



31 JULY 2022

ASX ANNOUNCEMENT

ASX: STA

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDING 30 JUNE 2022

COBURN PROJECT REMAINS ON TRACK FOR PRODUCTION IN DECEMBER 2022 QUARTER

Wet concentration plant almost built; Priority shifting to piping and electrical fit-out in preparation for commissioning

COBURN MINERAL SANDS PROJECT, WESTERN AUSTRALIA

- Construction at Coburn reached 80% at the end of the Quarter and remains on-budget and on-time for production of heavy mineral concentrate (HMC) in the December 2022 quarter
- Early mobilisation of the mining contractor completed and pre-strip mining of open pits now underway with all dozer mining units ready to be moved to first mining position
- Mine development running concurrently with finalising the construction of the processing and supporting infrastructure
- Scoping study initiated on the potential to increase Coburn's production rate by up to 50 per cent, to capitalise further on its world-class resource, long mine life, strong demand and high prices
- Mineral sands market remains very buoyant, with spot prices at least 35% above the assumptions contained in the Coburn Definitive Feasibility Study (DFS) of June 2020
- DFS forecast average annual EBITDA of A\$104 million over the estimated 22.5-year initial life-of-mine



Figure 1 Construction of Coburn's Wet Concentration Plant Progressing Rapidly



FUNGONI AND TAJIRI MINERAL SANDS PROJECTS, TANZANIA

- Strandline and the Tanzanian Government, operating in JV as Nyati Mineral Sands Limited, advanced development planning for Strandline's Tanzanian mineral sands assets, the Fungoni and Tajiri projects
- After securing the Environmental Certificate for the world-scale Tajiri mineral sands project, Nyati re-submitted Tajiri's Special Mining Licence application to the Mining Commission; now awaiting approval
- Nyati advanced the review and update of land access and the Resettlement Action Plan for project-affected people at the Fungoni site; This is a condition precedent to any future investment decision
- Fungoni and Tajiri are forecast to generate a total of more than US\$1 billion of EBITDA over ~30 years based on published Production Targets

CORPORATE

- Cash of A\$119.6m as at 30 June 2022
- Coburn is fully funded to production and cashflow through a combination of long tenor debt provided by the Northern Australian Infrastructure Facility (NAIF), a US\$60m bond tranche and cash
- Additional corporate cash secured by way of A\$50 million placement completed in April 2022 to accelerate Strandline's organic growth projects, including the potential expansion of Coburn
- No lost-time injuries (LTI) or reportable environmental incidents were recorded during the quarter

Strandline Resources (ASX:STA) (**Strandline** or the **Company**) is pleased to provide an update on its activities and cashflow for the quarter ended 30 June 2022.

COBURN MINERAL SANDS PROJECT, WA

Construction at Coburn is advancing in line with budget and schedule, ensuring Strandline remains on-track to achieve first production of HMC in the December quarter, 2022. By the end of the quarter, the overall project progress reached 80% complete.

Coburn's development capital of A\$338m has been secured, meaning that the project is fully funded through to production. The financing comprises a combination of long-tenor debt provided by the Northern Australian Infrastructure Facility (NAIF, up to A\$150m), a US\$60m Bond tranche and cash provided by the Company.

Key milestones for the Coburn Project construction during the quarter included:

- Zero lost time injury (LTI) and medical treatment injury (MTI) reported to date
- Infill 'production control' drilling and detailed mine plan optimisation has resulted in a lower strip ratio (less waste) for the first two years of production, potentially reducing mining costs
- Early mobilization of the mining contractor personnel and equipment allows development of the open pits to commence from July 2022
- All dozer mining units assembled onsite in readiness to be moved to first mining position
- Construction of the processing plant structures and supporting infrastructure continues to advance rapidly, with all key fabricated materials and mechanical-electrical equipment delivered to site
- Construction of the hybrid power station is also advancing on-schedule, which includes the multi-work front installation of the 11MW solar farm, LNG storage and engine hall complexes
- Installation of sitewide overhead power lines, field piping and water bore installation are all well advanced
- Construction of the site village is complete with all 272 rooms online, meeting workforce requirements
- Commissioning planning, spares procurement and establishment of key operational systems, maintenance procedures, training and workforce plans is continuing to ramp up
- Key focus is on local recruitment, workforce diversity and indigenous engagement



