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Tanga Regional Drilling Demonstrates Potential HMS Scale

Mineral sands developer, Strandline Resources (**Strandline** or **the Company**) is pleased to provide an update on its current exploration programme, testing the corridor of heavy mineral sand (**HMS**) mineralisation within its 100% owned tenements located in the Tanga Region of northern Tanzania.

The Company's systematic aircore (**AC**) drilling programme continues to extend and discover zones of mineralisation within its highly strategic Tanga South tenure, comprising the Tajiri and Pangani-Tongoni tenements. Sample assaying is progressing and preliminary results demonstrate the potential to significantly add to previously defined Mineral Resources in this area.

At Tanga North (Kitambula tenement), Strandline is preparing to drill high grade surface mineralisation coincident with a series of recently defined geophysical anomalies seeking to build on the regional discoveries.

The Company's Tanga Projects spreading over 100km's of contiguous coastline are evolving into a new HMS corridor of major scale. This announcement summarises the most recent exploration outcomes for this Region:

Highlights:

- **Tanga South (Tajiri) Mineralisation Extensions** – AC regional drilling results confirm the high potential to extend and delineate new Mineral Resources along the 25km mineralised corridor:
    - Multiple laterally continuous zones of HMS mineralisation, occurring from surface, outlined from panning AC drill samples.
    - New mineralised zones with strike lengths ranging from 1600m to 4000m and from 200m to 800m wide. Mineralisation thickness is between 5 to 15m from surface.
    - Samples from Mineral Resource extensions and discovery drilling are currently being processed with total heavy mineral (**THM**) assay results expected from December, with Mineral Resource upgrades during Q1-2017.
- **Tanga South (Pangani-Tongoni) Mineralisation Discovery** – AC discovery drilling programme of priority targets has identified a new moderate-to-high grade HMS mineralised zone from surface:
    - Results to date from visual panned samples have identified a new 2000m long zone of HMS mineralisation with thickness ranging from 5m to 20m and width potential of 300m to 500m.
    - The valuable mineral assemblage at this new zone is generally consistent with the high results received from the Tajiri prospect located immediately south.
- **Tanga North (Kitambula) Radiometric Anomalies** – analysis of surface samples from a series of radiometric anomalies extending over a promising 9km strike of the Kitambula tenement shows high grades ranging from 3.65 % to 8.45% THM with nominal 85% valuable heavy mineral assemblage.

Strandline's Managing Director and CEO, Luke Graham commented, *"The potential extension zones and new discovery zones at Tanga South, as well as the promising radiometric targets identified at Tanga North continues to validate the Company's exploration strategy in this very prospective Region in Tanzania."*

Tanga South Exploration Update

The Company has completed the next phase of exploration drilling across its Tanga South tenements, at Tajiri and Pangani-Tongoni, located near the port of Tanga along the northern coastline of Tanzania.

Recent exploration has been very successful in generating multiple zones of HMS mineralisation that have the potential to increase current Mineral Resources and, with some additional infill drilling, provide new Mineral Resources to this highly mineralised region (refer Figure 1.2).

These HMS results continue to validate the Company's exploration strategy of drilling for resource extensions in addition to screening for new discoveries.

Further, the AC drilling campaign has discovered potential new HMS zones within the Pangani-Tongoni tenements, to compliment the Tajiri deposits.

The Company's Tanga Projects spreading over 100km's of contiguous coastline are evolving into a new HMS corridor of significant scale.

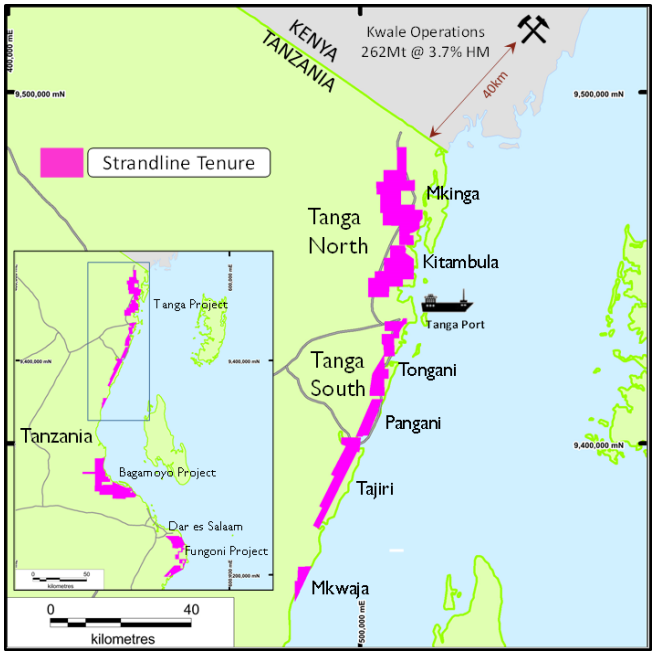

Figure 1.1 Strandline's significant HMS tenure position in the Tanga region, located along the northern coastline of Tanzania

