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NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at Suite 6, 295 Rokeby Road, Subiaco 6008 on Monday, 18 December 2017, commencing at 10.00am (WST).

This Notice and the accompanying Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their stock broker, investment advisor, accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on + 61 8 6555 2950.

Shareholders are urged to attend or vote by lodging the Proxy Form attached to the Notice.

TITAN MINERALS LIMITED

ACN 171 790 897

NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of shareholders of Titan Minerals Limited (**Company**) will be held at Suite 6, 295 Rokeby Road, Subiaco, 6008, on Monday, 18 December 2017, at 10.00am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulations 7.11.37 and 7.11.38 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Saturday, 16 December 2017 at 4:00pm (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Adoption of the Proposed Constitution

To consider and, if thought fit, to pass with or without amendment, as a special resolution the following:

"That, pursuant to and in accordance with sections 136 and 648G of the Corporations Act and for all other purposes, the Company adopt the Proposed Constitution tabled at the Meeting on the terms and conditions in the Explanatory Memorandum."

2. Resolution 2 – Section 195 Approval

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with subsection 195(4) of the Corporations Act and for all other purposes, Shareholders approve the transactions contemplated in Resolutions 3 to 6 (inclusive)."

3. Resolution 3 – Issue of Performance Rights to Mr Matthew Carr

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 23,000,000 Performance Rights to Mr Matthew Carr (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Carr and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or

- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

4. Resolution 4 – Issue of Performance Rights to Mr Nicholas Rowley

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 23,000,000 Performance Rights to Mr Nicholas Rowley (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Rowley and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

5. Resolution 5 – Issue of Performance Rights to Mr Robert Skalar

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 11,500,000 Performance Rights to Mr Robert Sckalor (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Sckalor and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

6. Resolution 6 – Issue of Performance Rights to Mr Cameron Henry

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11, section 208 of the Corporations Act and for all other purposes, Shareholders approve the issue of 11,500,000 Performance Rights to Mr Cameron Henry (and/or his nominee) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Henry and any of his associates.

The Company will not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In accordance with section 250BD of the Corporations Act, a vote on this Resolution must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such person if the vote is not cast on behalf of a person who is otherwise excluded from voting, and

- (a) the person is appointed as a proxy and the appointment specifies how the proxy is to vote; or
- (b) the person appointed as proxy is the Chairman and the appointment does not specify how the Chairman is to vote but expressly authorises the Chairman to exercise the proxy even if the Resolution is connected with the remuneration of a member of the Key Management Personnel.

BY ORDER OF THE BOARD

Mr Zane Lewis
Company Secretary

Dated: 14 November 2017

TITAN MINERALS LIMITED

ACN 171 790 897

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Suite 6, 295 Rokeby Road, Subiaco, 6008 on Monday, 18 December 2017, at 10.00am (WST).

This Explanatory Memorandum should be read in conjunction with, and forms part of, the Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions.

This Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2:	Action to be taken by Shareholders
Section 3	Resolution 1 – Adoption of the Proposed Constitution
Section 4	Resolution 2 – Section 195 Approval
Section 5	Resolutions 3 to 6 (inclusive) – Issue of Performance Rights to Directors
Schedule 1	Definitions and Interpretation
Schedule 2	Summary of Terms and Conditions of Performance Rights
Schedule 3	Proportional Takeover Provisions
Schedule 4	Unmarketable Parcel Provisions

A Proxy Form is enclosed with the Notice and this Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is enclosed with the Notice and this Explanatory Memorandum. This is to be used by Shareholders if they wish to appoint a representative (a "proxy") to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions detailed in the Proxy Form. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and

- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. Where the proportion or number is not specified, each proxy may exercise half of the votes.

Proxy Forms must be received by the Company no later than 10.00am (WST) on Saturday 16 December 2017, being at least 48 hours before the Meeting.

The Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders (Remuneration of Key Management Personnel)

A vote on Resolutions 3 to 6 (inclusive) must not be cast by a person appointed as a proxy, where that person is either a member of the Key Management Personnel or a Closely Related Party of such member.

However, a vote may be cast by such persons if the vote is not cast on behalf of a person who is excluded from voting on these Resolutions, and:

- (a) the person is appointed as a proxy that specifies the way the proxy is to vote on these Resolutions; or
- (a) the person is the Chairman and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on these Resolutions, but expressly authorises the Chairman to exercise the proxy even if these Resolutions are connected with the remuneration of a member of the Key Management Personnel.

