



Update Summary

Entity name

STRANDBLINE RESOURCES LIMITED

Announcement Type

Update to previous announcement

Date of this announcement

Wednesday February 26, 2020

Reason for update to a previous announcement

Confirmation that fractional entitlements will be rounded down to the nearest whole number of new shares in accordance with Clause 1.4 of the Prospectus

Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

1.1 Name of +Entity

STRANDLINE RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

ABN

Registration Number

32090603642

1.3 ASX issuer code

STA

1.4 The announcement is

Update/amendment to previous announcement

1.4a Reason for update to a previous announcement

Confirmation that fractional entitlements will be rounded down to the nearest whole number of new shares in accordance with Clause 1.4 of the Prospectus

1.4b Date of previous announcement(s) to this update

Wednesday February 26, 2020

1.5 Date of this announcement

Wednesday February 26, 2020

1.6 The Proposed issue is:

A standard +pro rata issue (non-renounceable or renounceable)

1.6a The proposed standard +pro rata issue is:

+ Non-renounceable



Part 3 - Details of proposed entitlement offer issue

Part 3A - Conditions

3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

No

Part 3B - Offer details

Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued

ASX +Security Code and Description

STA : ORDINARY FULLY PAID

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

No

If the entity has quoted company options, do the terms entitle option holders to participate on exercise?

No

Details of +securities proposed to be issued

ASX +Security Code and Description

STA : ORDINARY FULLY PAID

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)

The quantity of additional +securities to be issued

1

For a given quantity of +securities held

10

**What will be done with fractional entitlements?**

Fractions rounded up to the next whole number

Maximum Number of +securities proposed to be issued

37,282,082

Reason for the update of 'Maximum Number of +securities proposed to be issued'**Purpose of the issue**

Funds will be used to advance project financing on the Coburn Mineral Sands Project and pre-execution activities, including procurement of major construction and operations contracts, offtakes, debt financing and strategic partner arrangements, finalise the Fungoni Project Finance Facility documentation, advance the Tajiri Project feasibility evaluation plus general working capital.

Offer price details for retail security holders**Issue Currency**

AUD - Australian Dollar

Offer Price per +security

AUD 0.12000

Estimated or Actual? Actual**Oversubscription & Scale back details****Are +security holders allowed to oversubscribe?** No**May a scale back be applied to this event?** No**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?** Yes

Part 3C - Timetable

3C.1 +Record date

Tuesday March 3, 2020

3C.2 Ex date

Monday March 2, 2020

3C.4 Record date

Tuesday March 3, 2020

3C.5 Date on which offer documents will be sent to +security holders entitled to participate in the +pro rata issue

Friday March 6, 2020



3C.6 Offer closing date

Wednesday March 18, 2020

3C.7 Last day to extend the offer closing date

Friday March 13, 2020

3C.9 Trading in new +securities commences on a deferred settlement basis

Thursday March 19, 2020

3C.10 Last day for entity to announce the results of the offer to ASX, including the number and percentage of +securities taken up by existing +security holders and any shortfall taken up by underwriters or other investors

Monday March 23, 2020

3C.11 Issue date

Wednesday March 25, 2020

3C.12 Date trading starts on a normal T+2 basis

Thursday March 26, 2020

3C.13 First settlement date of trades conducted on a +deferred settlement basis and on a normal T+2 basis

Monday March 30, 2020

Part 3E - Fees and expenses

3E.1 Will there be a lead manager or broker to the proposed offer?

Yes

3E.1a Who is the lead manager/broker?

Morgans Corporate Limited

3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

A management fee equal to 1% of the total proceeds of the Rights Issue and Shortfall Offer;

3E.2 Is the proposed offer to be underwritten?

Yes

3E.2a Who are the underwriter(s)?

The Rights Issue is fully underwritten by Morgans Corporate Limited and fully sub-underwritten by Ndovu Capital VII B.V (part of the Tembo Capital mining fund).

3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?

Fully underwritten



3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?

An underwriting fee equal to 3% of the amount determined by multiplying the Rights Issue offer price (being \$0.12) by the total number of New Shares under the Rights issue, less the number of New Shares comprised of Ndovu's Entitlement as an Eligible Shareholder; and a selling fee equal to 4% of the Shortfall Shares placed by the Underwriter to any third party investor other than Ndovu.

3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated

Refer to Section 1.16 of the Prospectus

3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?

Yes

3E.2e (i) What is the name of that party?

Ndovu Capital VII B.V

3E.2e (ii) What is the extent of their underwriting or sub-underwriting (ie the amount or proportion of the offer they have underwritten or sub-underwritten)?

Fully sub-underwritten

3E.2e (iii) What fee, commission or other consideration is payable to them for acting as underwriter or sub-underwriter?

An underwriting fee equal to 3% of the amount determined by multiplying the Rights Issue offer price (being \$0.12) by the total number of New Shares under the Rights issue, less the number of New Shares comprised of Ndovu's Entitlement as an Eligible Shareholder; and a selling fee equal to 4% of the Shortfall Shares placed by the Underwriter to any third party investor other than Ndovu

3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?

No

3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer

Part 3F - Further Information

3F.1 The purposes for which the entity intends to use the cash raised by the proposed issue

Progress the exploration and development of the Coburn Mineral Sands Project and its other mineral sands projects

3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?

No

3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?

No

3F.4 Countries in which the entity has security holders who will not be eligible to participate in the proposed issue

Vanuatu, China, USA, Malaysia, Saudi Arabia, Thailand, Tanzania



3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities

No

3F.6 URL on the entity's website where investors can download information about the proposed issue

www.strandline.com.au

3F.7 Any other information the entity wishes to provide about the proposed issue