ASX ANNOUNCEMENT

Quarterly Report

For the period ending 31 March 2021

30 April 2021

STRANDLINE
resources limited

Strandline fully-funded for development of Coburn mineral sands project in WA

Strandline perfectly placed to capitalise on growing demand and falling supply of critical minerals

Coburn Mineral Sands Project, Western Australia

- **Strandline completes US$60m senior secured Bond issue, which stands alongside the approved loan facility of up to A$150m from the Northern Australia Infrastructure Facility (NAIF)**
- **The Bond coincided with the successful completion of a A$122m fully underwritten equity raising**
- **Proceeds from the Bond, NAIF loan facility and the equity raising completes the full funding requirement of A$338m to develop Coburn into production and cashflow**
- **Binding rutile offtake agreement executed with Venator Materials, a leading global chemical company dedicated to the development and manufacture of titanium dioxide (TiO_2) pigments**
- **Venator deal means 95% of Coburn's forecast production is now covered by offtake contracts for first five years with some of the world's largest consumers across America, Europe and Asia**
- **In preparation for execution, major contracts awarded covering a significant portion of the construction scope, with procurement advancing for the remaining works**

Fungoni and Tajiri Mineral Sands Projects, Tanzania

- **Strandline continued to progress its portfolio of high-quality mineral sands assets in Tanzania, including the high-margin Fungoni project and the emerging Tajiri project**
- **Continued discussions with the Government of Tanzania (GNT) to implement a framework agreement for the GNT's equity interest in Strandline's proposed mining operations**
- **Following the recent release of the Tajiri mineral sands project Engineering Scoping Study, work commenced on advancing to the next phase of project economic evaluation and permitting**

Mineral Sands Market

- **The mineral sands market continued to strengthen through the Quarter with increasing global demand and reducing supply, providing a strong foundation to support capital investment**

Corporate

- **Cash on hand of A$13.0m and no debt commitments as at 31 March 2021. Proceeds from capital raising launched in March 2021 of A$122m were received in April 2021.**

Strandline Resources Limited (**Strandline** or the **Company**) is pleased to provide its Quarterly Activities Report for the period ending 31 March 2021. Strandline's world-class project pipeline has strategic relevance in a growing mineral sands sector including the construction-ready Coburn Project in Western Australia and exciting Tanzanian growth projects at Fungoni and Tajiri.

Coburn Mineral Sands Project – Western Australia

During the Quarter, Strandline made significant progress towards development of the Coburn Project with the following key achievements:

a) Major Offtake Agreements Secured

In March, Strandline signed its final binding offtake contract for Coburn, meaning 95% of production volume is covered by contracts, estimated at ~US$600m (A$850m at AUD: USD 0.70) over the first five years.

The agreement is with Venator Materials (**Venator**) for 100% of the rutile to be produced at Coburn and is expected to generate approximately 17-20 per cent of Coburn's forecast revenue (see ASX announcement 03 March 2021).

Venator is a leading global chemical company dedicated to the development and manufacture of titanium dioxide (**TiO_2**) pigments.

Coburn's rutile specification has been confirmed as suitable for production of TiO_2 pigment (the largest market for high grade titanium feedstocks), commonly used in the formulation of paints, coatings, inks, ceramics, paper and plastic production and other industrial applications.

