

# ASX ANNOUNCEMENT

20 October 2015



**STRANDLINE**

resources limited

ABN 32 090 603 642

## Company Facts

Strandline Resources (ASX: STA) - Exposure to emerging country-wide exploration play in Tanzania, within one of the world's major mineral sands producing corridor and major 'construction ready' Coburn Heavy Mineral Sands Project in Western Australia

### Key projects:

- Tanzanian Heavy Mineral Sands Exploration Projects (100%)
- Coburn Heavy Mineral Sands Project, WA (100%)
- Mt Gunson Copper Exploration Project, SA (100%)
- Mt Gunson MG14/Windabout Copper-Cobalt-Silver Development Project, SA (100%)
- Fowlers Bay Base Metal-Gold Project, SA (100%) – Western Areas Earning In

## Company Directors

### Michael Folwell

Non-Executive Chairman

### Richard Hill

Managing Director

### Didier Murcia

Non-Executive Director

### Asimwe Kabunga

Non-Executive Director

### Tom Eadie

Non-Executive Director

### Mark Hanlon

Non-Executive Director

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## MULTIPLE DRILL PROGRAMS TO COMMENCE

### Highlights

#### Tanzania – Heavy Mineral Sands (Strandline 100%)

- Mobilising team to commence high impact aircore drilling program in early November;
- Targeting designed to delineate Resources around high grade heavy mineral intercepts encountered at Tanga South and Madimba; and
- Results expected to flow from mid to late December.

#### Australia – Base Metals/Gold (JV with Western Areas)

- Western Areas (ASX:WSA) to commence RC drilling next week on the Fowlers Bay Project in South Australia; and
- 25-30 drill holes planned, targeting specific magnetic features that may represent mafic-ultramafic intrusions prospective for base metal and gold mineralisation.

With the recent completion of the Jacana Resources (Tanzania) acquisition and successful \$1.6 million capital raising, the Company is pleased to announce it has now scheduled its drill programs in Tanzania for the remainder of 2015. The programs have been designed to evaluate the potential for heavy mineral sands (HMS) Resources within and along strike from high grade HMS mineralisation at the Tanga South and Madimba prospects located in the north and south regions of Tanzania respectively (Figure 1). Tanga South was part of the portfolio acquired in the Jacana transaction. Drilling should commence early November and continue through the rest of this Quarter with results to flow by mid to late December.

Commenting on the drill programmes, Strandline's Managing Director, Richard Hill, said, "Our recent consolidation of the key Tanzanian HMS ground holdings and successful capital raising now allow us to get back on the ground and continue on from previous high grade and high value HMS discoveries. Our aim is to hopefully convert several of these higher grade prospects to Resources in the short term."

# ASX ANNOUNCEMENT

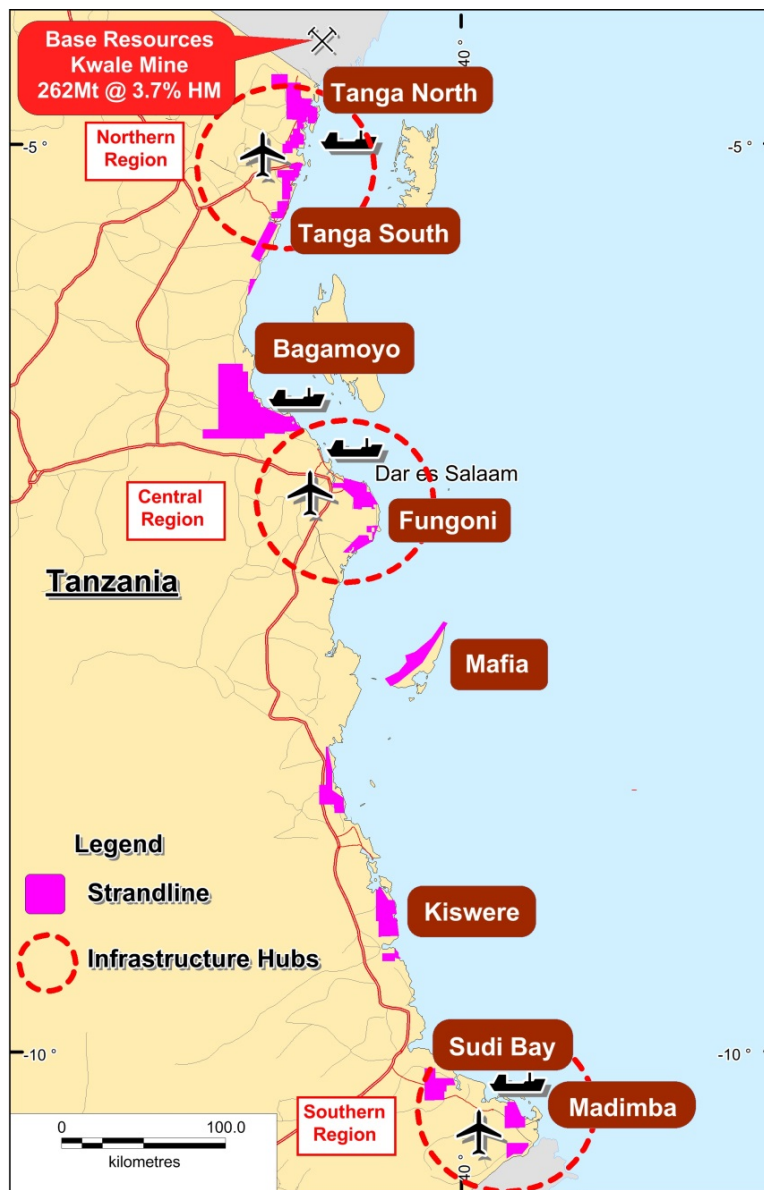
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*“All of the projects that we are drilling have the key criteria of grade, scale and quality assemblage potential in proximity to infrastructure hubs. Given our location within one of the world’s premier HMS production corridors and the activity of the major producers in the region, Strandline is now well positioned to potentially build a world class mineral sands house.*”