Tanga South Tajiri Mineralisation Extensions

The Company has commenced analysis of the mineral sand samples from the 3,000m AC drill programme completed along the 25km long Tajiri mineralised corridor. Sample processing is being undertaken at Western Geolabs in Perth.

The Tajiri drilling has been successful in identifying new zones of mineralisation along strike between Tajiri North and Tajiri, ranging from approximately 1,600m to 4,000m in length and 200m to 800m wide.

Based on visual estimates of THM % in pan concentrates the new zones form coherent and continuous bodies of mineralisation. These zones of mineralisation have been delineated from the 400m x 200m and 1,600m x 200m spaced regional AC drill lines and show significant potential at an early exploration stage.

It is likely additional infill drilling within these new zones of mineralisation, which currently fall within the Exploration Target, will convert to Mineral Resources, adding to the existing Indicated Resources estimates of 59mt @ 3.7% THM.

Extensions to both Tajiri and Tajiri North Mineral Resources have also been identified with this recent round of drilling. Visual estimates of THM % from the panned concentrates of drill samples from Tajiri show high grade mineralisation extending over 1,600m to

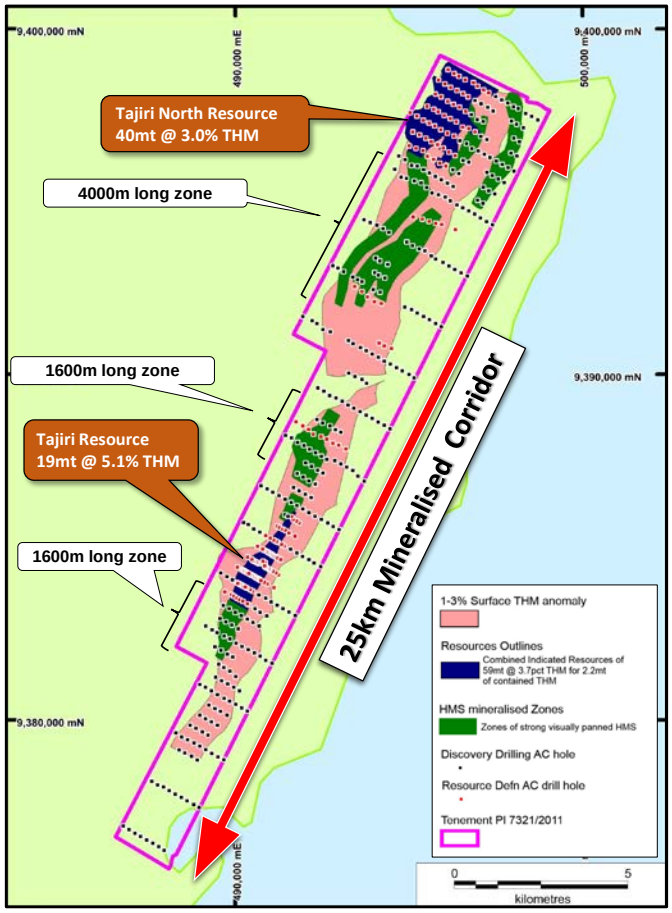

Figure 1.2 Tanga South Tajiri HMS Extensions Zones plus New Mineralisation Zones

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the south of the current Mineral Resource boundary.

It is anticipated that assay results will be received during December and final assays will be received during January.

Tanga South Pangani-Tongoni Discovery Drilling

The Company completed AC discovery drilling along the Pangani-Tongoni tenement during October and visual estimates of THM % logged from pan concentrates define broad zones of HMS mineralisation. The drill program comprised 3,003m from 375 drill holes. The Company's tenements were systematically grid-drilled using a 1,600m x 200m pattern designed to provide coverage over the majority of the tenure with closer spaced drilling (400m x 200m) targeting priority zones over geophysical and geochemical anomalies.

