Western Gawler region is known to host mafic-ultramafic intrusive rocks and determining the extent, exact age and prospectivity of these is the initial objective of the exploration activities. The results from the early phase of exploration are very encouraging, with the identification of olivine gabbro-norite intrusive rocks and geochemical anomalism in a number of areas. The results confirm the initial observations regarding the prospectivity of the Western Gawler region for intrusive related nickel, copper and gold mineralisation. These types of mafic intrusives are well known for hosting significant nickel and copper orebodies in western and central Australia, including Nova-Bollinger and Nebo-Babel.

## CORPORATE

### STRANDLINE WELL FUNDED AFTER COMPLETING A\$5.2M CAPITAL RAISING AT PREMIUM TO MARKET

As at 30 June, the Company has zero debt and held cash reserves of \$3.61 million, with proceeds from Tranche Two placement (a further \$1.68 million) announced on 06 July (subsequent to the quarter) to provide total cash on hand of \$5.29 million and 3,222,613,341 shares on issue.

The two stage placement was performed at 0.8c per share, a significant premium to the market at the time and comprised the issue of 441.25 million shares to strategic investors in Tranche One for \$3.53 million (refer ASX release dated May 17, 2017), and 209.9 million shares in Tranche Two to cornerstone investor Tembo Capital (“**Tembo**”) for \$1.68 million (refer ASX release dated July 6, 2017).

As a result, Tembo maintained its 32.2 per cent stake in Strandline and C&H International Investment Limited (“**C&H**”) become a significant shareholder with an 11.6% position. C&H is a special purpose investment entity established and controlled by Transcend International Resources Limited, a party with mining and processing experience in the heavy mineral sands sector, for the purposes of participating in the Company’s strategic placement (refer ASX release dated 19 May 2017).

Completion of the capital raising means Strandline is fully-funded through to the completion of the Definitive Feasibility Study (DFS) on its zircon-rich Fungoni HMS project in Tanzania. Also, part of the capital raising proceeds will be used to progress exploration and Mineral Resource building at Strandline’s mineral sands projects in northern Tanzania.

### STRANDLINE BUILDS STRATEGIC MOMENTUM

Strandline continues to build momentum on its multi-tiered and staged growth strategy with strong progress through the quarter on its more advanced Tanzania projects Fungoni and Tanga, and achieving important early milestones on its generative projects Bagamoyo and the tenement portfolio in the south of Tanzania.

Strandline’s vision is to develop and operate high quality, low cost, expandable HMS mining assets and there is growing evidence that Fungoni has production potential at a time of rising prices for mineral sands products, further strengthening the project’s free cashflow.

The passing of three bills of legislation containing changes to the legal framework governing the natural resources sector in Tanzania (refer ASX announcement 6 July 2017) emphasises the importance for Strandline to ramp-up stakeholder engagement and work closely with the Tanzanian authorities to fully understand the application of the new regulations relating to its project development activities.

During the quarter Strandline provided consent to the farm-in and joint venture agreement between Torrens Mining Ltd (“**Torrens**”) and Gindalbie Metals Limited for the Mount Gunson Copper-Cobalt Project (“**Project**”), located 135km north of Port Augusta in South Australia (refer ASX release by Gindalbie dated 17 March 2017). Strandline is a substantial shareholder in Torrens and is eligible to receive a deferred cash payment of \$1,000,000 once a formal decision to mine in connection with the Project is made.

### KEY ACTIVITIES PLANNED FOR SEPTEMBER QUARTER, 2017

During the September quarter, Strandline intends to continue to exploit its dominant land position in Tanzania and progress the following key exploration and development activities:

- Complete definitive feasibility study work on the Fungoni HMS Project and progress the regulatory approvals, product marketing-offtake reviews, execution planning and funding evaluations;
- Perform infill resource drilling at the high grade Tanga South prospects (Tajiri project area) and maiden drill campaign for the Tanga North and Bagamoyo targets;
- Perform aircore drilling of recently identified higher grade HMS targets in the broader Fungoni tenement area with the aim to complement the existing Fungoni project resource inventory;
- Ramp-up exploration and development activities across the Company’s southern Tanzania tenements in joint venture with Rio Tinto JV, including air core drilling of priority targets; and



- Perform internal technical and commercial review of the Coburn Zircon Project and solicit interest in strategic development options. .

The results of these programmes, along with work undertaken by Western Areas on the Fowlers Bay Project, will be released to the market as they become available.

For further enquiries, please contact:

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## ABOUT STRANDLINE

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 in recent years, 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.

## MINERAL RESOURCE DATA

Table 2 Tanga South Project Mineral Resource Estimate (April 2016)

MINERAL RESOURCE SUMMARY FOR TANGA SOUTH PROJECT										
Summary of Mineral Resources <sup>(1)</sup>					THM assemblage <sup>(2)</sup>					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Override
		(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
	<b>Total<sup>(3)</sup></b>	<b>59</b>	<b>2.2</b>	<b>3.7</b>	<b>68</b>	<b>10</b>	<b>5</b>	<b>4</b>	<b>46</b>	<b>3</b>
(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										

Refer to the ASX announcement dated 4 April 2016 for full details of the Mineral Resource estimate for the Tanga South Project.

Table 3 Coburn Zircon Project Ore Reserve Estimate (January 2010)

ORE RESERVES SUMMARY FOR COBURN ZIRCON PROJECT								
Summary of Ore Resources <sup>(1)</sup>					HM assemblage <sup>(2)</sup>			
Deposit	Reserve Category	Tonnage	Contained HM	HM Grade	Zircon	Ilmenite	Rutile	Leucoxene
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)
Amy Pit A	Proven	53	0.7	1.3	24	46	5	6
Amy Pits B-E	Probable	255	3.1	1.2	23	48	7	4
	<b>Total<sup>(3)</sup></b>	<b>308</b>	<b>3.8</b>	<b>1.2</b>	<b>23</b>	<b>48</b>	<b>7</b>	<b>5</b>
(1) Cut-off grade applied is 0.8% HM								
(2) Mineral assemblage is reported as a percentage of total HM content. Slimes average 2.7% of the ore and oversize 3.3%.								
(3) Appropriate rounding applied								

**Table 4** Coburn Zircon Project Mineral Resource Estimate (January 2010)

<b>MINERAL RESOURCE SUMMARY FOR COBURN ZIRCON PROJECT<sup>(1)</sup></b>				
<b>Deposit</b>	<b>Mineral Resource Category</b>	<b>Tonnage<sup>(2)</sup></b>	<b>Contained HM</b>	<b>HM Grade</b>
		(Mt)	(Mt)	(%)
Amy South	Measured	119	1.5	1.3
Amy Central	Indicated	599	7.2	1.2
Amy North	Inferred	261	3.6	1.4
	<b>Total<sup>(3)</sup></b>	<b>979</b>	<b>12.3</b>	<b>1.26</b>
(1) Cut-off grade applied is 0.8% HM				
(2) Inclusive of Ore Reserves				
(3) Appropriate rounding applied				

Refer to the ASX announcement dated 7 January 2010 for full details of the Ore Reserve and Mineral Resource estimates for the Coburn Zircon Project. These estimates have 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.

## Competent Person's Statements

The information in this report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Dr Mark Alvin, Exploration Manager and a full time employee of Strandline and Mr Brendan Cummins, Chief Geologist and 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 on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, an employee of IHC-Robbins and Consultant to Strandline 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 mineral 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.

The information in this report that relates to Mineral Resources for Tanga South 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 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.

## 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.