3. Resolution 1 - Adoption of Proposed Constitution

3.1 General

A company may modify or repeal its constitution or a provision of its constitution by special resolution of Shareholders. Under the Corporations Act, a company may include provisions in its constitution to enable it to refuse to register shares acquired under a proportional takeover bid unless a resolution approving the bid is passed by the shareholders.

Resolution 1 seeks Shareholder approval for:

- (a) the repeal of the Constitution and adoption a new constitution (**Proposed Constitution**) in accordance with section 136 of the Corporations Act; and
- (b) the inclusion of the proportional takeover provisions in the Proposed Constitution in accordance with section 648G of the Corporations Act.

Since the Constitution was amended in 2012, there have been changes to the Corporations Act, the Listing Rules, other regulatory requirements, as well as developments in corporate governance practices and policies. The Directors believe it is desirable for the Constitution to be updated to reflect current corporate practice and to ensure it is in line with the present legislation and regulatory requirements in Australia. Rather than make numerous piecemeal amendments to the Constitution, the Directors believe that it is preferable to repeal the Constitution and replace it with the Proposed Constitution.

The Proposed Constitution contains a number of changes to the Constitution, many of which are administrative or relatively minor in nature and will not result in any material change to the rights and obligations of shareholders other than the following:

- (a) the quorum at a meeting of Shareholders is changed from three Shareholders to two Shareholders;
- (b) under the Constitution the maximum number of Directors is ten, no maximum is specified in the Proposed Constitution;
- (c) insertion of proportional takeover provisions (refer to Schedule 3 for further information); and

- (d) inclusion of unmarketable parcel buyback provisions (refer to Schedule 4 for further information).

Resolution 1 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

A copy of the Proposed Constitution will be sent to any Shareholder on request and will also be available for inspection at the office of the Company during normal business hours prior to the Meeting and available for inspection at the Meeting.

Subject to approval of Resolution 1, the Proposed Constitution will be effective from the close of the Meeting.

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3.2 Summary of Proposed Constitution

In summary, the Proposed Constitution includes provisions to the following effect:

(a) Shares

The issue of Shares and options by the Company is under the control of the Directors, subject to the Corporations Act, Listing Rules and any rights attached to any special class of Shares.

(b) Preference Shares

The Corporations Act requires certain rights of preference shares to be either set out in the Proposed Constitution or approved in general meeting by special resolution before preference shares are issued.

The Proposed Constitution sets out a framework of rights for preference share issues from which the Board can determine to issue preference shares, without the need to obtain further Shareholder approval every time an allotment of preference shares is proposed. Schedule 6 to the Proposed Constitution contains the framework as well as specific rights of preference shares as to the repayment of capital, requirements for redemption (if the preference shares are redeemable), participation in surplus assets and profits, voting rights and priority of payment of capital and dividends. Other specific terms, including the dividend amount, the redemption date (if applicable) and redemption amount (if applicable), would be set by the issuing resolution of the Directors.

(c) Reductions of Capital

The Proposed Constitution is consistent with the Corporations Act requirements which must be satisfied by the Company in undertaking an alteration of capital.

(d) Liens

If the Company issues partly paid Shares and a call made on those shares is unpaid, the Company will have a lien over the shares on which the call is unpaid. The lien may be enforced by a sale of those shares. The powers of the Company in relation to calls, company payments, forfeiture and liens are set out in schedule 2 to the Proposed Constitution.

(e) Transfer of Shares

The Company may participate in any clearing and settlement facility provided under the Corporations Act, the Listing Rules and the ASX Settlement & Transfer Corporation Pty Ltd (**ASTC**) Operating Rules. Transfers through ASTC are affected electronically in ASTC's Clearing House Electronic Sub register System (**CHESS**). For the purposes of the Company's participation in the CHESS, the Company may issue holding statements in lieu of share certificates. The Company will not charge any fee for registering a transfer of shares. The Directors may refuse to register a transfer of shares in the circumstances permitted or required under the Corporations Act and Listing Rules.

(f) **Proportional Takeovers**

A proportional takeover bid is one in which the offer or offers only to buy a specified proportion of each Shareholders' shares.

The Proposed Constitution provides for Shareholder approval of any proportional takeover bid for the shares. Subject to the Listing Rules and ASTC Operating Rules, the provisions require the Directors to refuse to register any transfer of shares made in acceptance of a proportional takeover offer until the requisite Shareholder approval has been obtained.