Early indications from at least one of the priority targets is highly encouraging, with a coherent zone of visual estimates with +3% THM logged over 2,000m of strike with thickness ranging from 5m to 20m and averaging 12m. Several other zones of shallow high grade mineralisation were also discovered in the Pangani-Tongoni region.

The samples are currently being exported from Tanzania to Perth in several batches and are expected to be processed for assaying for THM grades in early 2017.

Tanga North Exploration Update

Tanga North Kitambula Radiometric Anomalies

The Company holds a highly strategic exploration landholding to the north of the port city of Tanga (titled Tanga North). The Tanga North region hosts geology that is highly prospective for HMS mineralisation and supplements the Tanga South projects, forming what the Company considers as a potential significant hub of valuable mineral sands inventory. Exploration activities in the Tanga North area have commenced and are planned to continue in the first half of 2017.

A series of northerly radiometric - thorium anomalies extending over a promising 9km section of the Kitambula tenement have been ground-truthed. A significant amount of HMS was observed at each of the anomalies and within the surrounding environment. A drainage feature (Figure 1.3) is located 2200m south of the surface sample Kit Th 4 which indicates the radiometric anomalies are part of a much larger system. The radiometric anomalies also appear to be located at the base of a linear topographic rise potentially marking a palaeo shoreline. These new discoveries represent exciting high grade strandline style targets with the potential to materially complement the HMS discoveries south of Tanga.

The anomalies are located less than 15km from the port city of Tanga within easy access of the sealed A14 highway that connects Tanzania to Kenya only 45km to the north. A total of three surface samples were gathered from within the radiometric anomalies located at Kitambula. The samples have been analysed for total heavy mineral (THM) and important characterisation and mineral assemblage analysis to establish the percentage of valuable heavy mineral (**VHM**) with the results presented in Table 1.1 below.

Table 1.1 Tanga North (Kitambula) Surface Sample sites and THM results from the radiometric anomalies

Sample Number	East_UTM	North_UTM	THM%	Slimes %	Ilmenite%	Zircon %	Rutile%	Leucoxene%
Kit_Th_4	506810	9445480	**8.45**	24.61	76.03	4.66	5.8	0.25
Kit_Th_5	509870	9448050	**5.1**	20.05	73.72	3.02	9.5	0.56
Kit_Th_6	509750	9448770	**3.65**	17.7	68.16	2.77	12.10	1.05

Nb Datum WGS 84 Zone 37 South

The mineral assemblage and mineral chemistry data for Kitambula have a VHM percentage averaging 85% with the high unit value minerals of rutile and zircon ranging between 10 and 15% combined. The TiO_2 deportment is generally dominated by ilmenite with the TiO_2 content more suitable to the larger sulphate ilmenite market, which is consistent with other operations in the region.

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Figure 1.3 Kitambula Heavy Mineral Sands (black sand) Accumulation from Active Drainage in the Region

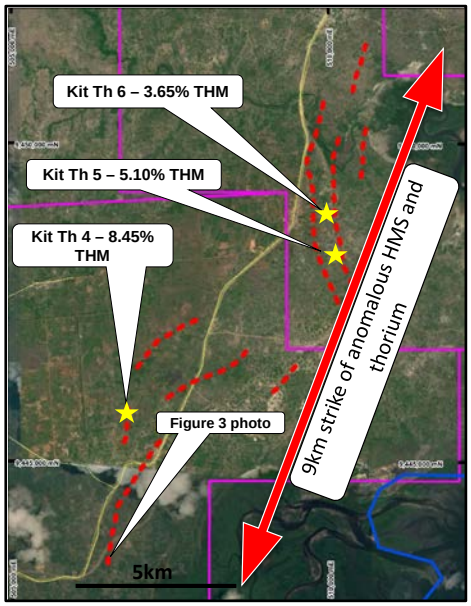

Figure 1.4 Kitambula Area Thorium Anomalies (red dash) and THM Surface Sample Locations

About Strandline

Strandline Resources Limited (ASX: STA) is a Tanzanian-focused mineral sands developer positioned within the world's major zircon and titanium producing corridor in South East Africa. Strandline has a dominant mineral sands position with a series of 100% owned projects spread along 350km of the 850km Tanzanian coastline.

