



COBURN PROJECT OPERATIONS UPDATE AND MANAGEMENT CHANGES

Strandline Resources Limited (ASX: STA) (“Strandline” or the “Company”) provides an update on changes to its executive and management team and commissioning activities at the Coburn Mineral Sands Project.

KEY POINTS

- Executive and management team changes
- 15,000 tonne “ZIC” (Zircon in Concentrate) shipment and 5,900 tonne Chloride Ilmenite shipment completed in October 2023
- 12,000 tonne Heavy Mineral Concentrate (“HMC”) shipment contracted for December 2023
- October production of HMC reduced as a result of Dozer Mining Unit (DMU) availability and tailings constraints
- November production of HMC is much improved with increased DMU availability and limited tailings constraints
- Key State Government approvals obtained to increase capacity of tailings storage
- Mineral Separation Plant (MSP) commissioning impacted by limited HMC production
- Operational and funding requirements review ongoing

EXECUTIVE AND MANAGEMENT CHANGES

- **Belinda Murray appointed as Chief Operating Officer.** Belinda is an experienced executive with over 20 years in the resources industry. Belinda previously spent 12 years with the BGC Group in various leadership roles and played an integral role in overseeing the company’s growth. She has held a broad range of responsibilities including various aspects of mining operations, commercial, safety, governance, culture and sustainability. Belinda has been Strandline’s Head of Commercial & Strategic Development since November 2022.
- **Ian Hind appointed as the new General Manager Marketing and Logistics.** Ian has extensive mineral sands marketing and logistic experience having spent 13 years with Iluka Resources Limited in a variety of international marketing and logistics roles. Ian has also spent three years as the Business Development Manager at Mid West Ports Authority which is responsible for administering the operation of the port of Geraldton from where Strandline exports its products.
- **John Francisco appointed as the new General Manager of Coburn Operations.** John has held a number of development and operational roles in various mining operations both in Australia and overseas and brings a wealth of experience to the team. John worked closely with Jozsef Patarica on the ramp up to nameplate throughput rates of the Grande Cote Mineral Sands Operations in Senegal, West Africa. He has led project teams through design, construction, commissioning and into sustainable operations. He was Operations Manager at the Wahgnion Gold Mine in Burkina Faso and General Manger at the Kipoi Copper Mine in the DRC.

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- **Michael Ingram appointed as Technical Manager.** Michael is a Geologist with 30 years in technical management roles within the mineral sands and industrial minerals industries. His experience includes 10 years in consulting firms performing engineering and project management roles on projects for Iluka Resources and Tiwest/Tronox both in Australia and overseas. Michael has been Strandline's Senior Project/Studies Manager since March 2023.

Additional to changes in executive and management significant technical and operational support has been engaged to assist with the ramp up and commissioning of Coburn. The following mineral sands specialist consultants, who have previously worked with Jozsef Patarica, have been engaged:

- **Mr John Bunter** who has more than 50 years mineral sands experience having been involved with Allied Eneabba Limited, Sierra Rutile Limited, RGC Minerals Sands / Iluka Resources Limited (Narngulu & Eneabba), Ticor South Africa Pty Ltd, and Grande Cote Mineral Sands Operations in West Africa, Senegal. John has held a number of management roles with responsibility for operations, commissioning and design of many mineral sand's projects globally. He was also the Managing Director of Allied Mineral Laboratories for five years where he oversaw several test work programs as well as design, build and operation of physical separation test facilities including one with the University of Sierra Leone.
- **Mr Anthony Hegarty** is a mining professional with more than 35 years mineral sands experience having been involved with Iluka Resources Limited (Eneabba), Sierra Rutile Limited, Kenmare Resources PLC in Mozambique, Tiwest Pty Ltd (Cooljarloo Mine, Cataby) and Grande Cote Mineral Sands Operations in Senegal and reported directly to the in-country CEO. He has held a number of management roles responsible for mining, processing and overall operations.

The Company also advises that Flavio Garofalo has resigned as Chief Financial Officer and Company Secretary of the Company and its subsidiaries to pursue other interests. The Board would like to thank Mr Garofalo for the valuable contribution he has made to the Company and wish him well in his future endeavours.

Strandline's Senior Financial Controller, Ms Jenelle Goddard has been appointed as Interim Chief Financial Officer and Jamie Cann, will continue in the role of Company Secretary for Strandline and its subsidiaries.

OPERATIONS UPDATE

October production

Production of HMC during the month of October was significantly reduced at 4,544 tonnes.