The perceived advantages of including proportional takeover provisions in the Proposed Constitution are that such provisions may:

- (i) enhance the bargaining power of Directors in connection with any potential sale of the Company;
- (ii) improve corporate management by eliminating the possible threat of a hostile takeover through longer term planning;
- (iii) make it easier for Directors to discharge their fiduciary and statutory duties to the Company and its Shareholders to advise and guide in the event of a proportional bid occurring; and
- (iv) strengthen the position of Shareholders of the Company in the event of a takeover, assuming the takeover will result in a sharing of wealth between the offeror and Shareholders, as the more cohesive Shareholders are in determining their response the stronger they are. A requirement for approval can force Shareholders to act in a more cohesive manner. Where Shareholders know that a bid will only be successful if a specified majority of Shareholders accept the offer, they have less to fear by not tendering to any offer which they think is too low.

The perceived disadvantages of including proportional takeover provisions in the Proposed Constitution include the following:

- (i) a vote on approval of a specific bid suffers from a bias in favour of the incumbent Board;
- (ii) the provisions are inconsistent with the principle that a share in a public company should be transferable without the consent of other Shareholders; and
- (iii) a Shareholder may lack a sufficient financial interest in any particular company to have an incentive to determine whether the proposal is appropriate.

To comply with the Corporations Act, the proportional takeover provisions must be renewed by Shareholders in general meeting at least every 3 years to remain in place. The proportional takeover provisions are contained in schedule 5 to the Proposed Constitution.

As at the last date before the finalisation of this Explanatory Memorandum, no Director is aware of a proposal by any person to acquire, or to increase the extent of, a substantial interest in the Company.

A summary of these provisions is set out in Schedule 3.

(g) **Alterations of share capital**

Shares may be converted or cancelled with Shareholder approval and the Company's share capital may be reduced in accordance with the requirements of the Corporations Act and the Listing Rules.

(h) **Buy Backs**

The Company may buy back shares in itself on terms and at such times determined by the Directors.

Disposal of less than a Marketable Parcel

For the sake of avoiding excessive administration costs, the Proposed Constitution contains provisions enabling the Company to procure the disposal of Shares where the Shareholder holds less than a marketable parcel of shares within the meaning of the Listing Rules (being a parcel of shares with a market value of less than \$500). To invoke this procedure, the Directors must first give notice to the relevant Shareholder holding less than a marketable parcel of shares, who may then elect not to have their shares sold by notifying the Directors.

The provisions relating to unmarketable parcel are contained in Schedule 4 to the Proposed Constitution.

(i) Variation of class rights

Class rights attaching to a particular class of shares may be varied or cancelled with the consent in writing of holders of 75% of the shares in that class or by a special resolution of the holders of shares in that class.

(j) Meetings of Shareholders

Directors may call a meeting of Shareholders whenever they think fit. Shareholders may call a meeting as provided by the Corporations Act. The Proposed Constitution contains provisions prescribing the content requirements of notices of meetings of Shareholders and all Shareholders are entitled to a notice of meeting. Consistent with the Corporations Act provisions, a meeting may be held in two or more places linked together by audio-visual communication devices. A quorum for a meeting of Shareholders is 2 eligible voters.

The Company will hold annual general meetings in accordance with the Corporations Act and the Listing Rules.

(k) Voting of Shareholders

Resolutions of Shareholders will be decided by a show of hands unless a poll is demanded. On a show of hands each eligible voter present has one vote. On a poll each eligible Shareholder has one vote for each fully paid share held and a fraction of a vote for each partly paid share determined by the amount paid up on that share.

(l) Proxies

An eligible Shareholder may appoint a proxy to attend and vote at the meeting on the Shareholder's behalf. The Proposed Constitution contains provisions specifying the manner of lodgement of proxy instruments. A Shareholder may appoint an individual or corporation to act as its representative.

(m) Directors

Unless changed by the Company in general meeting, the minimum number of directors is 3. The existing directors and the Company may appoint a new Director to fill a casual vacancy or as an addition to the Board. Any such Director must retire at the next following annual general meeting of the Company (at which meeting they may be eligible for election as director). No Director other than the Managing Director may hold office for longer than 3 years without submitting themselves for re-election.

(n) Powers of Directors

The business of the Company is to be managed by or under the direction of the Directors.

(o) Remuneration of Directors

The Company may pay non-executive Directors a maximum of the total amount as determined by the Shareholders in General Meeting and such sum must not be paid by way of commission on, or percentage of, profits or operating revenue.