Following the recent placement and Rights issued cornerstoned by Tembo Capital, the Company is financially robust and as at 30 September had A$4.4 million cash and equivalents in the bank. This position underwrites an aggressive exploration and development strategy to progress quality "low cost" projects based on high value titanium and zircon products.

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Mineral Resource Estimate Data

Table 1.1 Tanga South Project Mineral Resource Estimate (April 2016)

MINERAL RESOURCE SUMMARY FOR TANGA SOUTH PROJECT										
Summary of Mineral Resources[1]					THM assemblage[2]					
Deposit	Mineral Resource Category	Tonnage	In situ THM	THM	Ilmenite	Rutile	Zircon	Leucoxene	Slimes	Oversize
		(Mt)	(Mt)	(%)	(%)	(%)	(%)	(%)	(%)	(%)
Tajiri	Indicated	19	1.0	5.1	65	12	6	6	34	3
Tajiri North	Indicated	40	1.2	3.0	70	7	5	2	52	3
	Total[3]	**59**	**2.2**	**3.7**	**68**	**10**	**5**	**4**	**46**	**3**
(1) Mineral Resources reported at a cut-off grade of 1.7% THM										
(2) Mineral assemblage is reported as a percentage of in situ THM content										
(3) Appropriate rounding applied										

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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 Dr Mark Alvin and Mr Brendan Cummins, employees of Strandline. Dr Alvin is a Member of The Australasian Institute of Mining and Metallurgy and Mr Cummins is a member of the Australian Institute of Geoscientists and they both have 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 Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Alvin and Mr Cummins consent to the inclusion in this release of the matters based on the information in the form and context in which they appear. Both Mr Alvin and Mr Cummins are shareholders of Strandline Resources.

The information in this report that relates to mineral resources for Tanga South is based on, and fairly represents, information and supporting documentation prepared by Mr Greg Jones, (Consultant to Strandline and Principal with GNJ Consulting) and Mr Brendan Cummins (Chief Geologist and employee of Strandline). Mr Jones is a member of the Australian 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.

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.

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Appendix 1
JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Aircore drilling was used to obtain samples at 1.5m intervals Each 1.5m aircore sample was homogenized within the sample bag by rotating the sample bag A sample of sand, approx. 20g, is scooped from the sample bag for visual THM% estimation and logging. The same sample mass is used for every pan sample for visual THM% estimation The standard sized sample is to ensure calibration is maintained for consistency in visual estimation A sample ledger is kept at the drill rig for recording sample intervals and sample mass, and photographs are taken of samples for each hole to cross-reference with logging The large 1.5m aircore drill samples have an average of about 8kg and were split down to approximately 500g by riffle splitter for export to the processing laboratory The laboratory sample was dried, de-slimed (removal of -45µm fraction) and then had oversize (+1mm fraction) removed. Approximately 100gm of sample was then split to use for heavy liquid separation using TBE to determine total heavy mineral content Reconnaissance surface samples of about 2kg were collected from a depth of about 30cm Approximately 2 to 3kg of surface material was logged and bagged into plastic bags and sealed with a cable tie
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Aircore drilling with inner tubes for sample return was used Aircore is considered a standard industry technique for HMS mineralization. Aircore drilling is a form of reverse circulation drilling where the sample is collected at the face and returned inside the inner tube Aircore drill rods used were 3m long NQ diameter (76mm) drill bits and rods were used All drill holes were vertical
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.* *Measures taken to maximise sample recovery and ensure representative nature of the samples.* *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse*	Drill sample recovery is monitored by measuring and recording the total mass of each 1.5m sample at the drill rig with a standard spring balance While initially collaring the hole, limited sample recovery can occur in the initial 0.0m to 1.5m sample interval owing to sample and air loss into the surrounding loose soil The initial 0.0m to 1.5m sample interval is drilled very slowly in order to achieve

