

ASX ANNOUNCEMENT

Capital Raising Completed



STRANDLINE
resources limited

23 March 2020

Strandline successfully completes \$6.5m raising

Non-Renounceable Rights Issue and Share Placement undertaken at 12c a share

Strandline Resources (**ASX: STA**) is pleased to announce that it has raised \$6.5 million via a \$2 million Share Placement and \$4.5 million fully underwritten pro rata non-renounceable Rights Issue.

The Rights Issue, which comprised one new share (Rights Issue) for every 10 shares held at the record date at a price of 12c per Rights Issue Share, closed on Wednesday, 18 March 2020.

Under the terms of the Rights Issue, a total of 37,281,650 new shares were offered, of which 12,610,618 shares were accepted by Eligible Shareholders pursuant to the Rights Issue and a further 134,713 additional shares were applied for by Eligible Shareholders as shortfall shares.

The balance of the shortfall shares (24,536,319 shares) will now be placed to Ndovu Capital VII B.V, which is part of Tembo Capital, in accordance with its agreement to fully sub-underwrite the Rights Issue. Following the allotment and issue of the Rights Issue Shares, Tembo will hold a 37.6% interest in the Company. Tembo is a specialist mining private equity fund and has been a strong supporter of the Company's mineral sands exploration and development strategy since 2016.

The proceeds will be used primarily to accelerate preparation for development of Strandline's flagship Coburn mineral sands project in Western Australia. This includes advancing project financing and pre-execution activities, such as procurement of major construction and operations contracts, offtake agreements, debt financing and partner arrangements. As announced on 18 Feb-2020, detailed technical and financial due diligence of Coburn has commenced with SRK Consulting appointed as Independent Technical Expert on behalf of lenders.

Funds will also be used to progress Strandline's 100%-owned mineral sands projects in Tanzania, including the Fungoni and Tajiri projects. In addition to existing cash reserves, Strandline is now well funded to achieve major milestones across its portfolio of mineral sands assets.

The securities to be issued pursuant to the Rights Issue, including the associated shortfall and underwriting, are expected to be allotted and issued on 25 March 2020.

This announcement is authorised for release by Luke Graham, Managing Director and CEO.

ABOUT STRANDLINE

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.

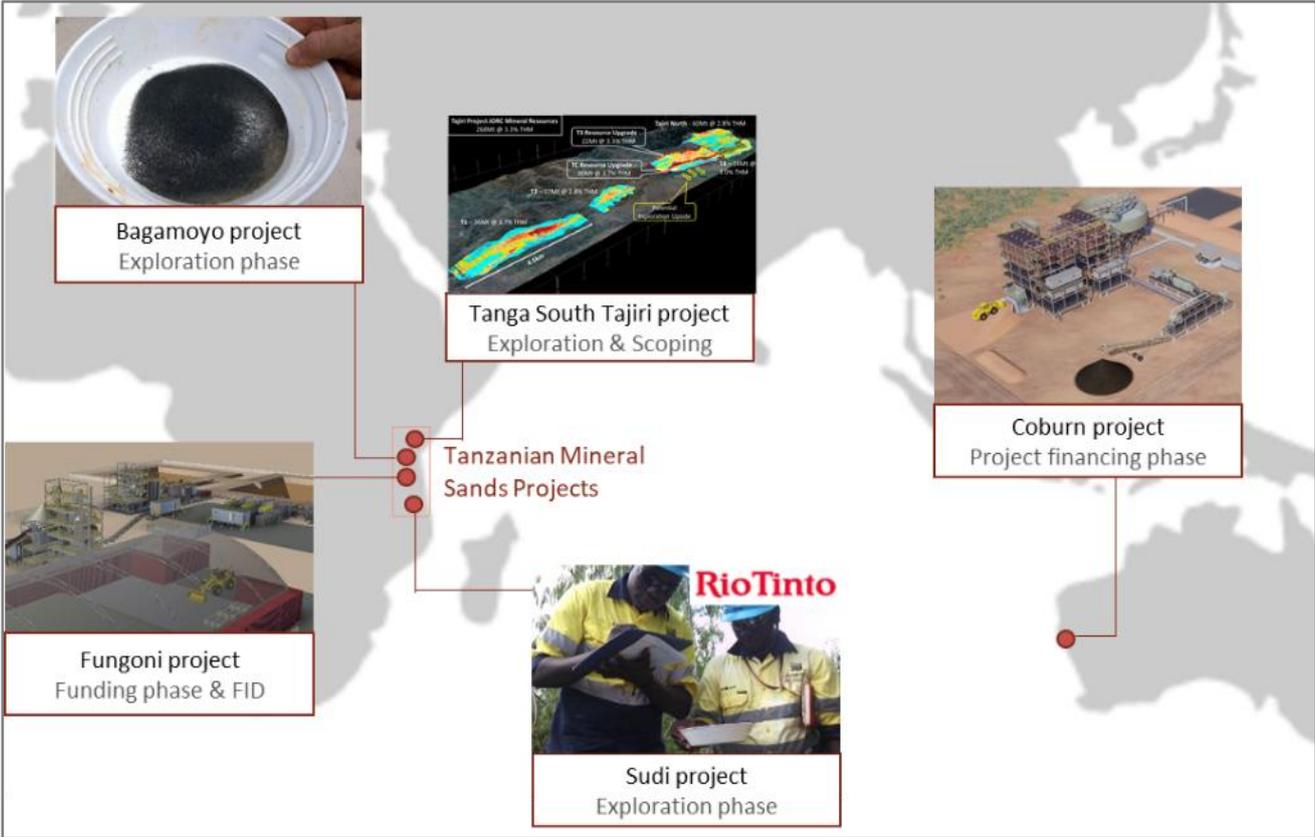
Strandline's strategy is to develop and operate high margin, expandable mining assets with market differentiation and global relevance.

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 Fungoni Project in Tanzania and the large Coburn Project in Western Australia, as well as a series of titanium dominated exploration targets spread along the highly prospective Tanzanian coastline, including the advanced and large scale Tajiri Project in northern Tanzania.



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



Authorised for release by:
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