The remuneration of executive Directors will be subject to the provisions of any contract between each of them and the Company and may be by way of commission on, or percentage of, profits of the Company, but will not be by way of commission on, or percentage of, operating revenue.

(p) **Execution of documents**

In accordance with the recent amendments to the Corporations Act, the Proposed Constitution provides for execution of documents by the Company without the use of the Company's company seal.

(q) **Dividends**

The Directors may fix the amount, the time for payment and the method of payment of a dividend. Subject to any special rights attaching to shares (such as preference shares), dividends will be paid proportionately. The Company is not required to pay any interest on dividends.

(r) **Indemnities and insurance**

To the extent permitted by law, the Company indemnifies every person who is or has been a Director or Secretary of the Company against a liability incurred by that person in their capacity as a Director or secretary provided that the liability does not arise out of conduct involving a lack of good faith (otherwise referred to as an excluded liability). A similar indemnity is provided in respect of legal proceedings. The Company may also pay the premiums on directors' and officers' liability insurance.

4. **Resolution 2 - Section 195 Approval**

In accordance with section 195 of the Corporations Act, a director of a public company may not vote or be present during meetings of directors when matters in which that director holds a "material personal interest" are being considered.

The Directors may have a material personal interest in the outcome of Resolutions 3 to 6.

In the absence of this Resolution 2, the Directors may not be able to form a quorum at directors meetings necessary to carry out the terms of Resolutions 3 to 6.

The Directors accordingly exercise their right under section 195(4) of the Corporations Act to put the issue to Shareholders to resolve.

Resolution 2 is an ordinary resolution.

5. **Resolutions 3 to 6 - Issue of Performance Rights to Directors**

5.1 **General**

The Company proposes to grant a total of 69,000,000 Performance Rights to Messrs Matthew Carr, Nicholas Rowley, Robert Sckalor and Cameron Henry, all of whom are Directors (each a **Performance Right Recipient**).

The Board considers that the grant of Performance Rights to the Performance Right Recipients is a cost effective and efficient reward for the Company to make to appropriately incentivise continued performance, and is consistent with the strategic goals and targets of the Company. It also allows the preservation of cash at a time when the focus of the Company is the development of the Torrecillas Gold Project and San Santiago Project.

In accordance with Listing Rule 10.11 and section 208 of the Corporations Act, Shareholder approval is required for the grant of Performance Rights to a related party. The Performance Right Recipients, Directors, are related parties of the Company.

Resolutions 3 to 6 (inclusive) seek Shareholder approval in accordance with Listing Rule 10.11 and section 208 of the Corporations Act for the Company to issue the following Performance Rights to the Performance Rights Recipients (and/or their nominees):

Performance Right Recipient (or their nominee)	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Total
Mr Matthew Carr	7,000,000	7,750,000	8,250,000	23,000,000
Mr Nicholas Rowley	7,000,000	7,750,000	8,250,000	23,000,000
Mr Robert Sckalor	3,500,000	3,875,000	4,125,000	11,500,000
Mr Cameron Henry	3,500,000	3,875,000	4,125,000	11,500,000
Total	21,000,000	23,250,000	24,750,000	69,000,000

The Performance Rights have the following key terms:

Tranche	Milestone	Expiry Date
A	The Shares achieving a daily VWAP of greater than \$0.05 for a period of 10 consecutive Trading Days	2 years from the date of issue
B	The Shares achieving a daily VWAP of greater than \$0.06 for a period of 10 consecutive Trading Days	
C	The Shares achieving a daily VWAP of greater than \$0.07 for a period of 10 consecutive Trading Days	

If the respective Milestone is satisfied prior to the relevant Expiry Date, the Performance Right will vest. If the respective Milestone is not achieved by the Expiry Date then all the Performance Rights held by each Performance Rightsholder will convert into one (1) Share.

A summary of the terms and conditions of the Performance Rights is set out in Schedule 2.

Resolutions 3 to 6 (inclusive) are ordinary resolutions.

The Chairman intends to exercise all available proxies in favour of Resolutions 3 to 6 (inclusive).

If the Chairman is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolutions 3 to 6 (inclusive), by signing and returning the Proxy Form, you are considered to have provided the Chairman with an express authorisation for the Chairman to vote the proxy in accordance with the Chairman's intention, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

5.2 Section 208 of Corporations Act

In accordance with section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain Shareholder approval unless the giving of the financial benefit falls within an exception in sections 210 to 216 of the Corporations Act.

The Performance Right Recipients are related parties of the Company.