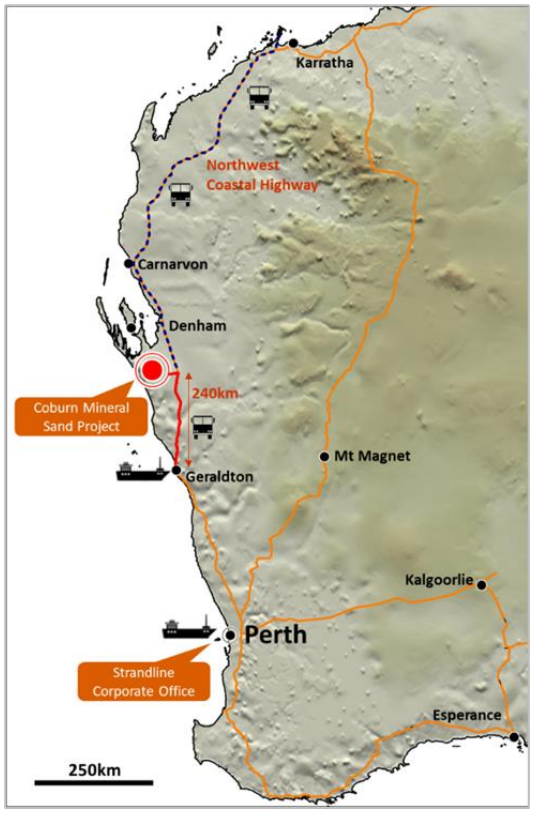

Figure 1 Coburn project location map in Western Australia

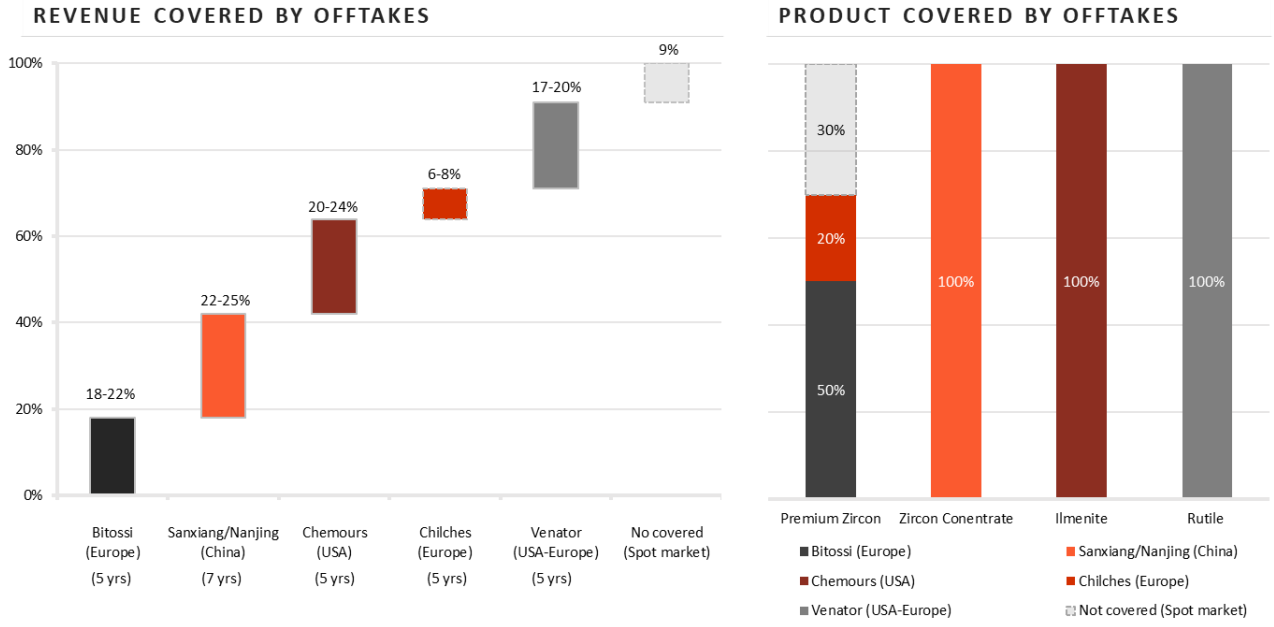

Figure 2 Five pivotal sales contracts signed, covering +90% of Coburn's forecast revenue for the first five years of production. Agreements cover 100% of ilmenite, 100% of rutile, 100% of zircon concentrate and the substantial portion of the premium finished zircon

b) Completion of Debt Funding for Coburn

During the Quarter, Strandline successfully completed a US$60m (~A$80m at AUD: USD 0.75) senior secured Bond Issue for the project. The combination of the Bond and the previously announced 15-year A$150m Northern Australia Infrastructure Facility (NAIF) loan facility means **Strandline has now secured all the required debt funding for Coburn development**.

The Bond is based on a 5-year tenor, will be senior secured and rank equally with the NAIF loan facility. Together, the NAIF and Bond financing will account for a significant portion of Coburn's total development capital cost.

The Bond was completed following an extensive due diligence process of technical, financial, market, legal, environmental and social fundamentals. Financial settlement of the Bond took place on 6 April 2021.

First drawdown of the Bond proceeds will coincide with the NAIF drawdown regime on a pro-rata basis and will be subject to customary conditions precedent. Key terms for the Bond and NAIF loan facilities are outlined in Schedule 1 and 2 respectively.

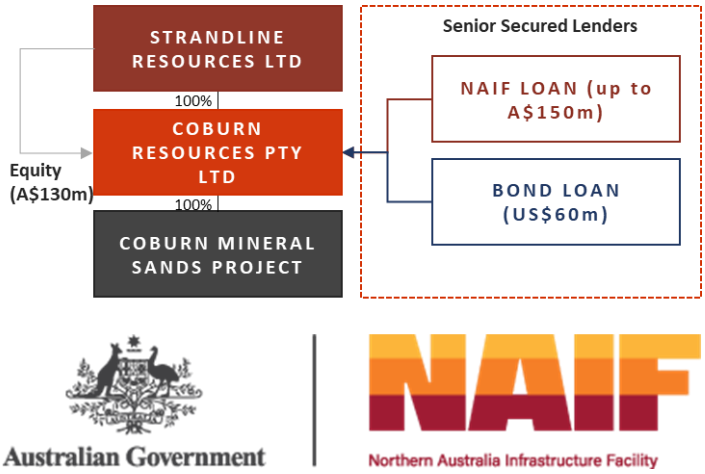

Figure 3 Coburn project financing structure

Schedule 1 – Key Terms of the Senior Secured Bond

Issuer:	Coburn Resources Pty Ltd, a wholly owned subsidiary of Strandline Resource Limited
Guarantor:	Strandline Resources Limited, to be released on the date of Project Completion
Issue Amount:	US$60 million
Issue Price:	100% of the Nominal Amount
Tenor:	5 years with Maturity Date to be 20 March 2026
Security:	Comprehensive senior security package over assets and rights of Coburn project, pari passu with the NAIF loan facility
Amortisation:	No amortisation until March 2024, then quarterly amortisation of USD 4.25 million from 20 March 2024 to 20 June 2025, then amortisation of USD 2.25 million at 20 September 2025 and 20 December 2025. 50% bullet at the Maturity Date
Call Options:	Strandline may buy back the debt on-market at any time or redeem the bonds early (subject to make whole payments and call premia depending on the time of the prepayment)
Conditions Precedent: to drawdown:	As are customary for a loan facility of this nature, aligning with the NAIF loan facility, including but not limited to, completion of security documentation, Strandline contributing project equity and satisfaction of cost to complete test for each draw down
Financial Covenants	As are customary for a loan facility of this nature, aligning with the NAIF loan facility, comprising a Debt Service Cover Ratio, Loan Life Cover Ratio, Reserve Tail Ratio and minimum unrestricted cash balance requirement
Listing:	To be listed on Oslo Børs, or other regulated markets within 12 months
Governing Law	Norwegian law for Bond terms and Australian law for security package

As reported in June 2020, the NAIF has made an investment decision to provide a 15-year loan facility up to A$150m towards the development of Coburn (refer ASX announcement 22 June 2020). Since then, NAIF and Strandline have made substantial progress towards completion of facility documentation and satisfaction of customary conditions precedent to drawdown.

