



## Progressing Exploration Activities Across Priority Targets

Mineral sands developer, Strandline Resources (**Strandline** or **the Company**) is pleased to provide a brief update on its current exploration and feasibility program. The Company has continued to deliver on its aggressive exploration and resource building activities through the September quarter.

The current exploration program involves drilling across four priority targets along the central and northern Tanzanian coastline aimed at extending known Resources as well as identifying new titanium and zircon discoveries.

### Highlights:

- **Fungoni** – Resource infill drilling is complete with extensions identified both north and south. Awaiting assay results prior to Resource update. Sub-parallel geophysical anomalies have also been identified.
- **Tanga South, Tajiri Mineralised Corridor** – Initial phase of aircore drilling is complete, leading to discovery of new mineralisation and multiple promising extensions of the existing Mineral Resource.
- **Tanga South, Tongoni and Pangani** – Priority targets have been delineated and preparation is well advanced for the maiden drilling program commencing mid-October.

Strandline's Managing Director and CEO, Luke Graham commented, "The Company is pleased with the progress of the exploration campaign, with positive signs of success in terms of new discoveries and extensions of high-value mineralisation at our priority target areas.

The recent airborne data and drill results has validated the Company's strategy of acquiring strategic tenure in Tanzania. The current program will continue through the December quarter and we look forward to progressive news flow as the team further defines the Tanga South Resources and enhances the zircon-rich Fungoni project in readiness for definitive level engineering work."

### 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.

Following the recent placement and Rights Offer by Tembo Capital the Company is financially robust and as at 31 August had A\$4.8 million in the bank. This position underwrites an aggressive exploration and development strategy to progress quality "low cost" projects based on high value titanium and zircon products.

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## Summary Exploration Update

### Fungoni Project - Resource Extension and Feasibility

The Company continues to advance development on its low cost zircon-rich Fungoni Mineral Sands Project located near the port infrastructure of Dar es Salaam.

The aircore infill and extension drilling campaign of the existing Fungoni Indicated Resource is complete. Samples are currently being processed in Perth, Western Australia with assay results expected in November. The Company will update the Mineral Resource estimate prior to selecting representative domains for bulk metallurgical testwork essential to optimise the mining method, processing flow sheet and product suite suitable for marketing purposes.

Further, the Fungoni mineralisation remains open in the north-west where a continuous linear radiometric anomaly extends for approximately 2km and two additional nearby sub-parallel anomalies have also been identified requiring further evaluation by the Company.

### Tanga South Project - Tajiri Mineralised Corridor

The Company is advancing efforts to further define and extend the Tajiri Mineralised Corridor with the view to improve on the existing Indicated Resource of 59Mt @ 3.7% Total Heavy Minerals (THM) for 2.2Mt contained THM.

A systematic aircore (AC) extension drill program has recently been completed along 25km of the Tajiri Mineralised Corridor within the Tanga South project. A total of 302 holes for 3000m of AC were completed utilising a 1600m x 200m drill pattern reducing to 400m x 200m over specific targets.

The drilling has identified new zones of mineralisation along strike between Tajiri North and Tajiri ranging from approximately 1000m to 1600m in length and 400m to 600m in width.

Additional extensions to both Tajiri and Tajiri North Mineral Resources have also been identified with this recent round of drilling. Visual estimates of the panned samples from Tajiri have shown heavy mineral concentrations extending over 800m to the south of the current Mineral Resource. Further infill drilling is scheduled to firm up the extent and grade of this new zone of mineralisation. Assay results from this phase of exploration drilling are expected to be received during November.