5.3 Listing Rule 10.11

In accordance with Listing Rule 10.11, the Company must not issue securities to a related party of the Company unless it obtains Shareholder approval.

As Shareholder approval is sought under Listing Rule 10.11, approval under Listing Rule 7.1 is not required, in accordance with exception 14 of Listing Rule 7.2.

Pursuant to Listing Rule 7.2, exception 14, the effect of passing Resolutions 3 to 6 will be to allow the Company to issue 69,000,000 Performance Rights without using up the Company's 15% placement capacity under Listing Rule 7.1.

5.4 Specific information required by Listing Rule 10.13 and Section 219 of the Corporations Act

Information must be provided to Shareholders for the purposes of obtaining Shareholder approval as follows:

- (a) The Performance Rights will be granted to Messrs Matthew Carr, Nicholas Rowley, Robert Sckalor and Cameron Henry (and/or their nominees).
- (b) The number of Performance Rights to be granted is as follows:

Performance Right Recipient (or nominee)	Class A	Class B	Class C	Total
Mr Matthew Carr	7,000,000	7,750,000	8,250,000	23,000,000
Mr Nicholas Rowley	7,000,000	7,750,000	8,250,000	23,000,000
Mr Robert Sckalor	3,500,000	3,875,000	4,125,000	11,500,000
Mr Cameron Henry	3,500,000	3,875,000	4,125,000	11,500,000

- (c) The Performance Rights will be issued no later than one month after the date of the Meeting (or such longer period of time as ASX may in its discretion allow).
- (d) The Performance Rights are being issued for nil cash consideration. The Performance Rights are being issued as a cost effective reward to appropriately incentivise continued performance of the Performance Rights Recipients. Accordingly, no funds will be raised from the issue of the Performance Rights.
- (e) None of the Performance Right Recipients were in office in the financial year ending 31 December 2016. The Performance Right Recipients may receive the following remuneration and emoluments from the Company (including share based payments) in the financial year ending 31 December 2017:

	Salary and fees (\$)	Superannuation (\$)	Share based payments ¹	Total remuneration (\$)
Matthew Carr	120,000	-	-	120,000
Nicholas Rowley	72,000	-	-	72,000
Robert Sckalor	72,000	-	-	72,000
Cameron Henry	72,000	-	-	72,000

Note 1 - Excludes the Performance Rights the subject of Resolutions 3 to 6 (inclusive).

- (f) Each Director is also a Performance Right Recipient and therefore has an interest in Resolutions 3 to 6. Each Director believes it inappropriate to make a recommendation as to how Shareholders should vote on Resolutions 3 to 6 (inclusive).
- (g) The Board has received advice from an independent expert, RSM Australia Pty Ltd on the value of the Performance Rights and determined on the basis of the assumptions set out below, the technical value of one Performance Rights is as follows:

Performance Right Recipient (or nominee)	Item	Class A Performance Rights (\$0.0278)	Class B Performance Rights (\$0.0258)	Class C Performance Rights (\$0.0240)	Total
Matthew Carr	Number	7,000,000	7,750,000	8,250,000	23,000,000

Performance Right Recipient (or nominee)	Item	Class A Performance Rights (\$0.0278)	Class B Performance Rights (\$0.0258)	Class C Performance Rights (\$0.0240)	Total
	Value (\$A)	194,600	199,950	198,000	592,550
Nicholas Rowley	Number	7,000,000	7,750,000	8,250,000	23,000,000
	Value (\$A)	194,600	199,950	198,000	592,550
Robert Sckalor	Number	3,500,000	3,875,000	4,125,000	11,500,000
	Value (\$A)	97,300	99,975	99,000	296,275
Cameron Henry	Number	3,500,000	3,875,000	4,125,000	11,500,000
	Value (\$A)	97,300	99,975	99,000	296,275
Total	Number	21,000,000	23,500,000	24,750,000	69,000,000
	Value	583,800	599,850	594,000	1,777,650

This valuation imputes a total value of \$1,777,650 to the Performance Rights. The value may go up or down after the date of valuation as it will depend on the future price of a Share. The Hoadley Trading & Investment Tools *Barrier1* model has been used to value the Performance Rights, with the following assumptions:

- (i) the risk free rate based on the yields of Commonwealth bonds using a two year bond with the interest rate sourced from the Reserve Bank of Australia as the closing rate on 10 November 2017;
 - (ii) the underlying security spot price of \$0.033 used for the purposes of this valuation is based on the share price of the Company on the day of the report;
 - (iii) the estimated volatility used in the option valuation is 100%;
 - (iv) for the purposes of the valuation, no future dividend payments have been forecast; and
 - (v) for the purposes of the valuation it is assumed that the Performance Rights will be issued on or around 15 December 2017, being the estimated date of the Meeting at the date of the valuation report, and the Performance Rights will have a life of 2 years from the date of issue.
- (h) Under the accounting standard AASB 2 share based payments, the Company will recognise an expense in the income statement based on the fair value of the Performance Rights over the period from the date of issue to the vesting date. The total of the fair value of the Performance Rights granted is \$1,777,650 at the date of the Notice.