*“Additionally, we are excited that in parallel to the ongoing Tanzanian drill programme, our joint venture partner in Australia, Western Areas, will be aggressively drilling targets on our Fowlers Bay base metal - gold project in South Australia over the coming weeks”.*



**Figure 1.** Project Location Map showing Strandline’s dominant HMS position along the Tanzanian coast

# ASX ANNOUNCEMENT



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20 October 2015

## Tanzania

### Northern Region – Tanga South Project (Strandline 100%)

Tanga South is located within 40km of the port town of Tanga and is 130km south of Base Resources' operating Kwale HMS mine (262Mt @ 3.7% HM).

At Tanga South, the compilation of auger drilling, detailed magnetics and surface mapping has identified a number of targets that are consistent with mineralisation associated with strandlines. Typically, these may be 100 to 500m wide zones but are strike extensive and at Tanga South, a combined strike of 20km has been delineated (Figure 2).

This entire target zone has been subjected to shallow auger drilling and surface sampling but has only been drilled deeply with aircore (**AC**) drilling with a single traverse by Tanganyika Gold (**TGL**) in the late 1990's. TGL reported two AC holes 240m apart with grades comprising 9m @ 12.3% Total Heavy Minerals (**THM**) (TGAC48) and 14m @ 9.2% THM (TGAC46). Significantly, both of these results were from surface. This THM anomaly is strongly co-incident with a magnetic anomaly that is continuous for 1500 to 2000m to the north and south within the 20km magnetic and geochemical target.

The current program will comprise drill traverses 200m apart and drill spacing of between 25m and 50m. This closer spaced AC program is designed to understand depth, lateral extent and continuity of existing mineralisation.

The northern anomaly at Tanga South is located on a ridge on the landward side of the high grade strand and may represent a larger tonnage wind related sand accumulation. As previously reported by Jacana, an auger hole (TJAG0091) encountered 4m @ 11.25% THM from surface and open at depth. This is supported with widespread surface anomalism along strike to the south for several kilometres. The Company intends to drill the main part of the prospect on a 400m x 200m pattern.

