



29 MAY 2024

ASX ANNOUNCEMENT

ASX: STA

COMPANY UPDATE

Strandline Resources Limited (**ASX: STA**) (**Strandline** or the **Company**) provides an update on its operations at the Coburn Mineral Sands Project (**Coburn**).

KEY POINTS

- **Heavy Mineral Concentrate (HMC) production in the month of April 2024 totalled 14,847 dry tonnes compared to 15,510 dry tonnes for the month of March 2024**
- **The April 2024 result was in line with forecasts contained in the new mine plan developed as part of the strategic review**
- **Additional A\$5m draw down from lenders in May 2024**
- **Mineral Separation Plant (MSP) two week trial planned for June 2024**

Operations update

Strandline is pleased to advise that Coburn had monthly HMC production of 14,847 dry tonnes in April 2024. Importantly, this is in line with the mine plan developed as part of the strategic review.

Full details on the Coburn operations for the June 2024 Quarter will be provided in the Company's June 2024 Quarterly Activities Report expected to be released in July 2024.

Additional A\$5m draw down from lenders

In March 2024, certain Nordic bondholders approved a super senior facility of up to A\$20 million, with funds being used for working capital. A\$10 million of the new facility was drawn on 8 March 2024 and A\$5 million was drawn in early April 2024.

On 17 May 2024, the Company drew down a further A\$2.5 million from the Nordic bondholders super senior facility as well as a further A\$2.5 million from the previously announced Northern Australia Infrastructure Fund super senior facility. Both drawdowns were in compliance with, or subject to the waiver of, certain conditions.

MSP trial planned for June 2024

A two week trial of the MSP is planned to commence in early June 2024. The purpose of the trial is to understand the performance of the MSP which will process higher quality HMC at increased consistent throughput.

The trial will provide the Company with separation performance data and inform the capital program for the modifications required to maximise separation into final products.

The MSP trial is not expected to impact HMC monthly shipments to customers.

Strandline Managing Director Jozsef Patarica said: "I would like to thank our personnel and service providers for their ongoing efforts and support in safely achieving consistent levels of production.

"The consistent production is a result of the strategic and methodical approach taken to all aspects of managing the operations including planning tailings storage and reducing unplanned downtime."



Operational and funding requirements review

The Company's review of operations and the financial requirements of the business is ongoing. As part of this process, the Company announced on 20 May 2024 that it had agreed to sell its Tanzanian mineral sands assets for an aggregate consideration of A\$43 million, subject to conditions precedent (*see ASX Announcement entitled "Strandline agrees to sell Tanzanian mineral sands assets"*). The A\$43 million consideration to be received will be applied to repay existing super senior indebtedness and for working capital.

Given that discussions with lenders regarding the impact of these changes on the Company and its ongoing funding requirements are still in progress, the Company's shares will remain suspended. As new important information becomes available, the Company will notify shareholders.

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

For further information contact:

Jozsef Patarica

CEO and Managing Director
Strandline Resources Limited
+61 8 9226 3130
enquiries@strandline.com.au

Media and broker enquiries:

Paul Armstrong / Nicholas

Read
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.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements and comments about future events, including statements about Strandline's expectations about the financial and operating performance of its business. Forward looking statements are only predictions and are subject to risks, uncertainties and assumptions which are outside of the control of Strandline. Forward looking statements can generally be identified by the use of forward looking words including (without limitation) words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions. These risks, uncertainties and assumptions include (without limitation) 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.

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"A\$" in this announcement means Australian dollars, the lawful currency of Australia