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Criteria	JORC Code explanation	Commentary
	material.	optimum sample recovery The entire 1.5m sample is collected at the drill rig in large numbered plastic bags for dispatch to the initial split preparation facility At the end of each drill rod, the drill string is cleaned by blowing down with air to remove any clay and silt potentially built up in the sample pipes The twin-tube aircore drilling technique is known to provide high quality samples from the face of the drill hole Wet and moist samples are placed into large plastic basins to air dry in the field prior to splitting
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* *The total length and percentage of the relevant intersections logged.*	The 1.5m aircore samples were each qualitatively logged onto paper field sheets prior to digital entry into a Microsoft Excel spreadsheet The aircore samples were logged for lithology, colour, grainsize, rounding, sorting, estimated THM%, estimated Slimes% and any relevant comments - such as slope, vegetation, or cultural activity Every drill hole was logged in full Logging is undertaken with reference to a Drilling Guideline with codes prescribed and guidance on description to ensure consistent and systematic data collection The surface samples were logged for lithology, colour, grainsize, rounding, sorting, estimated THM, estimated slimes and any relevant comments - such as slope and vegetation A site photo was also taken in addition to a photo of the sample site
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.* *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* *Whether sample sizes are appropriate to the grain size of the material being sampled.*	The entire 1.5m drill sample collected at the source was dispatched to a sample preparation facility to split with a riffle splitter to reduce sample size The water table depth was noted in all geological logs if intersected Samples with aggregates are gently hit with a rubber mallet to break them down so the sample with flow easily through the splitter chutes A total of 400 to 600g of each sample was inserted into calico sample bags and exported to Western Geolabs in Perth for analysis Employees undertaking the splitting are closely monitored by a geologist to ensure sampling quality is maintained Almost all of the samples are sand, silty sand, sandy silt, clayey sand or sandy clay and this sample preparation method is considered appropriate The sample sizes were deemed suitable to reliably capture THM, slime, and oversize characteristics, based on industry experience of the geologists involved and consultation with laboratory staff Field duplicates of the samples were completed at a frequency of 1 per 25 primary samples Standard Reference Material samples are inserted into the sample stream in the field at a frequency of 1 per 50 samples There are no sub-sampling techniques applied to the surface samples. The samples are locally representative of the immediate proximity to the holes that was dug

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Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	The wet panning at the drill site provides an estimate of the THM% which is sufficient for the purpose of determining approximate concentrations of THM in the first instance Aircore sample: The individual 1.5m aircore sub-samples (approx. 500g) were assayed by Western Geolabs in Perth, Western Australia, which is considered the Primary laboratory The aircore samples were first screened for removal and determination of Slimes (-45µm) and Oversize (+1mm), then the sample was analysed for total heavy mineral (-1mm to +45µm) content by heavy liquid separation The laboratory used TBE as the heavy liquid medium – with density range between 2.92 and 2.96 g/ml This is an industry standard technique Field duplicates of the samples were collected at a frequency of 1 per 25 primary samples Western Geolabs completed its own internal QA/QC checks that included laboratory repeats every 10th sample prior to the results being released Analysis of QA/QC samples show the laboratory data to be of acceptable accuracy and precision The adopted QA/QC protocols are acceptable for this stage test work Test work is undertaken at a Secondary laboratory (Diamantina Laboratory) to check the veracity of the Primary laboratory data Surface Sample: The reconnaissance surface sample were analysed by Process Mineralogical Laboratories in Vancouver, Canada. The method of analysis was a Scanning Electron Microscope (Tescan Vega 3) fitted with an Energy Dispersive Spectrometer (SEM-EDS) and equipped with Tescan Integrated Mineral Analyser (TIMA) and Oxford INCA Feature software capable of searching and quantifying the elemental composition of a statistically representative number of Ti-species including rutile, ilmenite, Ti-magnetite, pseudorutile and leucoxene Mineral assemblage and characterisation analyses comprise: • Total heavy mineral % determined by heavy liquid separation at a density of 2.95g/cm3 • Samples were reduced with a micro riffle splitter to approximately 2-5gm for preparation of a polished section • Total oxide geochemistry on a grain-by-grain basis • Mineral species determination by chemical analysis • Mineral species mass % calculated from the grain spherical volume (derived from exposed grain surface area) multipled by the mineral density • Approximately 1000-3000 grain counts, sizing and probing for mineral