- (i) Historical quoted price information for the Company's listed securities for the last twelve months is as follows:

Shares	Price	Date
Highest	\$0.041	7 November 2017
Lowest	\$0.02	17 October 2017
Last	0.033	13 November 2017

- (j) The vesting of the Performance Rights will result in a dilution of all other Shareholders' holdings in the Company of 4.04% based on issued Shares as at the date of the Notice.
- (k) A voting exclusion statement is included in the Notice for Resolutions 3 to 6 (inclusive).
- (l) Other than the information above and otherwise set out in the Notice, the Company believes that there is no other information that would be reasonably required by Shareholders to pass Resolutions 3 to 6 (inclusive).

5.5 Director Recommendation

Each Director is also a Performance Right Recipient and therefore has an interest in Resolutions 3 to 6, and therefore believes it inappropriate to make a recommendation as to how Shareholders should vote on Resolutions 3 to 6.

Schedule 1 – Definitions and Interpretation

In the Notice and this Explanatory Memorandum, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

ATSC has the meaning given in Section 3.2(e).

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting, or any part of the Meeting, convened by the Notice.

CHES have the meaning given in Section 3.2(e).

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Titan Minerals Limited (ACN 171 790 897).

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Managing Director means the managing director of the Company.

Meeting has the meaning in the introductory paragraph of the Notice.

Milestone means the Class A Milestone, Class B Milestone or Class C Milestone (as applicable) as defined in Schedule 2.

Notice means the notice of meeting which comprises of the notice, agenda, Explanatory Memorandum and Proxy Form.

Office means office as a Director.

Performance Right means a right to be issued a Share upon satisfaction of certain vesting milestones.

Performance Right Recipient has the meaning given in Section 5.1.

Proposed Constitution has the meaning given in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in the Notice.

Schedule means a schedule to this Explanatory Memorandum.

Section means a section of this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price as the term is defined in the Listing Rules.

WST means Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule 2 – Summary of Terms and Conditions of Performance Rights

The terms and conditions of the Performance Rights are as follows:

1 Definitions

In these terms and conditions, unless the context requires otherwise:

Expiry Date means the date that is 2 years from the date of issue of the Performance Rights.

Performance Right means a Class A Performance Right, Class B Performance Right and/or a Class C Performance Right, as the context requires.

Performance Rightholder means the holder of a Performance Right.

Class A Performance Right means a Class A Performance Right issued pursuant to Resolutions 3 to 6 and subject to the Class A Milestone and these terms.

Class A Milestone means the Shares achieving a daily VWAP of greater than \$0.05 for a period of 10 consecutive Trading Days.

Class B Performance Right means a Class B Performance Right issued pursuant to Resolutions 3 to 6 and subject to the Class B Milestone and these terms.

Class B Milestone means the Shares achieving a daily VWAP of greater than \$0.06 for a period of 10 consecutive Trading Days.

Class C Performance Right means a Class C Performance Right issued pursuant to Resolutions 3 to 6 and subject to the Class C Milestone and these terms.

Class C Milestone means the Shares achieving a daily VWAP of greater than \$0.07 for a period of 10 consecutive Trading Days.

2 Dividend

Performance Rightholders are not entitled to a dividend.

3 Conversion

(a) Conversion

The Performance Rights will convert to Shares in accordance with this clause 3.

(b) Conversion of Class A Performance Right:

Subject to clause 3(e), each Class A Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Class A Milestone.

(c) Conversion of Class B Performance Right:

Subject to clause 3(e), each Class B Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Class B Milestone.

(d) Conversion of Series C Performance Right:

Subject to clause 3(e), each Class C Performance Right will convert into one (1) Share upon the satisfaction, prior to the Expiry Date, of the Class C Milestone.

(e) Conversion after expiry date:

- (i) If the Class A Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class A Performance Rights held by each Performance Rightholder into 1 Share.