Schedule 2 – Key Terms of NAIF's Senior Secured Loan Facility

Facility Amount:	Up to A$150 million, over two tranches: • First NAIF Loan Tranche: Up to A$130 million towards the construction of Coburn's core mine process and non-process infrastructure • Second NAIF Loan Tranche: Up to A$20 million for a potential future northern access road linking the project more directly to the Denham community in Shark Bay (subject to feasibility assessment, permitting and approvals)
Tenor:	Up to 15 years
Amortisation:	No principal repayments are scheduled until the earlier of March 2028 or 3 months after the Bond or any Bond refinancing is repaid. Thereafter, quarterly principal repayments continue for a period of 7 years and 9 months. Additional sweep of a portion of available excess cashflow will also apply under certain circumstances.
Security:	Comprehensive senior security package over assets and rights of Coburn project, pari passu with the Bond financing
Conditions Precedent: to Financial Close:	The NAIF loan facility is subject to facility documents being entered into between the parties and satisfaction of customary conditions precedent to drawdown. These include, but are not limited to: • Finalisation of the State's consideration of the Coburn project and its agreement for the approved funds to be advanced; and • Evidence of the balance of development funding being secured.

c) Fully Underwritten A$122m Equity Raising Completed

On 29 March 2021, Strandline announced an equity raising by way of a fully underwritten pro-rata accelerated non-renounceable entitlement offer and institutional placement, to raise approximately A$122m.

The equity raising was strongly supported by the Company's major shareholder Tembo Capital and a host of institutional investors, as well as existing retail investors.

The placement and institutional entitlement offer settled on 31 March 2021 and the retail entitlement offer settled on 22 April 2021.

The proceeds from the Bond, NAIF loan facility and the equity raising is structured to complete the full funding requirement to develop Coburn into production and cashflow.

Table 1 Proposed Coburn Project Sources of Funds for Development

Liquidity (Cash and Debt Availability)	A$ Million
Existing Strandline Cash Contribution	8
Gross Proceeds from Capital Raising	122
Proceeds from NAIF Loan Facility	130
Proceeds from Bond Facility (USD	78
Total Liquidity	**338**

d) Electricity Supply and LNG Supply Agreements Executed

During the Quarter, Strandline executed a 15-year Electricity Supply Agreement with Contract Power Australia (Contract Power), a wholly owned subsidiary of Pacific Energy Limited. Under the agreement, Contact Power will build, own, operate and maintain (BOOM) the power generation and LNG storage and regasification facilities for the Coburn project.

Coburn's purpose-designed power infrastructure is based on a low-cost, low-emission solution integrating LNG-fuelled generation with state-of-the-art solar and battery storage technology. The power station is designed to be suitable for a maximum demand capacity of 15 MW and average consumed power of ~10 MW.

Figure 4 Typical Gas fuelled Engine Shed Layout

Figure 5 Contract Power's Meekatharra Hybrid Facility

LNG will be supplied by Woodside Energy (LNG Fuels and Power) Pty Ltd and EDL LNG Fuel to Power Pty Ltd in joint venture (**WEJV**) via truck, under a 10-year LNG Supply Agreement (as announced on 27 April 2021). The LNG feeds a set of efficient engine generators on an N+1 basis and has ~30% solar (renewable) penetration for the major stable loads. **The agreements mean Coburn will pay less for power than forecast in the Definitive Feasibility Study (DFS) published in June 2020.**

Figure 6 Woodside's Pluto LNG Park and truck loading facility near Karratha in WA

e) Process Plant EPC Contract Executed

Subsequent to the end of the Quarter, Strandline appointed Primero, a subsidiary of NRW Holdings Group, to design and build Coburn's processing facilities. The contract covers the engineering, procurement, construction, commissioning, and performance testing of the Wet Concentration Plant (**WCP**), Mineral Separation Plant (**MSP**) and associated processing circuits.

Primero will work with specialist minerals sands engineer Mineral Technologies (a subsidiary of Downer Group) under a subcontract arrangement, integrating design and processing technology to deliver the turn-key solution.

The contract is based on a fixed price EPC commercial model and is in accordance with Strandline's contracting strategy and key assumptions contained in the DFS published in June 2020.

The Coburn WCP is designed to beneficiate heavy minerals (ilmenite, leucoxene, rutile, zircon and monazite) and reject the non-valuable, lighter minerals through multiple stages of high-capacity gravity separation and classification.

The rich Heavy Mineral Concentrate (**HM**C) produced from the WCP will be transported to the MSP and stockpiled ready for further processing. The WCP infrastructure is relocatable and is planned to be moved several times during the mine life as the mine advances along the orebody.

The MSP design comprises conventional electrostatic separation, gravity and magnetic fractionation to recover a range of premium-quality final products, including chloride ilmenite, rutile, premium zircon and zircon concentrate.

The parties are now completing preparations for commencement of works under contract, targeting to achieve first ore through the WCP ~18 months from commencement.

f) Other Execution Readiness Activities

In preparation for execution and a Final Investment Decision, the Company continued to advance a range of project early works activities including, but not limited to, in-fill production control drilling (for the first 2-year detailed mine production plan), surveying, detailed mine planning, long lead procurement, additional confirmatory metallurgical testwork (to finalise equipment and vendor selections), miscellaneous permits and approvals, and ongoing environmental monitoring and heritage surveys (in accordance with current environmental approvals).

g) Coburn DFS Financial Metrics

The Coburn updated Definitive Feasibility Study (**DFS**), released mid-2020, confirmed robust economics over an initial 22.5 year life, with a pre-tax NPV of A$705m (AUD: USD 0.70, 8% discount rate), pre-tax IRR of 37% and high-margin revenue-to-operating cost (C1) ratio of 2.4. **The projected revenue for the initial 22.5 years of ore reserves is A$4.4b, with an average annual EBITDA of A$104m (refer ASX Announcement 4 June 2020).**

Coburn's fully-funded capital expenditure is A$338m and comprises the DFS estimated capital expenditure plus financing and corporate costs. Financing costs include interest during construction, financing establishment and commitment fees, a cost overrun facility, project working capital and additional project contingency.

Strong potential exists to further increase Coburn's ore reserves and returns, through further economic evaluation of resources extending north and along strike of the DFS Ore Reserves.