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Criteria	JORC Code explanation	Commentary
		chemistry analysis for each sample • Titanium deportment for each titanium species • Zircon – total oxide mineral geochemistry for zircon analysis • A separate sub-sample of each was analysed by standard XRF techniques to ensure quality control of the SEM analysis by comparing actual XRF whole rock analysis with the SEM calculated whole rock analysis for each sample The laboratory undertook duplicate and standard reference material analysis
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.* *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *Discuss any adjustment to assay data.*	All results are checked by the Chief Geologist and the Exploration Manager, in addition to the independent consulting Resource Geologist The company Chief Geologist and independent Resource geologist make periodic visits to the laboratory to observe sample processing A process of laboratory data validation using mass balance is undertaken to identify entry errors or questionable data Field and laboratory duplicate data pairs (THM/oversize/slime) of each batch are plotted to identify potential quality control issues Standard Reference Material sample results are checked from each sample batch to ensure they are within tolerance (<2SD) and that there is no bias The field and laboratory data has been updated into a master spreadsheet which is appropriate for this stage in the programme. Data validation criteria are included to check for overlapping sample intervals, end of hole match between 'Lithology', 'Sample', 'Survey' files, duplicate sample numbers and other common errors No adjustments are made to the primary assay data
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* *Specification of the grid system used.* *Quality and adequacy of topographic control.*	Down hole surveys for shallow aircore holes are not required A handheld GPS was used to identify the positions of the drill holes in the field. The handheld GPS has an accuracy of +/- 10m in the horizontal The datum used is WGS84 and coordinates are projected as UTM zone 37S The drill hole collar elevation was collected from a detailed Digital Terrain Model collected in 2012 The accuracy of the locations is sufficient for this stage of exploration A handheld GPS was used to identify the positions of the surface samples in the field
Data spacing and distribution	*Data spacing for reporting of Exploration Results.* *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* *Whether sample compositing has been applied.*	The extension drilling was designed to bring the drill hole density to 400m x 200m and the exploration drilling was completed at 800m x 200m and 1600m x 200m to provide an appropriate level of confidence in the geological model Each aircore drill sample is a single 1.5m sample of sand intersected down the hole No compositing has been applied to models for values of THM, slime and oversize Compositing of samples will be undertaken on HM concentrates for mineral assemblage determination. The surface samples were gathered from radiometric peaks as point samples

Criteria	JORC Code explanation	Commentary
		without reference to grids The samples are not being used for Mineral Resource Estimation
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	The aircore drilling was oriented perpendicular to the strike of mineralization defined by drilling data The strike of the mineralization is sub-parallel to the contemporary coastline and is known to be relatively well controlled between the 20m to 50m topographic contours and also coincides with geophysical anomalies Drill holes were vertical and the nature of the mineralisation is relatively horizontal The orientation of the drilling is considered appropriate for testing the lateral and vertical extent of mineralization without any bias The reconnaissance surface samples were collected from points along linear geophysical anomalies
Sample security	*The measures taken to ensure sample security.*	Aircore samples remained in the custody of Company representatives while they were transported from the field to Dar es Salaam for final packaging and securing The samples were then sent using a commercial transport company (Deugro) to Perth and delivered directly to the laboratory after quarantine inspection The laboratory inspected the packages and did not report tampering of the samples The reconnaissance surface samples remained in the custody of Company representatives during transport from the field. They were shipped from Tanzania to Canada via commercial courier (DHL).
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Internal reviews were undertaken

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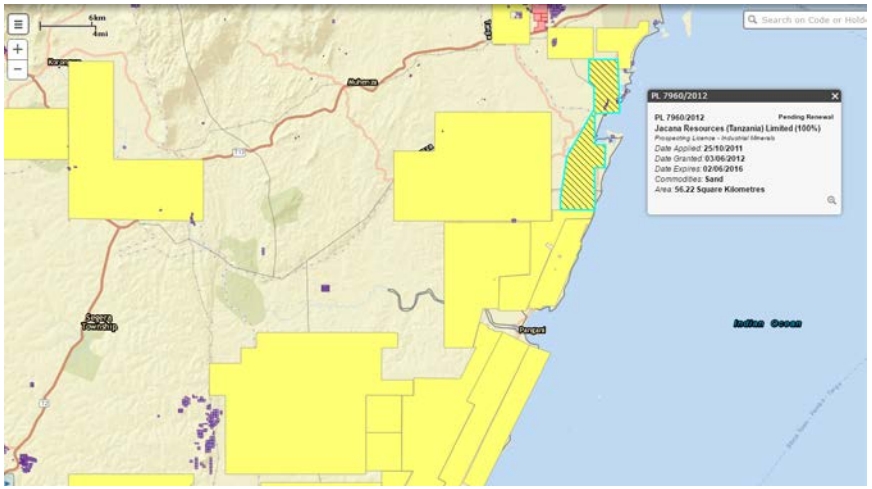
Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	The exploration work was completed on tenements that are 100% owned by the Company in Tanzania or are able to be acquired for 100% ownership The aircore drill samples were taken from tenements PL7960/2012, PL7666/2012, PL7321/2011 The surface samples were taken from PL9976/2014 and PL10425/2014 Traditional landowners and village Chiefs of the affected villages and farms were consulted supportive of the drilling program 