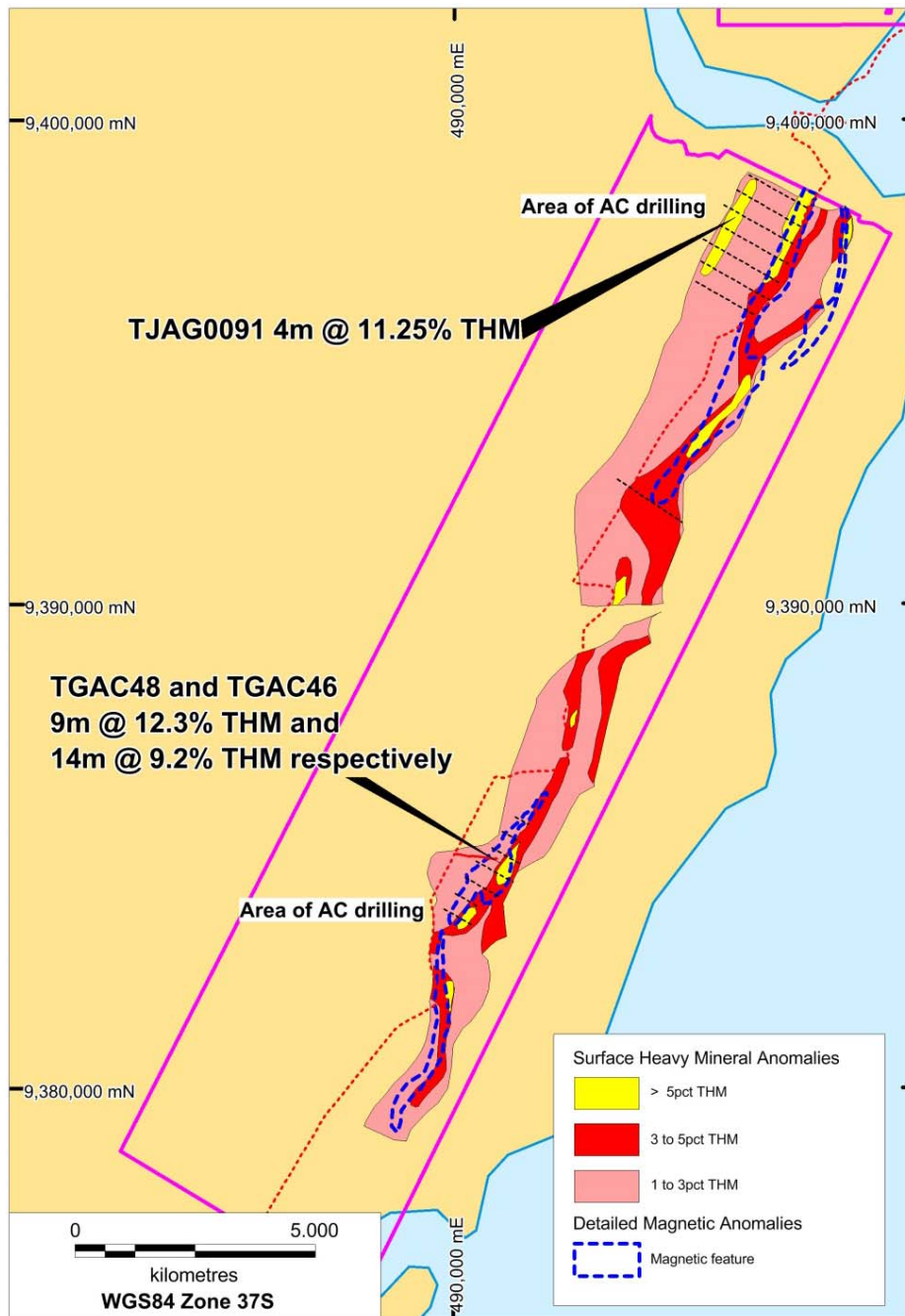


Figure 2. Surface THM anomalies from Tanga South with significant AC and auger results





20 October 2015

## Southern Region – Madimba Project (Strandline 100%)

The initial focus of the drilling in southern Tanzania will be at the Madimba prospect, located close to the active port of Mtwara and recently developed gas infrastructure (Figure 3). At Madimba, the Company has identified a large heavy mineral footprint at surface with three adjacent auger holes encountering significant levels of HMS mineralisation. Holes MTPA065, 066 and 068 intersected 6m @ 3.42% THM, 7m @ 4.10% THM and 7m @ 7.06% THM respectively from surface and remain open at depth. Significantly, the end of hole interval in MTPA068 was 1m @ 12.36% THM with slimes below 15% and in general the grade was increasing with depth. The Company will complete more detailed drilling over the strongly anomalous zones followed by some broader spaced drilling to the south west.

Both aircore programs will generate significant volume of material that can be composited and submitted for more detailed mineral assemblage, chemistry and potential product quality analysis. Should sufficient grade and geological continuity be encountered at these prospects, then resource estimation studies will also be completed.