Figure 2 Construction of Wet Concentration Plant (WCP)



Figure 3 Construction of Coburn's hybrid power station, MSP and supporting infrastructure advancing strongly in parallel with WCP

All of Coburn's initial production is covered by binding sales contracts with some of the world's largest consumers, with ~80% (in terms of revenue) being sold into the US and Europe and ~20% to Asia.

There is a current supply shortage of Strandline's critical minerals through a lack of recent investment, mine closures, and declining grades of existing mines. Combine this with strong underlying demand and the sector is experiencing a very tight market.

The Coburn mine life currently sees mining continue until 2045 (based on mining the initial 22.5-year JORC compliant Ore Reserves), with the potential to extend to 2060 (total 37.5 years mine life) by converting Resources which exist immediately north and along strike of existing Ore Reserves.



Figure 4 Coburn's WCP Spiral Floor Structural and Mechanical Construction Substantially Complete

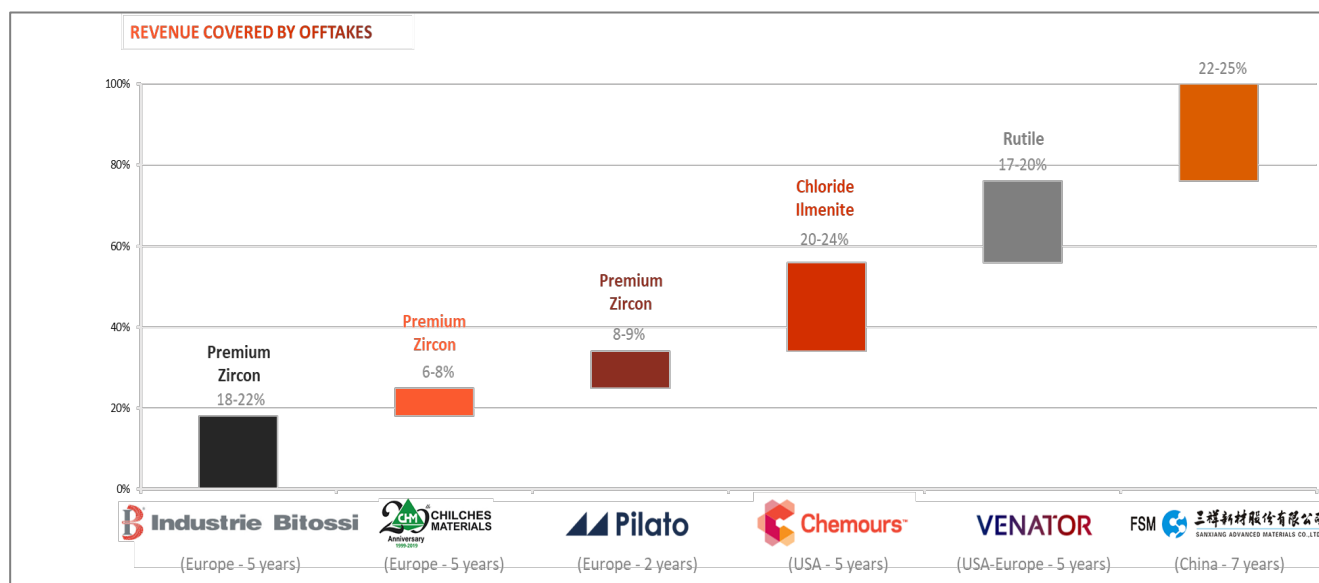


Figure 5 Offtake counterparty, jurisdiction & contract term

During the quarter, the Company initiated a scoping study on the potential to increase the planned production rate by up to 50 per cent. The production increase would be aimed at enabling Coburn to capitalise further on its world-class resource, long mine life, high mineral sands prices and strong demand for offtake among leading customers in the US, Europe and China.