- (ii) If the Class B Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class B Performance Rights held by each Performance Rightholder into 1 Share.
 - (iii) If the Class C Milestone is not met by 5:00pm on the Expiry Date, the Company will, as soon as reasonably practical and in any event no later than 90 days after the Expiry Date, convert the total number of Class C Performance Rights held by each Performance Rightholder into 1 Share.
- (f) **Takeover Provisions**
 - (i) If the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) would result in any person being in contravention of section 606(1) of the Corporations Act, then the conversion of each Performance Right that would cause the contravention shall be deferred until such time or times thereafter that the conversion would not result in a contravention of section 606(1). Following a deferment under this clause 3(f)(i), the Company shall at all times be required to convert that number of Performance Rights that would not result in a contravention of section 606(1).
 - (ii) The Performance Rightholders shall give notification to the Company in writing if they consider that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) may result in the contravention of section 606(1), failing which the Company shall assume that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) will not result in any person being in contravention of section 606(1).
 - (iii) The Company may (but is not obliged to), by written notice, request the Performance Rightholders to give notification to the Company in writing within seven (7) days if they consider that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) may result in the contravention of section 606(1). If the Performance Rightholders do not give notification to the Company within seven (7) days that they consider the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) may result in the contravention of section 606(1), then the Company shall assume that the conversion of Performance Rights (or part thereof) under clauses 3(b) to 3(e) will not result in any person being in contravention of section 606(1).
- (g) **After Conversion**

The Shares issued on conversion of any Performance Right will, as from 5:00pm on the date of allotment, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares upon the date of conversion. Shares issued on conversion of the Performance Right must be free from all encumbrances, securities and third party interests. The Company must ensure that Shares issued on conversion of the Performance Rights are freely tradeable, without being subject to on-sale restrictions under section 707 of the Corporations Act, on and from their date of issue.

4 Lapse on Termination

A Performance Right, whether unvested or vested, will lapse and be automatically cancelled if the Performance Rightholder's employment within the Company or its subsidiaries is terminated.

5 Issue of Shares for No Consideration

The Company shall allot and issue Shares immediately upon conversion of the Performance Rights for no consideration and shall record the allotment and issue in the manner required by the Corporations Act.

6 Reconstruction

In the event of any reconstruction, consolidation or division into (respectively) a lesser or greater number of securities of the Shares and the Performance Rights shall be reconstructed, consolidated or divided in the same proportion as the Shares are reconstructed, consolidated or divided and, in any event, in a manner which will not result in any additional benefits being conferred on the Performance Rights which are not conferred on the Shareholders.

7 Winding Up

If the Company is wound up prior to conversion of all of the Performance Rights into Shares then the Performance Rightholders will have:

- (a) no right to be paid cash for the Performance Rights; and
- (b) no right to participate in surplus assets or profits of the Company on winding up.

8 Non-transferable

The Performance Rights are not transferable.

9 Voting Rights

The Performance Rightholders shall have no right to vote, subject to the Corporations Act.

10 Participation in New Issues

There are no participation rights or entitlements inherent in the Performance Rights and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Performance Rights.

11 Quotation

The Performance Rights are not quoted. No application for quotation of the Performance Rights will be made by the Company.

Schedule 3 - Proportional Takeover Provisions

1. DEFINITIONS

In this schedule, unless the context otherwise requires:

Approving Resolution means a resolution to approve a proportional takeover bid in accordance with this schedule;

Deadline means the 14th day before the last day of the bid period for a proportional takeover bid;

Voter means a person (other than the bidder under a proportional takeover bid or an associate of that bidder) who, as at the end of the day on which the first offer under that bid was made, held bid class securities for that bid.

2. REFUSAL OF TRANSFERS

Requirement for an Approving Resolution

- 2.1 The Company must refuse to register a transfer of Shares giving effect to a takeover contract for a proportional takeover bid unless and until an Approving Resolution is passed in accordance with this schedule.
- 2.2 This schedule ceases to apply on the third anniversary of its last adoption, or last renewal, in accordance with the Corporations Act.

Voting on an Approving Resolution

- 2.3 Where offers are made under a proportional takeover bid, the Directors must, call and arrange to hold a meeting of Voters for the purpose of voting on an Approving Resolution before the Deadline.
- 2.4 The provisions of this constitution concerning meetings of Members (with the necessary changes) apply to a meeting held under paragraph 2.3.
- 2.5 Subject to this constitution, every Voter present at the meeting held under paragraph 2.3 is entitled to one vote for each Share in the bid class securities that the Voter holds.
- 2.6 To be effective, an Approving Resolution must be passed before the Deadline.
- 2.7 An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50 per cent, and otherwise is taken to have been rejected.
- 2.8 If no Approving Resolution has been voted on as at the end of the day before the Deadline, an Approving Resolution is taken, for the purposes of this schedule, to have been passed in accordance with this schedule.