A Scoping Study "Extension Case" assessment of Amy South Indicated and Inferred material was undertaken concurrently with the DFS.

The Extension Case confirms the potential to add 15 years of Production Targets to the mine life (total 37.5 life of mine) and generate an additional A$3.58b of project revenue. **The Extension Case, when integrated with the DFS Final Products Case, shows a pre-tax NPV[8] of A$825m and total project EBITDA of A$4.54b.**

Table 2 Coburn updated DFS and Scoping Study Extension Case Financial Evaluation

Category	Updated DFS – Final Product Case (Jun-20)	Scoping Study Extension Case integrated with updated DFS (Jun-20)
Mine Life	22.5yrs	37.5yrs
Tonnes Mined	523Mt	876.8Mt
Throughput	23.4Mtpa	23.4Mtpa
Capital Expenditure (Pre-production)	A$260M	A$260M
Revenue	A$4.37B	A$7.94B
Total Opex (C1)	A$1.80B	A$3.00B
Total All-in Sustaining Costs (AISC)	A$2.08B	A$3.50B
Revenue-to-operating cost (C1) ratio (RC)	2.4	2.6
NPV (pre-tax, real, no debt, 8% discount Rate)	A$705M	A$825M
EBITDA	A$2.35B	A$4.54B
Avg. annual EBITDA	A$104M	A$121M

Coburn project is most sensitive to movements in foreign exchange (AUD:USD) and mineral sands prices, with ~55% of revenue forecast to be generated from zircon and ~45% from high-grade titanium feedstocks.

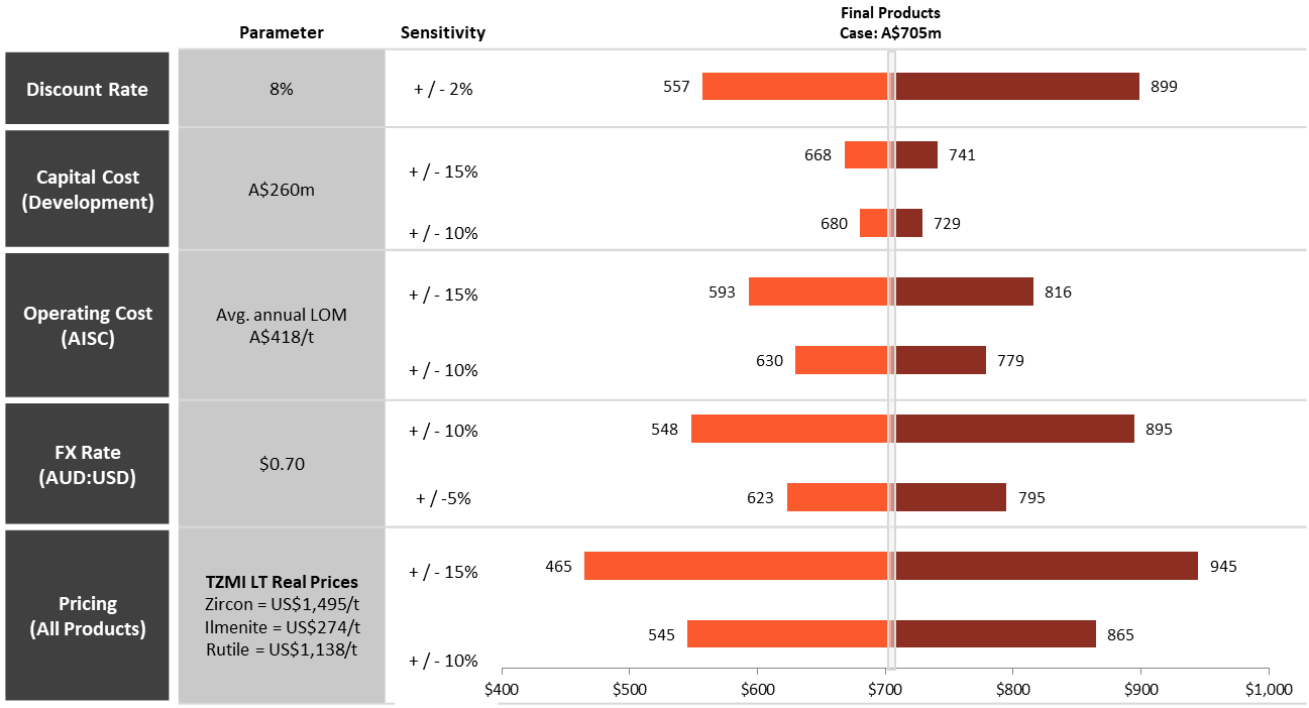

Figure 7 Coburn Project Updated - Project Sensitivity Analysis (based on Pre-tax NPV[8] of A$705m)

For more information on the Coburn mineral sands project, refer to the ASX Announcement dated 10 June 2020 for details of the material assumptions underpinning the production target and financial results for the Coburn Project DFS, Ore Reserve and Mine Life Extension Case Scoping Study. The Company confirms that all material assumptions and technical parameters underpinning Resource Estimates, Production Targets and Project Feasibility Studies, continue to apply and have not materially changed.

Fungoni Mineral Sands Project - Tanzania

Fungoni is Strandline's 100%-owned, high-margin "starter" project in Tanzania, situated 25km from the port of Dar es Salaam. Development of Fungoni is expected to pave the way for a succession of major mineral sands projects along the coastline of Tanzania, including the large-scale Tajiri project in northern Tanzania.

During the quarter, the Company continued discussions with the Government of the Republic of Tanzania for their share interest in Strandline's Tanzanian project subsidiary Jacana Resources (T) Ltd (Jacana). Progress on

the Framework Agreement was affected by the unfortunate death of the President of Tanzania, his Excellency John Pombe Magulfuli. The Vice President Samia Suluhu Hassan has assumed the Presidency and discussions will be ongoing during the June Quarter.

