

# ASX ANNOUNCEMENT

17 May 2017



**STRANDLINE**  
resources limited

## SHARE PLACEMENT TO STRATEGIC INVESTORS TO RAISE \$5.2 MILLION

Mineral Sands developer, Strandline Resources Limited (“Strandline” or the “Company”) (ASX: STA) is pleased to announce that it has successfully completed a strategic placement to institutional and sophisticated investors to raise \$5.2 million (“Placement”).

Proceeds from the Placement will be used for:

- Completion of the feasibility study, mining approvals process and early stage development costs for the Fungoni Heavy Mineral Sands Project in Tanzania;
- Ongoing exploration and development costs relating to the Company’s other permits and projects including but not limited to, in-fill resource drilling of existing deposits and regional exploration drilling of potential new deposits; and
- General working capital, administration and corporate related expenses.

The issue price for the Placement of \$0.008 per share represents a 23.08% premium to the last closing price of \$0.0065 and a 1.29% discount to the 90 day VWAP of \$0.0081.

The Placement will be completed in two tranches as follows:

- (a) 385.7 million shares will be issued under ASX Listing Rule 7.1 and 55.6 million shares will be issued under Listing Rule 7.1A using the Company’s existing 25% placement capacity. The shares will be issued on or about 24 May 2017; and
- (b) 209.9 million shares will be issued to Tembo Capital on or about 5 July 2017 following shareholder approval. The issue of the shares will see Tembo Capital maintain their 32.24% interest in Strandline. A notice of general meeting will be sent to shareholders shortly.

Strandline’s Managing Director Luke Graham commented “We are very pleased to have secured funding to progress the ongoing development of the Company’s projects. The share placement puts the Company in a strong financial position to continue the feasibility study for the Fungoni Project, which is due for completion in Q3 2017. We welcome C&H International Investment Limited (“C&H”) to our share register, a mining and minerals investor and we also thank Tembo Capital, a private equity fund that specialises in mining focussed investment into developing countries for their ongoing support. C&H will emerge with an approximate 11.64% interest in Strandline at the completion of the Placement.”

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