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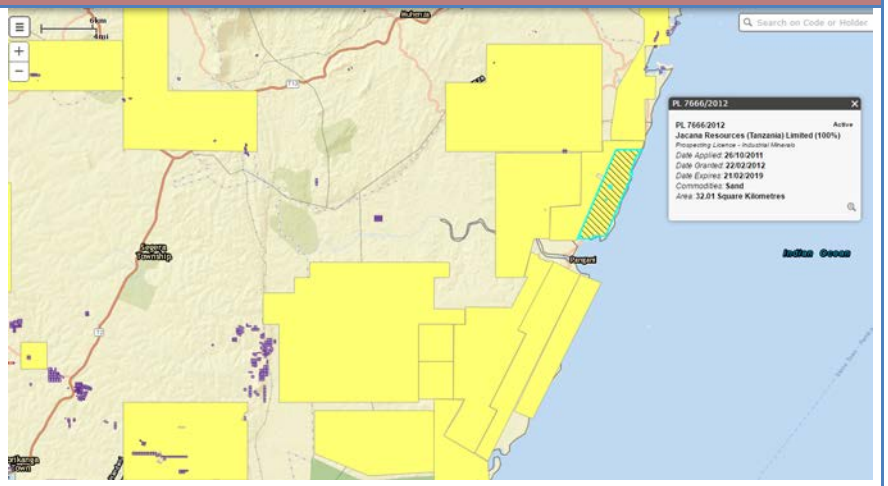