The Fungoni DFS demonstrates strong financial metrics including project pre-tax NPV[10] of US$48.7m (real, no debt), an IRR of 61% and LOM EBITDA of US$115m (avg annual US$18.5m), based on TZMI price forecast. The mining licence and environmental certificate have been granted by the Tanzanian authorities and there are a host of socio-economic benefits recognised with the project.

Once the Framework Agreement is completed, the Company will evaluate Fungoni's development timetable, execution strategies and financing structure with special consideration to potential impacts from the COVID-19 pandemic.

For more information on the Fungoni mineral sands project, refer to the ASX Announcement dated 06 October 2017 (Original DFS) and subsequent update on 01 November 2018 (Updated DFS) for details of the material assumptions underpinning the production target and financial results. The Company confirms that all material assumptions and technical parameters underpinning Resource Estimates, Production Targets and Project Feasibility Studies, continue to apply and have not materially changed.

Tajiri Mineral Sands Project – Tanzania

During the previous Quarter, Strandline released the results of the Engineering Scoping Study on its 100%-owned Tajiri mineral sands project in northern Tanzania. The Study shows the Tajiri project will generate strong financial returns over a long life. Key highlights include:

- Tajiri comprises a series of higher-grade mineral sands deposits stretching along 30kms of coastline in northern Tanzania, near the port city of Tanga;
- Project pre-tax NPV of US$205m (pre-debt, real, 10% discount rate);
- Project pre-tax IRR of 36%, with a high-margin revenue-to-operating cost (C1) ratio of 2.4;
- JORC-compliant Mineral Resources of 268Mt @ 3.3% Total Heavy Mineral forms the basis of the Study;
- Conventional mineral sands processing technology capable of producing a high-value product suite of ilmenite, HiTi (rutile-leucoxene), zircon, monazite and garnet concentrates;
- 18-month design and construct duration to achieve first ore to process plant;
- Development capital of US$125m to establish an open-pit mining and processing operation;
- Opportunities to grow and optimise Production Targets, further increasing financial returns;
- Tajiri benefits from its proximity to existing infrastructure and supports a range of key regional development initiatives in north-east Tanzania

Table 3 Tajiri Project – Engineering Scoping Study Financial Evaluation

Category	Engineering Scoping Study (Oct-20)
Mine Life	23.4yrs
Tonnes Mined –Production Targets	185Mt
Throughput	8Mtpa
Capital Expenditure (Pre-production)	US$125M
Revenue	US$1.61B
Total Opex (C1)	US$0.66B
Total All-in Sustaining Costs (AISC)	US$0.76B
Revenue-to-operating cost (C1) ratio (RC)	2.4
Average Annual C1 Cost per product tonne	US$124/t
Average Annual AISC ("A") per product tonne	US$143/t
Average Annual Basket Price ("B") per product tonne	US$303/t

Category	Engineering Scoping Study (Oct-20)
Average Cash Margin (B-A) per product tonne	US$160/t
Total EBITDA	US$0.9B
Average Annual EBITDA	US$36.8M
NPV (discount rate of 10%, pre-tax, real, no debt)	US$205M
IRR (pre-tax, real, no debt)	36%

Notes:

[1] The NPV has been calculated using project related costs only and does not consider Strandline's corporate costs. Scoping Study capital and operating costs have been developed in accordance with a ±30% accuracy

Table 4 Tajiri Project – Engineering Scoping Study Average Production

Production Category	Average Annual Production (LOM)
HMC Production from WCP	261.2Ktpa
HiTi (rutile-leucoxene) Production from MSP[1]	16.0Ktpa
Ilmenite Production from MSP[2]	150.1Ktpa
Zircon Concentrate Production (incl. zircon, monazite, garnet & titanium minerals) from MSP[2]	60.7Ktpa

Notes:

[1] Exported as container cargo [2] Exported as bulk cargo

Work commenced on advancing the project to the next phase of project evaluation and permitting, including review of external funding options.

For more information on the material assumptions underpinning Tajiri's production target and financial results, refer to the ASX Announcement dated 7 October 2020.

Strandline confirms that all material assumptions and technical parameters underpinning Resource Estimates, Production Targets and Engineering Scoping Studies continue to apply and have not materially changed.

Scoping Study Cautionary Statement

The Tajiri project Scoping Study is a preliminary technical and economic study of the potential viability of developing the project's mine and associated infrastructure. The Scoping Study is based on lower level technical and preliminary economic assessments and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or certainty that the conclusions of the Scoping Study will be realised.

Approximately 90% of the total Mineral Resources for the Tajiri Project and approximately 91% of the total ore scheduled for mining in the Scoping Study for the 23.4 years is underpinned by Measured and Indicated Resources. Approximately 10% of the total Resources for the Tajiri Project and approximately 9% of the total ore scheduled for mining in the Scoping Study for the 23.4 years is underpinned by Inferred Resources in the remaining 2 years. There is a lower level of geological confidence associated with Inferred Resources and there is no certainty that further exploration work will result in the determination of further Measured or Indicated Mineral Resources or that the Production Target or preliminary economic assessment will be realised.

The Scoping Study is based on the material assumptions outlined elsewhere in this announcement. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the potential mine development outcomes indicated in the Scoping Study, initial funding in the order of US$125m will likely be required. Investors should note that there is no certainty that the Company will be able to raise funding when needed, however the Company has concluded it has a reasonable basis for providing the forward-looking statements included in this announcement and believes that it has a "reasonable basis" to expect it will be able to fund the development of the Project.

It is also possible that such funding may only be available on terms that may be dilutive to, or otherwise affect the value of the Company's existing shares. It is also possible that the Company could pursue other strategies to provide alternative funding options including project finance. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the Scoping Study.

Bagamoyo Mineral Sands Project - Tanzania

The Bagamoyo tenements are located approximately 40km north of Dar es Salaam and close to the proposed Bagamoyo port development in Tanzania. Limited exploration activity took place during the quarter. The Company has estimated a maiden Exploration Target at Bagamoyo comprising 78 to 156Mt at 3% to 4.5% THM (see ASX release dated 17 September 2018). Minor field activity was performed during the quarter and a further drill program is required to test the veracity of the Exploration Target.