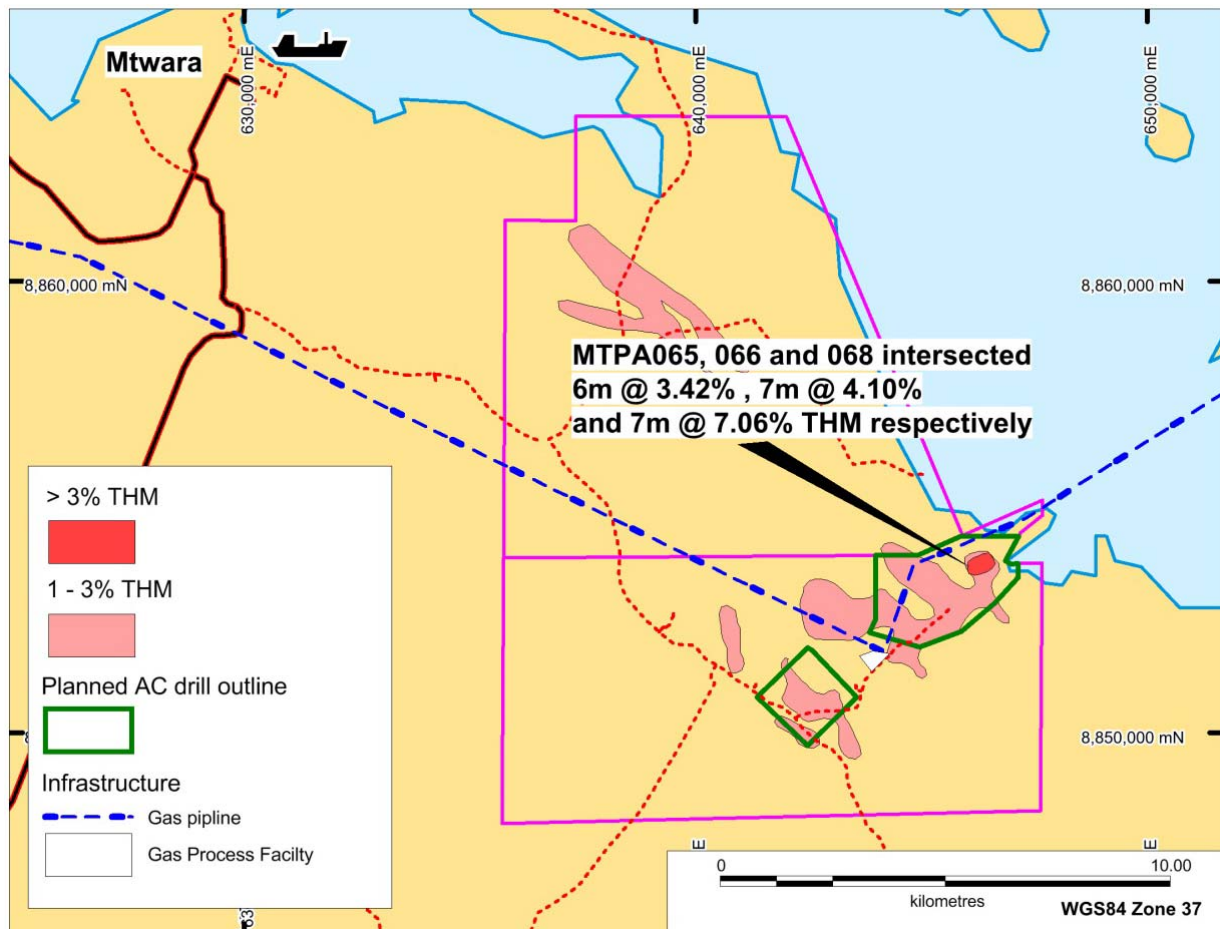


Figure 3. Surface THM anomalies from Madimba with significant auger results

# ASX ANNOUNCEMENT

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## **South Australia**

### **Fowlers Bay Base Metals – Gold Project (Western Areas earning up to 90%)**

As recently announced, joint venture partner, Western Areas (ASX: WSA) are initially planning to drill 25-30 Reverse Circulation (RC) holes on Strandline's Fowlers Bay base metal - gold project, targeting specific magnetic features that may represent prospective mafic-ultramafic intrusions (Figure 4). The program is expected to commence next week and take approximately four weeks to complete, with initial assay results from the laboratory expected a further four to six weeks after the completion of the drilling.

The Fowlers Bay Project comprises a 700 km<sup>2</sup> exploration licence located approximately 150km west of Ceduna in the Western Gawler region of South Australia, close to existing infrastructure including road and port. Western Areas joint venture with Strandline is part of a major 'first mover' regional exploration push across a belt of intrusive rocks that have geological affinities to the Albany-Fraser Belt, which hosts the recently discovered Nova/Bollinger nickel-copper deposit.

The Joint Venture with Western Areas allows Strandline to maintain focus on its Tanzanian and Australian mineral sands projects, while retaining exposure to the Fowlers Bay Project.