Any expansion is expected to be funded out of future Coburn cashflow and leverage significantly off Coburn's infrastructure, especially the inherent design capacity within the processing plant circuitry. Preliminary investigations highlight the potential compelling capital and operating cost efficiencies of scaling-up the project, further enhancing Coburn's already strong competitive position.

Following the end of the quarter, structural and mechanical construction of the WCP and power station was substantially complete, with priorities shifting to installation of in-plant piping, electrical equipment and bore headworks in preparation for commencement of commissioning.

Final construction of other critical supporting infrastructure, including water services, electrical reticulation, communications interconnections, and site offices and buildings, is also underway.

Pre-stripping of open mining pits has commenced ahead of schedule and is planned to ramp up over the coming months.



Figure 6 Development of open mine pits & three dozer mining units (DMU's) ready to be moved into position for mining first ore

With Coburn construction reaching peak activity and personnel numbers on site, the Company continues to focus on managing the various risk factors associated with development of the project. This includes HSE risks, potential impacts of COVID-19, inclement weather, contractor performance and contractual claims. The capital expenditure (Capex) forecast to complete the project, including an assessment of contractual claims received to date, is regularly evaluated by the Company's technical, financial and legal experts. The project forecast remains in line with the overall Capex budget.

The Coburn project is set to capitalise on its robust margins, the strengthening minerals sands commodity pricing outlook, its tier-1 location, and the growing demand for critical minerals. Key project metrics are detailed in Table 1.

Table 1 Coburn updated DFS and Scoping Study Extension Case Financial Evaluation (Jun-2020)

Category	Updated DFS – Final Product Case (Jun-2020)	Scoping Study Extension Case integrated with updated DFS (Jun-2020)
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

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.

TANZANIA MINERAL SANDS GROWTH PROJECTS

Strandline owns multiple major mineral sands growth assets along the highly prospective coastline of Tanzania, including the Fungoni and Tajiri projects, and a series of exploration assets.

During the quarter, Strandline and the Tanzanian Government, operating in JV as Nyati Mineral Sands Limited (**Nyati**), advanced development planning for the Fungoni and Tajiri projects.

The Fungoni and Tajiri projects are forecast to generate more than US\$1 billion of EBITDA over ~30 years based on published Production Targets (or A\$1.43 billion at AUD: USD 0.70). Refer previously announced engineering studies and cautionary statements in Annexure E.

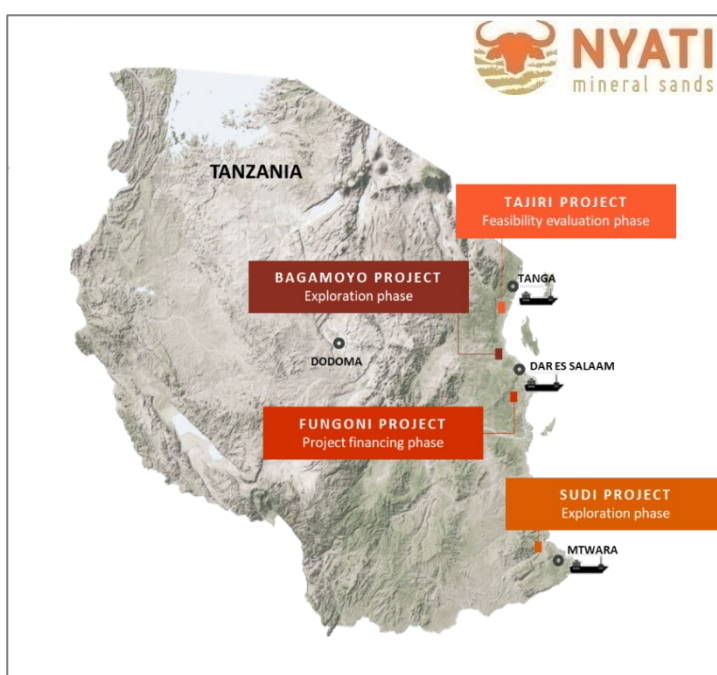


Figure 7 Strandline's portfolio of mineral sands assets along the coastline of Tanzania

Fungoni Mineral Sands Project - Tanzania

Fungoni is earmarked as Strandline's high-margin "starter" project in Tanzania, situated 25km from the port of Dar es Salaam.