Strandline would caution the reader that the potential quantity and grade of the combined Exploration Target is conceptual in nature and there has been insufficient exploration to define a JORC compliant Mineral Resource. It is also uncertain if further exploration and resource development work will result in the determination of a Mineral Resource.

Fowlers Bay Nickel-Gold Project

Strandline has a 1% net smelter royalty interest in the Fowlers Bay project located in the Western Gawler region of South Australia, which is owned and managed by Western Areas Ltd (ASX: WSA). There was no material exploration activity completed during the Quarter.

CORPORATE

Cash & Investments

The Company's consolidated cash on hand was A$13.0m as at 31 March 2021 (31 December 2020: A$17.3m) with no corporate debt. Subsequent to the Quarter, proceeds of A$122m were received from the capital raising launched in March 2021 as part of the funding requirement to develop Coburn into production and cashflow.

The majority of exploration and evaluation expenditure during the quarter was incurred on the Coburn project and included expenditure on front end detailed engineering design, early long lead procurement and the finalisation of the finance facility documentation with NAIF and the Bond. Payments for property plant and equipment included a A$1.6m deposit for securing spiral gravity separators from Mineral Technologies as part of early works for the Coburn Project.

Strandline holds 4.2m shares in Torrens Mining Limited (Torrens) which was acquired as part consideration from the sale of the Mt Gunson Project in 2016 (now referred to as the Elizabeth Creek Project by Torrens) (refer ASX Announcement 22 March 2016). During the Quarter, the Company received 1.25m shares as deferred consideration following Torrens successful listing on the Australian Stock Exchange. Strandline retains a 2% net smelter royalty (capped at A$1.25m) on the Elizabeth Creek project.

COVID-19 Update

Strandline has continued to maintain continuity across all its operational and strategic workstreams without any major disruption and will continue to evaluate the potential impact of the pandemic on markets and its project development plans.

Equity

At the end of the Quarter, the Company has 522,895,557 fully paid ordinary shares on issue, 13,649,528 unlisted Performance Rights and 10,500,000 unlisted options. Subsequent to the Quarter, the Company issued 593,286,992 fully paid ordinary shares as part of an equity raising by way of a fully underwritten pro-rata accelerated non-renounceable entitlement offer and institutional placement, to raise approximately A$122m. Proceeds of the capital raising were received in April 2021.

Table 5 Strandline Capital Structure (as at 31 March 2021)

Class of securities	Number
Fully paid ordinary shares	522,895,557
Unlisted performance rights expiring 15/08/21	5,281,892
Unlisted performance rights expiring 15/08/22	6,141,695
Unlisted performance rights expiring 15/08/23	2,225,941
Unlisted Options – expiring 28/11/2021 and exercisable at $0.18 per option or 40% above the average 60 day VWAP share price at the time of grant, whichever is higher	3,500,000
Unlisted Options – expiring 28/11/2022 and exercisable at $0.22 per option or 60% above the average 60 day VWAP share price at the time of grant, whichever is higher	3,500,000
Unlisted Options – expiring 28/11/2023 and exercisable at $0.26 per option or 80% above the average 60 day VWAP share price at the time of grant, whichever is higher	3,500,000

Other

During the Quarter, the Company paid a total of $32K to related parties comprising of fees paid to MPH Lawyers, being a Director related entity.

KEY ACTIVITIES PLANNED FOR THE JUNE 2021 QUARTER

During the June 2021 Quarter, the Company plans to advance exploration and development activities across its portfolio of mineral sands projects in Australia and Tanzania. Key planned activities include:

- **Coburn Project:** finalise project funding, award remaining major execution contracts, achieve Final Investment Decision (FID) and ramp-up construction;
- **Fungoni Project:** work towards finalisation of the Framework Agreement with the Tanzania Government for its 16% Free Carried Interest in the project and re-evaluate development plans; and
- **Tajiri Project:** continue stakeholder engagement, project permitting activities, review strategic partnership options and evaluate external funding options to assist in the development of the project.

This announcement is authorised for release by the Board of Directors of Strandline Resources Limited.

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ABOUT STRANDLINE

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

Strandline's project portfolio contains high quality assets which offer a range of development options and timelines, geographic diversity and scalability. They include two zircon-titanium rich, 'development ready' projects, being the large Coburn Project in Western Australia and the Fungoni Project in central Tanzania, as well as a series of titanium dominated exploration projects spread along the highly prospective Tanzanian coastline, including the advanced and large scale Tajiri Project in northern Tanzania.