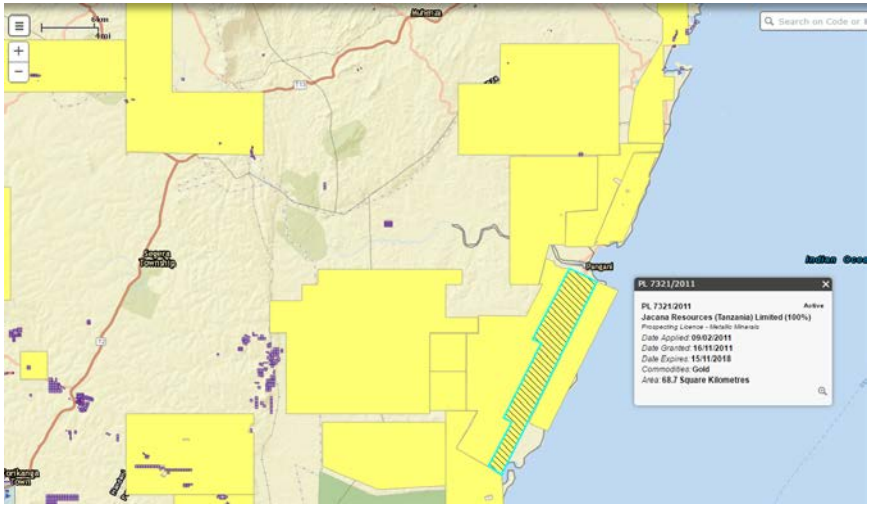

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		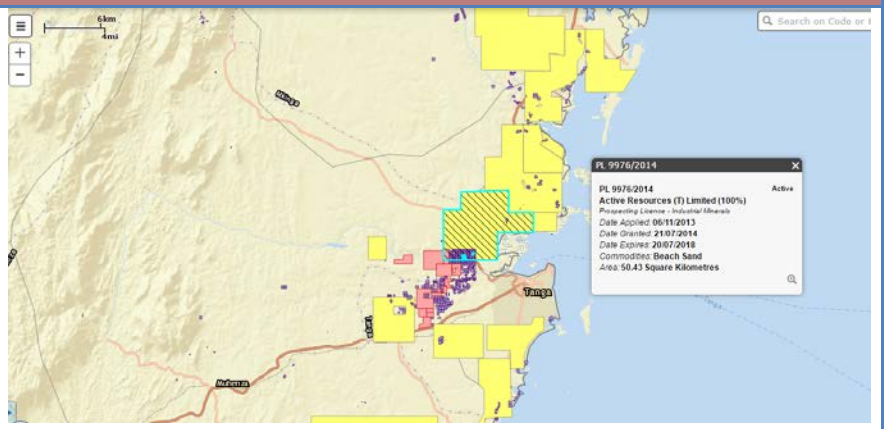 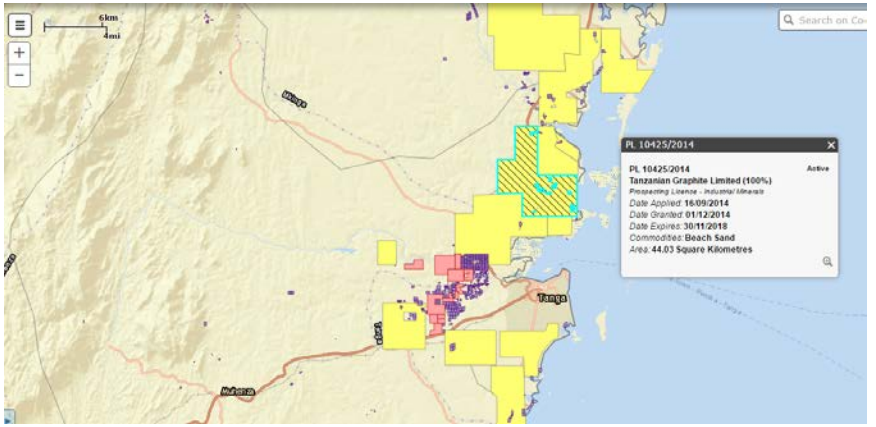
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Historic exploration work was completed by Tanganyika Gold in 1998 and 1999. OmegaCorp undertook reconnaissance exploration in 2005 and 2007 in the Tajiri tenement area. The Company has obtained the hardcopy reports and maps in relation to this Tanganyika and OmegaCorp information The historic data comprises surface sampling, limited aircore drilling and mapping Jacana Resources undertook hand auger drilling in 2012 on a 3000m x 200m grid over the Tajiri and Pangani-Tongoni tenements.
Geology	*Deposit type, geological setting and style of mineralisation.*	Two types of heavy mineral placer style deposits are possible in Tanzania Thin but high grade strandlines which may be related to marine or fluvial

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Criteria	JORC Code explanation	Commentary
		influences Large but lower grade deposits related to windblown sands The coastline of Tanzania is not well known for massive dunal systems such as those developed in Mozambique, however some dunes are known to occur and cannot be discounted as an exploration model. Palaeo strandlines are more likely and will be related to fossil shorelines or terraces in a marine or fluvial setting. In Tanzania three terraces have been documented and include the Mtoni terrace (1-5m ASL), Tanga (20-40m ASL) and Sakura Terrace (40 to 60m ASL). Strandline mineral sand accumulations related to massive storm events are thought to be preserved at these terraces above the current sea level.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.* *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	The drill hole data are reported
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Details of data aggregation are reported
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	The nature of the mineralisation is broadly horizontal, thus vertical aircore holes are thought to represent close to true thicknesses of the mineralisation Downhole widths are reported Surface samples do not provide an indication of potential widths or thickness of the mineralisation.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Figures and plans are displayed in the main text of the Release
Balanced	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be*	All results have been reported and tabulated in Table 1

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reporting	*practiced to avoid misleading reporting of Exploration Results.*	
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Aircore drill sample laboratory data is pending completion for Tajiri and Pangani-Tongoni tenements Resource drilling was completed by Strandline Resources in 2015 over the Tajiri tenement, which defined an Indicated Mineral Resource of 59Mt @ 3.7% THM Regional magnetic and radiometric geophysical surveys were conducted over the Tajiri and Pangani-Tongoni tenements by Jacana Resources in 2012, which defined numerous exploration targets that have been the basis for aircore drilling.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Additional Aircore drilling is planned (400m x 50m and 800m x 200m) to infill and further extend zones of mineralization at the Tajiri tenement For the Tajiri tenement composite samples will be created from aircore samples for mineral assemblage and mineral chemistry characterisation A bulk sample comprising up to 10 tonnes is planned for collection frim the Tajiri tenement in early 2017 for determination of process recovery and product specification At the Kitambula area, additional reconnaissance surface sampling and hand auger drilling is planned prior to a maiden aircore drill programme in 2017 Aerial photographic imagery is also being considered

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