The Fungoni project is based on conventional open pit dry mining and process beneficiation to produce premium quality zircon sand, chloride ilmenite, rutile and monazite containing rare earths. Fungoni's mineral assemblage is exceptionally rich and the orebody starts from surface with mining predicated on progressive backfill of the mining void and full rehabilitation.

During the Quarter, Strandline worked with local government authorities and project stakeholders to re-baseline social surveys and update compensation schedules for project affected people across the Fungoni disturbance area. The company also updated its Resettlement Action Plan ready for submission to authorities, approval of which is a condition precedent to any future investment and development decision by the Company.

Strandline previously announced that it signed a US\$26m Project Finance Facility Agreement with Nedbank CIB for the development of Fungoni, accounting for a significant portion of Fungoni's US\$35m capital requirement (excluding financing and corporate costs).

The Nedbank facility is subject to updating due diligence and credit approvals and Strandline continued to review and update the Fungoni project financial evaluation (previously released in October 2018 as part of the Fungoni DFS). This review will incorporate the latest financial information on the project, including updated mineral sands price forecasts, which have increased substantially in recent years.

The Fungoni DFS demonstrates strong financial metrics including project pre-tax NPV¹⁰ of US\$48.7m (real, no debt), an IRR of 61% and LOM EBITDA of US\$115m (avg annual US\$18.5m). The mining license and environmental certificate have previously been granted and are expected to be re-assigned to Nyati by Tanzanian authorities prior to development.

Tajiri Mineral Sands Project – Tanzania

The Tajiri project comprises a series of higher-grade mineral sands deposits stretching along 30kms of coastline in northern Tanzania, near the port city of Tanga. Strandline released the results of the Engineering Scoping Study in the December quarter 2020 which shows that Tajiri will generate strong financial returns over a long life:

During the previous quarter, the Company secured the Environmental Certificate for Tajiri which represented a major milestone in the project's approval process. The Environmental Certificate is a key pre-requisite for the granting of a special mining licence (SML). A SML is required for Tajiri due to its national significance, supported by its large-scale and ability to generate significant socio-economic benefits over a multi-decade mine life.

During the quarter, Strandline re-submitted its Tajiri's Special Mining License application to the Mining Commission (under the entity of Nyati); now awaiting approval.

The Fungoni and Tajiri deposits both benefit from their proximity to existing port and services infrastructure of Dar es Salaam and Tanga respectively. The projects are predicated on providing significant long-term employment and career development opportunities, as well as a range of local enterprise opportunities. For the regional communities, Nyati's projects provide an opportunity to diversify and grow their economy. Where possible, labour and supplies will be sourced locally. For every direct job created by the project, more indirect jobs are created in the local economy as employees consume goods and services (typically up to 3 times the number of direct jobs).

The dashboard below summarises the key financial metrics of the Fungoni and Tajiri projects.



Figure 8 Fungoni Heavy Mineral Sands Sample taken from surface in June 2022

Table 2 Financial Evaluation Summary of Fungoni DFS and Tajiri Engineering Scoping Study

Category	Fungoni DFS (Nov-2018)	Tajiri Engineering Scoping Study (Oct-2020)
Mine Life / Production Targets	6.2yrs	23.4yrs
Tonnes Mined	12.3Mt	185Mt
Throughput (Steady State)	2.0Mtpa	8Mtpa
Capital Expenditure (Pre-production excluding financing costs)	US\$35M	US\$125M
Revenue (LOM)	US\$184.2M	US\$1.61B
Total Opex (C1)	US\$66.1M	US\$0.66B
Total All-in Sustaining Costs (AISC)	US\$74.9M	US\$0.76B
Revenue-to-operating cost (C1) ratio (RC)	2.8	2.4
NPV (pre-tax, real, no debt, 10% DCF discount Rate)	US\$48.7M	US\$205M
EBITDA	US\$114.8M	US\$0.9B
Avg. annual EBITDA	US\$18.5M	US\$36.8M
IRR (pre-tax, real, no debt)	61%	36%

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.