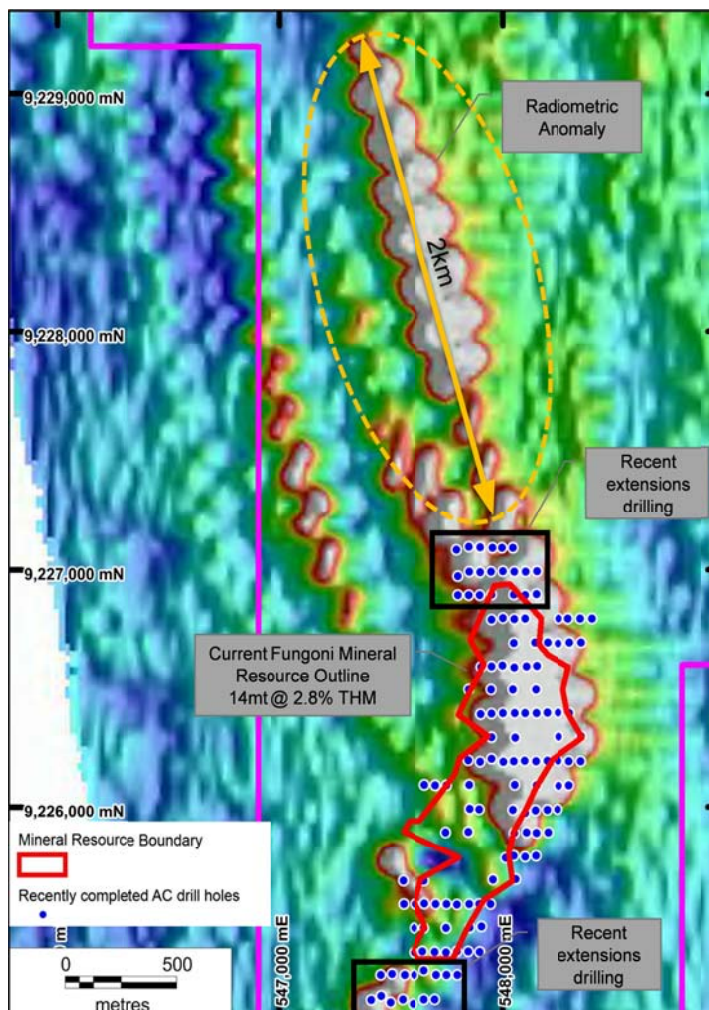


Figure 1.1 Fungoni Project Recent Extensions Drilling and Radiometric Anomaly

## Tanga South Project - Tongoni and Pangani Discovery Drilling

Priority targets at Tongoni and Pangani were identified through historic surface geochemistry and detailed aeromagnetic/radiometric data resulting in the maiden aircore drill program commencing mid-October.

Clearing and land access activities have already commenced on the 30km long mineralised corridor between Pangani and the town of Tanga to the north. A systematic grid-based drill program (1600m x 200m) has been designed to provide coverage over the majority of the tenure with closer spaced drilling (400m x 200m) targeting priority zones.

### Airborne Magnetic and Radiometric Survey

An extensive airborne magnetic and radiometric survey comprising 17,520 line-km over ten blocks distributed between Tanzania's northern border with Kenya and southern border with Mozambique has now been completed. Preliminary processing of the data has highlighted a number of significant radiometric and magnetic anomalies across most of the Company's tenure in Tanzania.

Integration of this high quality geophysical data with the Company's extensive surface geochemical database is proving to be a powerful tool in identifying new zones of potential heavy mineral mineralisation including the following:

- Extensions from known Mineral Resources;
- Extensive linear anomalies coincident with anomalous regional geochemical surface sample data or mapped surface indications of heavy mineral accumulations; and
- Anomalism over areas defined as conceptual targets.

The airborne data has validated the Company's strategy of acquiring strategic tenure based on country knowledge and understanding of the mineralisation in Tanzania. A program of ground truthing these anomalies will commence following further processing, evaluation and prioritisation.

The survey was flown by Geotech Pty Ltd using a survey height of 30m above sea level on a line spacing between 100m and 200m depending on ranked prospectivity of the block. Complementary digital elevation data was also obtained during the survey for each block.



Figure 1.2 Strandline Resources' Central and Northern Tanzania Projects and Prospects

## Mineral Resource Estimate Data

**Table 1** Fungoni Mineral Resource Estimate<sup>1</sup> at various HM cut-off (April 2014)

MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT										
Summary of Mineral Resources <sup>(1)</sup>					THM assemblage <sup>(2)</sup>					
Deposit	Cut-off	Mineral Resource Category	Tonnage	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
			(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Fungoni	1.0% HM	Indicated	11	3.1	44	4	22	-	27.5	8.7
Fungoni	1.0% HM	Inferred	3	1.7	44	6	23	-	24.2	8.9
Fungoni	1.5% HM	Indicated	7	4.1	44	5	22	-	25.2	8.6
Fungoni	1.5% HM	Inferred	2	1.9	44	5	22	-	24.1	9.2
Fungoni	2.8% HM	Indicated	2.4	8.3	44	5	22	-	20.8	7.1

(1) Mineral Resources reported at various cut-off grades

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

<sup>1</sup> This JORC 2012 compliant Mineral Resource Estimate was prepared by Rod Webster, Tracie Burrows and Kathy Zunica of AMC Consultants Pty Ltd on 29 April 2014 and was published by Jacana in its replacement prospectus dated 6 November 2014. The 2.8% cut-off figures were taken from the graphs in the AMC report and from TZMI analysis of the AMC block model.

**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	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
	<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

### 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 and Mr Brendan Cummins, employees 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 Non-Executive 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 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.