



6 November 2018

Strandline underpins mineral sands development strategy with \$3.0m raising

Proceeds will be used to finalise funding for the Fungoni project in Tanzania and complete the DFS on the Coburn project in WA

Strandline Resources (**ASX: STA**) is pleased to announce that it has received firm commitments for \$3.0 million (before costs) via a share placement to institutional and sophisticated investors, underpinning the Company's strategy to progress its two most advanced mineral sands projects towards development and production.

The raising was priced at 11 cents per share, representing a 5 per cent premium to the closing price of 10.5 cents a share on 01 November 2018.

Approximately 27.3 million new shares will be issued under the placement, resulting in an expanded share capital of approximately 320.7 million ordinary shares. The shares will be issued on or about 13 November 2018. Strandline's major shareholder Tembo Capital, participated in the raising subscribing for 13.7 million shares. The issue will be made pursuant to the Company's capacity available under Listing Rule 7.1 only with no shares being issued under Listing Rule 7.1A .

Proceeds from the Placement will be used to advance the Coburn mineral sands project Definitive Feasibility Study (DFS), while also engaging with strategic implementation partners relating to product offtake, major contract packages and funding options. This is in addition to ongoing exploration and development costs relating to the Company's other Projects in Tanzania, including but not limited to, progress Fungoni project financing process, resource drilling of existing deposits (Tajiri) and regional exploration drilling of potential new deposits.

Strandline Managing Director Luke Graham said the Company was well-placed to capitalise on the growing mineral sands market with a pipeline of projects at different stages of development and with varying scale.

"At Fungoni, key development approvals are already in place and project financing is underway," Mr Graham said. "The updated DFS released last week (see ASX release dated 01 November 2018) showed Fungoni will generate strong financial returns on the back of low capital and operating costs."

"At the same time, we are on track to release the revised-DFS on Coburn in the coming quarter and we are already assessing partnering and funding options for the project."

Strandline is also continuing to establish a world-scale inventory at the Tanga South (Tajiri) Project in Northern Tanzania, where the JORC Resource stands at 147Mt at 3.1 per cent Total Heavy Mineral (see ASX release 23 October 2018), and exploration is ongoing as part of its joint venture with Rio Tinto in Southern Tanzania.

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ABOUT STRANDLINE – CAPITALISING ON THE GROWING MINERAL SANDS MARKET

Strandline Resources Limited (**ASX: STA**) is an emerging heavy mineral sands (**HMS**) developer with a growing portfolio of 100%-owned development assets located in Western Australia and within the world’s major zircon and titanium producing corridor in South East Africa. Strandline’s strategy is to develop and operate quality, high margin, expandable mining assets with market differentiation and global relevance.

Strandline’s project portfolio comprises development optionality, geographic diversity and scalability. This includes two zircon-rich, ‘development ready’ projects, the Fungoni Project in Tanzania and the large Coburn Project in Western Australia, as well as a series of titanium dominated exploration targets spread along 350km of highly prospective Tanzanian coastline, including the advanced Tanga South Project and highly prospective Bagamoyo and Sudi projects.

The Company’s focus is to continue its aggressive exploration and development strategy and execute its multi-tiered and staged growth strategy to maximise shareholder value.

Strandline confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning Resource Estimates, Production Targets and Feasibility Studies, continues to apply and have not materially changed.

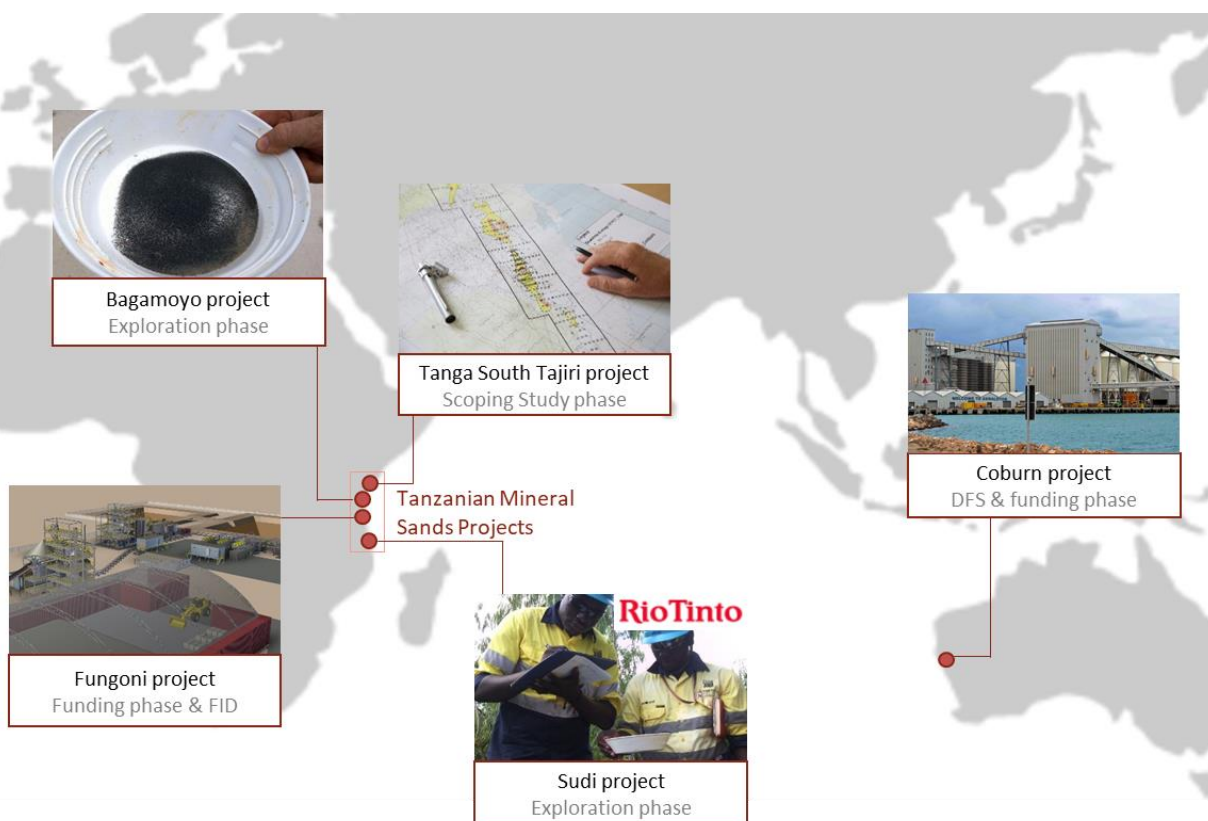


Figure 1 Strandline’s world-wide mineral sands exploration & development projects