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. Refer to the Cautionary Statement in Annexure E.

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 and evaluation 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 (ref ASX release 17 September 2018). This target together with the Sudi project in southern Tanzania provides significant exploration upside for Nyati over time.

A further drill program will be required to test the veracity of the Exploration Target. Refer to the Cautionary Statement in Annexure E.

CORPORATE

Cash & Investments

The Company's consolidated cash was A\$119.6m as at 30 June 2022 (31 Mar 2022: A\$86.6m).

During the quarter, the majority of expenditure was incurred on project procurement and site construction for the Coburn project. Full details of cash flows for the quarter are set out in the attached Appendix 5B.

At the end of the quarter, Strandline held 0.79m shares in Coda Minerals Limited valued at A\$0.2m as at 30 June 2022. Payments during the quarter to related parties included in the Appendix 5B were A\$6k of fees paid to MPH Lawyers, being a Director related entity and A\$370k for Directors' remuneration.

Loan Facilities

The Company reached Financial Close on Coburn's senior finance facilities last year (total of ~A\$230m loan funds available). During the quarter, Strandline completed its third loan draw down for A\$21m under the NAIF Facility (total of A\$114m as at 30 June 2022) and US\$9.75m under the Bond Facility (total of US\$52.5m as at 30 June 2022). Loan funds still available for utilisation total ~A\$50m (inclusive of the second NAIF loan tranche), which underpins Coburn development through to production (refer to Appendix 5B for further details).

Equity

On 5 April 2022, the Company completed a share placement to institutional, professional and sophisticated investors at \$0.43 per share raising A\$50m (before costs). The Company received significant demand during the Placement bookbuild providing a strong endorsement of Strandline's critical minerals growth portfolio.

The proceeds will be used primarily to progress Strandline's Tanzanian growth projects (Fungoni and Tajiri), while in parallel advancing scoping study evaluation and approvals for the potential expansion of the Coburn project in WA (see ASX release dated 4 April 2022).

Table 3 Strandline Securities at the end of the Quarter

Class of securities	Number
Fully paid ordinary shares	1,240,178,572
Unlisted performance rights expiring 15/08/22	5,301,346
Unlisted performance rights expiring 15/08/23	5,758,209
Unlisted performance rights expiring 15/08/24	6,428,102
Unlisted Options – expiring 28/11/2022 and exercisable at \$0.22 per option	3,500,000
Unlisted Options – expiring 28/11/2023 and exercisable at \$0.26 per option	3,500,000
Unlisted Options – expiring 30/11/2022 and exercisable at \$0.26 per option	3,000,000
Unlisted Options – expiring 30/11/2023 and exercisable at \$0.30 per option	3,000,000

Mineral Sands Market

Despite increasing economic volatility during the quarter, the mineral sands market remains very strong for high-grade titanium feedstock (chloride ilmenite and rutile) and zircon sand products, which will be produced from Strandline's Coburn project. The Ukraine conflict continues to impact supply, further tightening the global market. Current spot prices are at least 35% above the assumptions contained in the Coburn DFS (June 2020).

Robust demand is driven by continued strength across most end-use industrial sectors and regions, including ceramic tiles, refractory, foundry and titanium dioxide (TiO₂) pigment applications. This demand, combined with limited supply options and low inventories, has resulted in continued upward pressure on pricing. Strandline utilises independent commodity forecasting from TZMI (www.tzmi.com) for financial modelling.

Health, Safety and Sustainability

The Company had no lost time injuries or reportable environmental incidents recorded during the quarter (or in the past, at Coburn). Even with an increase in Covid-19 cases in WA during the quarter, Strandline managed to maintain continuity across all its operational and strategic workstreams without any material disruption and continues to follow the guidance of recognised health authorities and the WA Government.