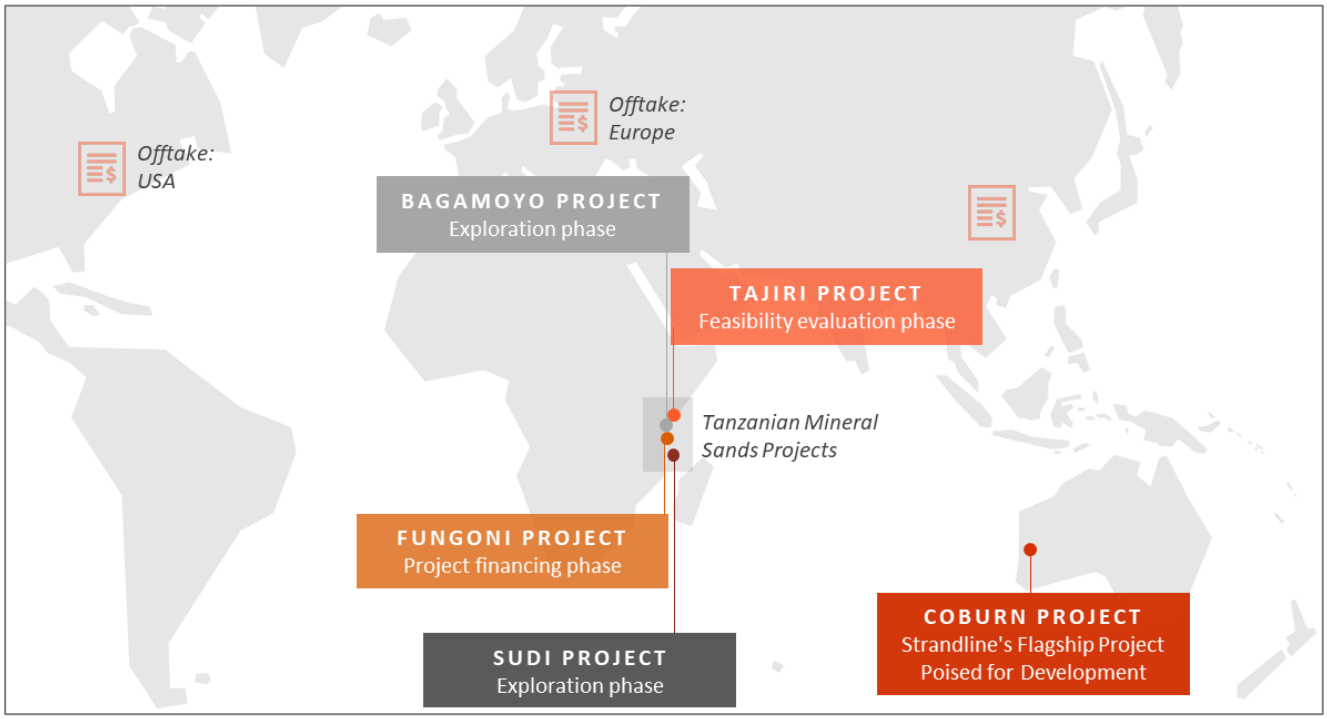

Figure 8 Strandline's global mineral sands exploration and development projects

ANNEXURE A – MINING TENEMENTS HELD AS AT 31 March 2021

Tenement Number	Name/Location	Interest
Tanzania	**Mineral Sands Projects**	
PL 9969/2014	Sudi JV	100%
SML 00603/2020 *(Application)*	Tajiri	100%
PL 10265/2014	Bagamoyo	100%
ML 580/2018	Fungoni	100%
PL 7754/2012	Fungoni	100%
PL 11442/2020	Pangani	100%
PL 11030/2017	Fungoni West	100%
PL 10978/2016	Fungoni South	100%
PL 11076/2017	Bagamoyo	100%
PL 11131/2017	Sudi Central JV	100%
PL 11270/2019	Kitunda RIO JV	100%
PL 11267/2019	Rushungi South	100%
PL 11266/2019	Sudi East RIO JV	100%
PL 11412/2020	Temeke&Mkuranga	100%
PL 11413/2020	Temeke	100%
PL 11376/2019	Sakaura (South of Tajiri)	100%
PL 11443/2020	Mwasonga	100%
PL 11441/2020	Sharifu	100%
PL 17022/2021 *(Application)*	Tanga - Pangani	100%
Australia	**Coburn Mineral Sands Project**	
E09/939	Shark Bay District, Western Australia	100%
L09/21	Shark Bay District, Western Australia	100%
L09/43	Shark Bay District, Western Australia	100%
M09/102	Shark Bay District, Western Australia	100%
M09/103	Shark Bay District, Western Australia	100%
M09/104	Shark Bay District, Western Australia	100%
M09/105	Shark Bay District, Western Australia	100%
M09/106	Shark Bay District, Western Australia	100%
M09/111	Shark Bay District, Western Australia	100%
M09/112	Shark Bay District, Western Australia	100%
R09/02	Shark Bay District, Western Australia	100%
R09/03	Shark Bay District, Western Australia	100%
R09/2355 *(Pending)*	Shark Bay District, Western Australia	100%
R09/4 *(Pending)*	Shark Bay District, Western Australia	100%

There was one Tanzanian tenement surrendered during the quarter, PL 7960/2012 and no farm-in or farm-out agreements entered into or held during the Quarter.

ANNEXURE B – MINERAL RESOURCE DATA

MINERAL RESOURCES – The Company's mineral resource estimates and ore reserves are summarised in the tables below.

Table A Mineral Resource Statement for Fungoni at May 2017

MINERAL RESOURCE SUMMARY FOR FUNGONI PROJECT										
Summary of Mineral Resources[1]					VHM assemblage[2]					
Deposit	Mineral Resource Category	Tonnage	In situ HM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
FUNGONI	Measured	8.77	0.4	4.3	43.3	4.3	18.3	1.0	19	7.0
FUNGONI	Indicated	12.97	0.2	1.8	36.7	4.3	14.6	1.4	24	7.0
	Total[3]	21.74	0.6	2.8	40.7	4.3	16.9	1.2	22	7.0

Notes:
(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

Refer ASX announcement 2 May 2017 for full details of the Fungoni Mineral Resource Estimate. Mineral Resources were converted to Ore Reserves in accordance with the JORC Code 2012 Edition based on the pit designs, recognising the level of confidence in the Mineral Resource Estimation, and reflecting modifying factors. Refer ASX announcement 6 October 2017 for full details of the Fungoni Ore Reserve statement.

Table B Ore Reserve Statement for Fungoni Project at October 2017

ORE RESERVES SUMMARY FOR FUNGONI PROJECT						
Deposit	Reserve Category	Ore	Slimes		Heavy Mineral	
		(Mt)	(Mt)	(%)	In Situ HM (kt)	THM (%)
FUNGONI	Proved	6.9	1.2	18	341	4.9
FUNGONI	Probable	5.4	1.0	19	138	2.6
	Total*	**12.3**	**2.3**	**19**	**480**	**3.9**

*Note totals may deviate from the arithmetic sum due to rounding.