Operating issues encountered during October that contributed to this result were:

- DMU availability due to exciter bolt failures on the double deck screens
- Tailings constraints
- Wet Concentrator Plant (WCP) down time for a roller bearing failure on the HMC Filter Belt, and the installation of a Raw Water system to assist with improving HMC quality

November production

As at 22 November 2023, circa 8,423 tonnes of HMC has been produced as a result of various operational improvements implemented by the new Management team. A continuous 9 days of production at circa 85% of nameplate capacity has been achieved, primarily due to much improved reliability planning and reduced downtime regarding exciter bolt failures. There have been limited tailings constraint impacts on production.

Operating issues encountered during November so far are:

- The remnant impact of exciter bolt failures carrying over from October into the first week of November, which has since been overcome.
- A supply power outage that resulted in a 50% rate reduction for 48 hours due to a blocked pipeline from an active DMU and a resultant mechanical seal failure on one of the two tailings pipelines.

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Improvements to DMU availability

The primary cause of the downtime of DMUs has been the failure of Original Equipment Manufacturer (OEM) exciter mechanisms on the double deck screens. Failure of exciter bolts has been an ongoing issue and developed shortly after the commissioning of the DMU's. Investigations to determine the root cause of the failures have now led to a significant improvement in DMU availability through improved reliability monitoring and proactive planning.

Tailings constraint

Not having sufficient off path tailings storage from production commencement has led to inefficient mining and ongoing tailings constraints. The Company sought further environmental approvals to provide steps towards additional tailings storage and flexible mining methods. These approvals have now been received, refer to detail below.

The mine plan is being optimised on the basis of these approvals, and other future approvals that will be sought to minimise /remove further impact on production.

Longer term tailings storage strategies, which are critical, are being addressed as part of the revised operational strategy and associated funding review.

WCP Attritioning

The quality of HMC has improved, when compared to the commissioning and ramp-up periods, with modifications completed in October to the HMC circuit, which together with attritioner feed density modifications has resulted in HMC having improved separation efficiencies in downstream processing.

MSP Commissioning

Further commissioning of the MSP has been limited by the lack of HMC produced. Continual starting and stopping of the MSP on a weekly basis has not allowed sufficient time to optimise circuits, significantly impacting on the ability to produce products beyond the current production of Ilmenite, ZIC and standard grade zircon.

Commissioning of the MSP will be addressed further as part of the revised operational strategy and associated funding review.

State Government Approvals Status

As part of the future works required to reduce the tailings constraint there were three State government approvals that have recently been granted.

An Environmental Protection Authority (EPA) approval was granted on 26 October 2023 to authorise minor amendments to Ministerial Statement 723. These amendments are to realign the approved disturbance footprint to include clearing for mine infrastructure and an aerodrome to be located on Coburn Station to facilitate a fly in/fly out operation. The approved footprint facilitates an optimal pipeline alignment for operation of the Tailings Storage Facility (TSF) with a lift to RL101m.

A Department of Energy, Mines, Industry Regulation and Safety (DMIRS) approval (Mining Proposal Reg ID 117811) was granted on 3 November 2023 to allow an embankment raise to the TSF (to RL 101m) and the periodic construction of embankment walls at active mine pits, both to maximise the storage of sand tails. The use of solar ponds has been approved to clarify the process water for recycling a higher percentage of clean water back into the process, as an environment benefit. Operation of the aerodrome on Coburn Station has also been approved as an activity.

A Department of Water and Environment approval was granted on 16 November 2023 (W6819/2023/1) to allow construction and operation of a TSF lift to RL101m, for a total of 5.9 million tonnes capacity.

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SALES UPDATE

Shipment completed in October 2023

As previously announced on 10 October 2023, a second shipment of 5,900 tonnes of chloride ilmenite completed. In addition, a spot sale of 15,000 tonnes of ZIC was completed to a new customer in China. As this was the first shipment of ZIC and specification had not been tested by the customer, a discounted price applied.

Shipment in December 2023

A shipment of 12,000 tonne of HMC has been scheduled for early December 2023. This shipment will comprise material that was primarily produced pre the improvements in the attritioning process. Testwork from HMC produced recently is demonstrating improved quality such that future shipments should receive improved pricing.

Operational and funding requirements being reviewed

Work is continuing on the review of both operations and corresponding funding requirements. Given discussions are underway with lenders in relation to the impact these changes may have on banking covenants, it is prudent to keep trading of the stock in suspension at this time. The Company will keep shareholders informed as material information comes to hand.

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

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ABOUT STRANDLINE

Strandline Resources Limited (**ASX: STA**) is an emerging producer of heavy mineral sands with a portfolio of 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 Coburn Project in WA and the Tanzanian growth projects including Fungoni and Tajiri.

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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