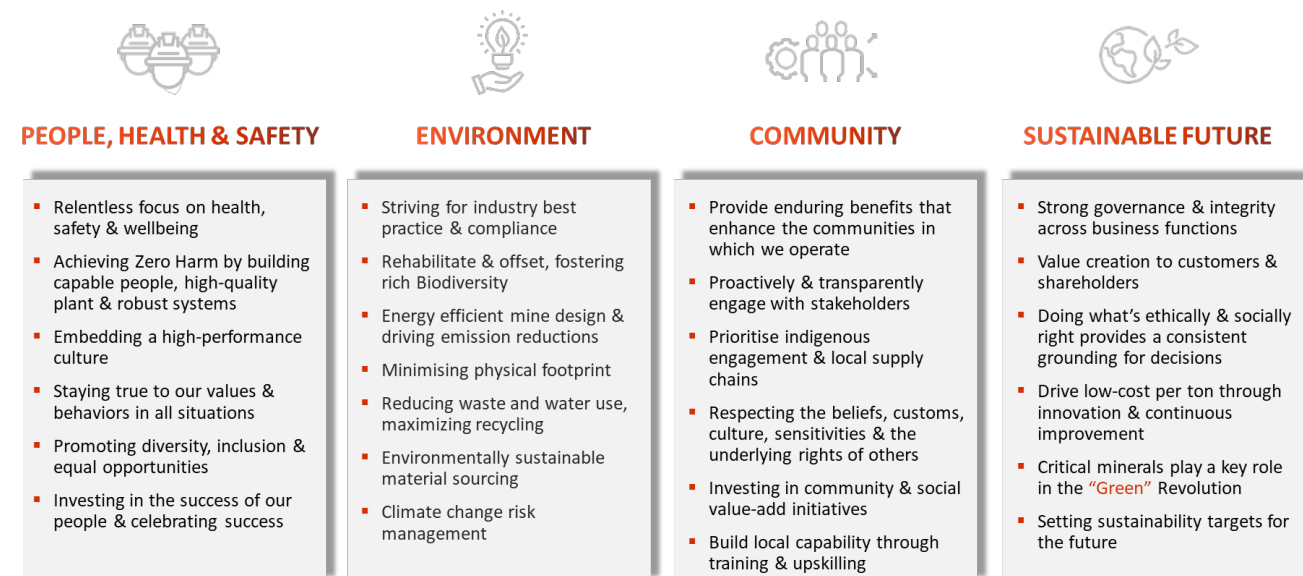


Figure 9 Strandline is committed to a sustainable future and to aligning its strategy with the UN Sustainable Development Goals

Tenement Holdings

A detailed listing of tenement holdings is included in Annexure A.

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

For further information contact:

Luke Graham

CEO and Managing Director
Strandline Resources Limited
+61 8 9226 3130

enquiries@strandline.com.au

Media and broker enquiries:

Paul Armstrong

Read Corporate
+61 8 9388 1474

paul@readcorporate.com.au

ABOUT STRANDLINE

Strandline Resources Limited (**ASX: STA**) is an emerging producer of critical minerals 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 in the sector.

Strandline's project portfolio contains high quality assets which offer a range of development options and timelines, geographic diversity and scalability. They include the world-scale Coburn Project in WA, currently under construction, and the exciting Tanzanian growth projects Fungoni and Tajiri.



Figure 10 Strandline's Global Mineral Sands Exploration and Development Projects

ANNEXURE A – MINING TENEMENTS HELD AS AT THE END OF THE QUARTER

	Name/Location	Interest
Tanzania	Mineral Sands Projects	
PL 9969/2014	Sudi	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	100%
PL 11270/2019	Kitunda RIO	100%
PL 11267/2019	Rushungi South	100%
PL 11266/2019	Sudi East RIO	100%
PL11412/2020	Temeke&Mkuranga	100%
PL11413/2020	Temeke	100%
PL 11376/2019	Sakaura (South of Tajiri)	100%
PL11443/2020	Mwasonga	100%
PL11441/2020	Sharifu	100%
PL 11689/2021	Tanga- Pangani	100%
SML00603/2020	Tajiri	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%
R09/4	Shark Bay District, Western Australia	100%
E09/2355	Shark Bay District, Western Australia	100%
L09/99 (Pending)	Shark Bay District, Western Australia	100%
L09/101 (Pending)	Shark Bay District, Western Australia	100%
E09/2644 (Pending)	Shark Bay District, Western Australia	100%
E09/2645 (Pending)	Shark Bay District, Western Australia	100%
P09/500 (Pending)	Shark Bay District, Western Australia	100%
P09/501 (Pending)	Shark Bay District, Western Australia	100%