Table C Tanga South (Tajiri) Project Mineral Resource Estimate (July 2019)

Summary of Mineral Resources (1)								THM Assemblage (2)				
Deposit	THM % cut-off	Mineral Resource Category	Tonnage	Insitu HM	THM	SLIMES	OS	Ilmenite	Zircon	Rutile	Leucoxene	Garnet
			(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
T3	1.70%	Measured	19	0.6	3.4	37	6	64	4	7	0	5
TC	1.70%	Measured	55	1.9	3.5	23	10	42	2	5	0	38
		Total	**74**	**2.5**	**3.4**	**27**	**9**	**48**	**3**	**5**	**0**	**30**
Tajiri T1	1.50%	Indicated	36	1.3	3.7	34	4	71	6	10	0	3
Tajiri North	1.70%	Indicated	60	1.7	2.8	47	4	75	4	6	1	1
T2	1.70%	Indicated	17	0.5	2.8	32	11	58	4	7	0	18
T3	1.70%	Indicated	3	0.1	2.8	39	4	66	5	8	1	4
T4	1.70%	Indicated	14	0.4	3.0	24	6	61	4	8	0	12
TC	1.70%	Indicated	35	1.4	4.1	27	9	46	3	6	0	36
		Total	**165**	**5.4**	**3.3**	**36**	**6**	**64**	**4**	**7**	**0**	**13**
Vumbi	1.70%	Inferred	29	0.9	3.0	30	12	64	4	7	1	2
		Total	**29**	**0.9**	3.0	**30**	**12**	**64**	**4**	**7**	**1**	**2**
		Grand Total	**268**	**8.8**	**3.3**	**33**	**7**	**59**	**4**	**7**	**0**	**17**

Notes:

[1] Mineral Resources reported at various THM cut-offs

[2] Mineral Assemblage is reported as a percentage of insitu THM content

[3] Appropriate rounding applied

Refer to ASX announcement dated 09 July 2019 for full details of the Mineral Resource estimate for the Tajiri Project and ASX Announcement dated 07 October 2020.

Table D Coburn Project JORC 2012 Global Mineral Resources – Amy South and Amy North

	Ore [1]			Valuable HM Grade (In-Situ) [2]					
Resource Category	Material (Mt)	In situ THM (Mt)	THM (%)	Ilmenite (%)	Rutile (%)	Zircon (%)	Leucoxene (%)	Slimes (%)	Oversize (%)
Measured	119	1.5	1.3	45	5	24	6	3	6
Indicated	607	7.7	1.3	48	7	22	5	3	3
Inferred	880	10.4	1.2	49	7	21	4	3	1
Total	**1606**	**19.6**	**1.2**	**48**	**7**	**22**	**5**	**3**	**2**

Notes:
1. Mineral Resources reported at a cut-off grade of 0.8% THM
2. Valuable Mineral assemblage is reported as a percentage of in situ THM content
3. Appropriate rounding applied

Table E Coburn Project JORC 2012 Ore Reserve Statement April 2019

ORE RESERVES SUMMARY FOR COBURN PROJECT				
Deposit	Reserve Category	Ore	Heavy Mineral	
		(Mt)	In Situ HM (Mt)	THM (%)
Coburn - Amy South	Proved	106	1.16	1.10
Coburn - Amy South	Probable	417	4.66	1.12
	Total[1]	**523**	**5.83**	**1.11**

Notes:
1. Total may deviate from the arithmetic sum due to rounding

Refer to ASX announcement dated 16 April 2019 for full details of the Ore Reserve and Mineral Resource estimates for Coburn Project.

MINERAL SANDS 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 Mr Brendan Cummins, Chief Geologist and employee of Strandline. Mr Cummins is a member of the Australian Institute of Geoscientists and he has 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 a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Cummins consents to the inclusion in this release of the matters based on the information in the form and context in which they appear. Mr Cummins is a shareholder of Strandline Resources.

Tanga South (Tajiri) Mineral Resources

The information in this report that relates to Mineral Resources for Tanga South (Tajiri) is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Geological Services Manager for IHC Robbins) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australasian 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.

Tanga South (Tajiri) Scoping Study Production Targets (No ore reserves declared)

The information in this report that relates to the production targets considered within the Scoping Study is based on information compiled under the direction of Mr Adrian Jones. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and is employed by AMC Consultants Pty Ltd. Mr Jones has sufficient experience relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Non-mining modifying factors for the production

targets are drawn from contributions provided by various sources as stated in the Tanga South (Tajiri) Resource announcement dated 09 July 2019.

Fungoni Mineral 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, (Consultant to Strandline and Geological Services Manager for IHC Robbins) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australasian 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.

Fungoni Ore Reserves

The information in this report that relates to the Fungoni Ore Reserves are based on information compiled under the direction of Mr Adrian Jones. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and is employed by AMC. Mr Jones has sufficient experience relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Non-mining modifying factors for the Ore Reserve estimate are drawn from contributions provided by various sources. Significant contributors to this report are identified in Table 5 (ASX 6/10/2017) together with their area of contribution.

Coburn Mineral Resources

The information in this report that relates to Mineral Resources is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Geological Services Manager for IHC Robbins) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australasian 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 provision of the drill database, and completed the site inspection. Mr Jones is the Competent Person for the data integration and 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.

Coburn Ore Reserves

The information in this report that relates to the Coburn Ore Reserves is based on information compiled under the direction of Mr Adrian Jones. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and is employed by AMC. Mr Jones has sufficient experience relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Non-mining modifying factors for the Ore Reserve estimate are drawn from contributions provided by various sources. Significant contributors to this report are identified in Table 5 (ASX announcement 16/04/2019) together with their area of contribution.

Coburn Scoping Study Production Targets (No ore reserves declared)

The information in this report that relates to the Mine Extension Case Scoping Study is based on information compiled under the direction of Mr Adrian Jones. Mr Jones is a Member of the Australasian Institute of Mining and Metallurgy and is employed by AMC Consultants Pty Ltd. Mr Jones has sufficient experience relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code. Non-mining modifying factors for the production targets are drawn from contributions provided by various sources as stated in the Coburn Ore Reserve announcement dated 16 April 2019.

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.