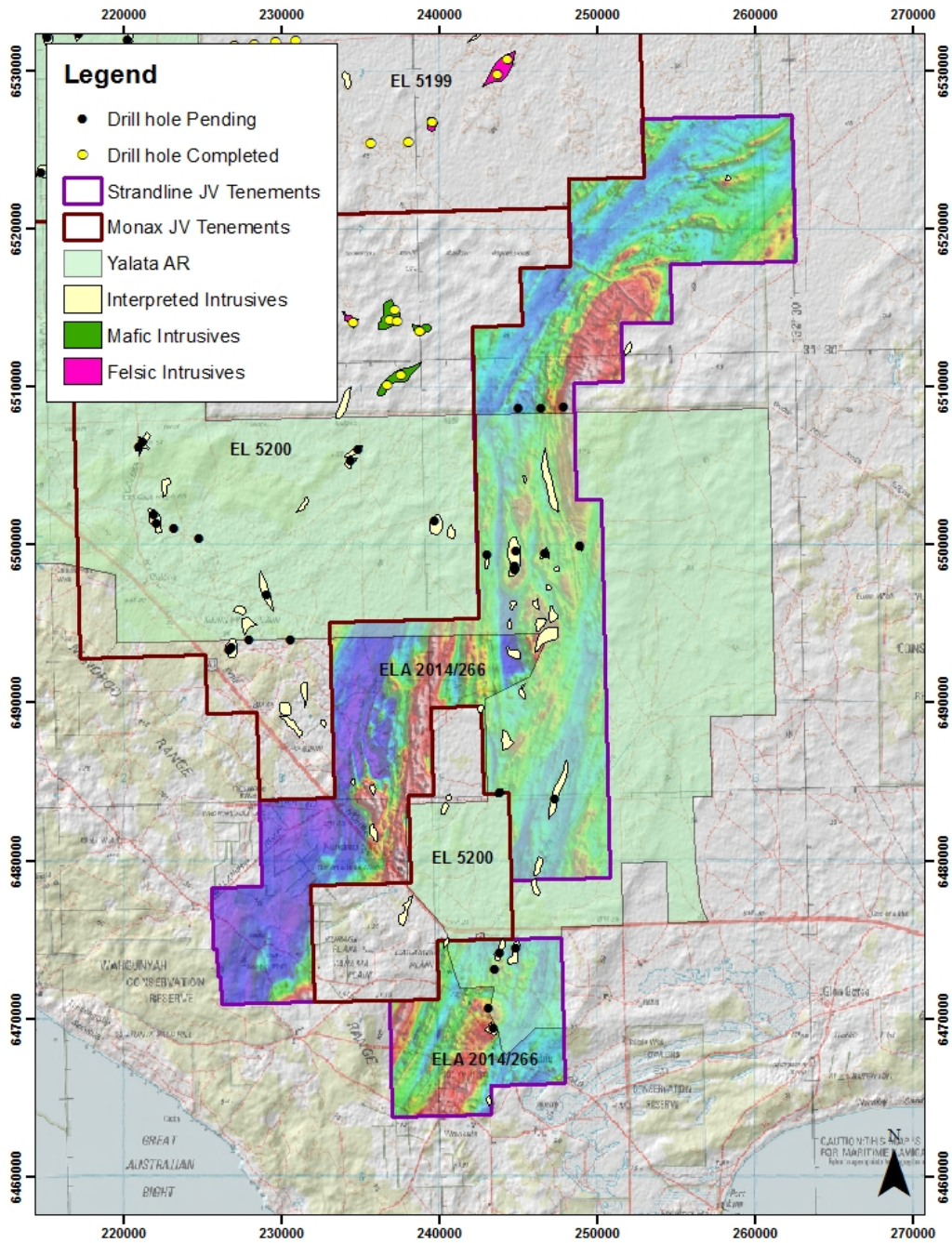


# ASX ANNOUNCEMENT



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Western Gawler Project - Drilling status overlaying Magnetics (RTP)

Coord System: GDA1994 MGA Zone 53S

**Figure 4.** Fowlers Bay Project

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## **TANZANIA MINERAL SANDS**

### **COMPETENT PERSON'S STATEMENT**

The details contained in this report that pertains to exploration results, ore and mineralisation is based upon information compiled by Dr Mark Alvin, a consultant to Strandline. Dr Alvin is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking 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". Dr Alvin consents to the inclusion in this release of the matters based on the information in the form and context in which it appears.

### **PREVIOUSLY REPORTED INFORMATION**

Refer to the ASX Announcement dated 5 February 2015 for further details of the exploration results for the Madimba Project contained in this report.

### **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.