There were no tenements surrendered during the quarter and no farm-in or farm-out agreements entered into or held during the quarter.

ANNEXURE B – MINERAL RESOURCE DATA

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

Coburn Mineral Sands Project – Western Australia

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

Resource Category	Ore ⁽¹⁾			Valuable HM Grade (In-Situ) ⁽²⁾					
	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

Table B 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
	Total¹	523	5.83	1.11

Notes:

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

Fungoni Mineral Sands Project - Tanzania

Table C 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 D 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.

Tajiri Mineral Sands Project - Tanzania

Table E 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.

ANNEXURE C – 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 mineralisation 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 mineralisation 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 mineralisation 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.

ANNEXURE D – 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.

ANNEXURE E – CAUTIONARY STATEMENTS

Tajiri 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 Exploration Target Cautionary Statement

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.

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 mineralisation 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.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Strandline Resourced Limited

ABN

32 090 603 642

Quarter ended ("current quarter")

June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for	-	-
	(a) exploration & evaluation	(105)	(1,094)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(636)	(1,730)
	(e) administration and corporate costs	(74)	(1,560)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	22	57
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	473
1.8	Other (GST)	(1,676)	(2,022)
1.9	Net cash from / (used in) operating activities	(2,469)	(5,876)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(19)	(167)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets – Mine properties in development	(50,707)	(226,543)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Available for Sale Investments)	-	-
2.6	Net cash from / (used in) investing activities	(50,726)	(226,710)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	50,000	50,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	630
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2,500)	(2,500)
3.5	Proceeds from borrowings	35,118	187,298
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (USD Escrow and FX movement)	(7)	5,801
3.10	Net cash from / (used in) financing activities	82,611	241,229

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	89,573	110,602
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,469)	(5,876)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(50,726)	(226,710)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	82,611	241,229

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	656	400
4.6	Cash and cash equivalents at end of period	119,645	119,645

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	119,587	89,515
5.2	Call deposits	58	58
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	119,645	89,573

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	376
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities – NAIF ²	150,000	(114,000)
7.2 Credit standby arrangements	0	0
7.3 Other – Bond ¹	87,095	(75,986)
7.4 Total financing facilities	237,095	(189,986)
7.5 Unused financing facilities available at quarter end		47,109
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
<p>¹ <u>Bond Facility – US\$60m</u></p> <ul style="list-style-type: none"> • 5 year tenor with a maturity date of 20 March 2026 • 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 • 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 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 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 • To be listed on Oslo Børs, or other regulated markets within 12 months • Governing law is Norwegian law for Bond terms and Australian law for security package • Comprehensive senior security package over assets and rights of Coburn project, pari passu with the NAIF loan facility • US\$60m (A\$87.09m at AUD:USD 0.6889 as at 30 June 2022) <p>² <u>NAIF Facility – A\$150m</u></p> <ul style="list-style-type: none"> • Up to 15 year tenor with no principal repayments 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. • 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 an airstrip and potential future northern access road linking the project more directly to the Denham community in Shark Bay (subject to feasibility assessment, permitting and approvals) • Comprehensive senior security package over assets and rights of Coburn project, pari passu with the Bond financing 		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,469)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,469)
8.4	Cash and cash equivalents at quarter end (item 4.6)	119,645
8.5	Unused finance facilities available at quarter end (item 7.5)	49,797
8.6	Total available funding (item 8.4 + item 8.5)	169,442
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3) <i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	69
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2022

Authorised by: the Board of Strandline Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.