Schedule 4 - Unmarketable Parcels Provisions

1. DEFINITIONS

In this schedule, unless the context otherwise requires, "**Sale Share**" means a Share which is sold or disposed of in accordance with this schedule.

2. POWER TO SELL UNMARKETABLE PARCELS

Existing unmarketable parcels

2.1 The Company may sell the Shares of a Member if:

- 2.1.1 the total number of Shares of a particular class held by that Member is less than a marketable parcel;
- 2.1.2 the Company gives that Member Notice stating that the Shares are liable to be sold or disposed of by the Company; and
- 2.1.3 that Member does not give Notice to the Company, by the date specified in the Notice of the Company (being not less than 42 days after the date of the Company giving that Notice), stating that all or some of those Shares are not to be sold or disposed of.

2.2 The Company may only exercise the powers under paragraph 2.1, in respect of one or more Members, once in any 12-month period.

2.3 The power of the Company under paragraph 2.1 lapses following the announcement of a takeover bid. However, the procedure may be started again after the close of the offers made under the takeover bid.

New unmarketable parcels

2.4 The Company may sell the Shares of a Member if:

- 2.4.1 the Shares of a particular class held by that Member are in a new holding created by a transfer on or after 1 September 1999; and
- 2.4.2 that transfer is of a number of Shares of that class that was less than a marketable parcel at the time the transfer document was initiated, or in the case of a paper based transfer document, was lodged with the Company.

2.5 The Company may give a Member referred to in paragraph 2.4 Notice stating that the Company intends to sell or dispose of the Shares.

3. EXERCISE OF POWER OF SALE

Extinguishment of interests and claims

3.1 The exercise by the Company of its powers under paragraph 2 extinguishes, subject to this schedule :

- 3.1.1 all interests in the Sale Shares of the former Member; and
- 3.1.2 all claims against the Company in respect of the Sale Shares by that Member, including all Dividends determined to be paid in respect of those Share and not actually paid.

Manner of sale

- 3.2 The Company may sell or dispose of any Shares under paragraph 2 at any time:
- 3.2.1 using a financial services licensee on the basis that person obtains the highest possible price for the sale of the Shares; or
 - 3.2.2 in any other manner and on any terms as the Directors resolve.
- 3.3 The Company may:
- 3.3.1 exercise any powers permitted under Applicable Law to enable the sale or disposal of Shares under this schedule;
 - 3.3.2 receive the purchase money or consideration for Sale Shares;
 - 3.3.3 appoint a person to sign a transfer of Sale Shares; and
 - 3.3.4 enter in the Register the name of the person to whom Sale Shares are sold or disposed.
- 3.4 The person to whom a Sale Share is sold or disposed need not enquire whether the Company:
- 3.4.1 properly exercised its powers under this schedule in respect of that Share; or
 - 3.4.2 properly applied the proceeds of sale or disposal of those Shares,
- and the title of that person is not affected by those matters.
- 3.5 The remedy of any person aggrieved by a sale or disposal of Sale Shares is in damages only and against the Company exclusively.
- 3.6 A certificate in writing from the Company signed by a Director or Secretary that a Share was sold or disposed of in accordance with this schedule is sufficient evidence of those matters.

Application of proceeds

- 3.7 If the Company exercises the powers under paragraphs 2.1 to 2.3 (inclusive), either the Company or the person to whom a Sale Share is sold or disposed of must pay the expenses of the sale or disposal.
- 3.8 The Company must apply the proceeds of any sale or disposal of any Sale Shares in the following order:
- 3.8.1 in the case of an exercise of the powers under paragraphs 2.4 and 2.5, the expenses of the sale or disposal;
 - 3.8.2 the amounts due and unpaid in respect of those Shares; and
 - 3.8.3 the balance (if any) to the former Member or the former Member's Personal Representative, on the Company receiving the certificate (if any) for those Shares or other evidence satisfactory to the Company regarding the ownership of those Shares.

Voting and dividend rights pending sale

- 3.9 If the Company is entitled to exercise the powers under paragraphs 2.4 and 2.5, the Company may by resolution of the Directors remove or change either or both:
- 3.9.1 the right to vote; and
 - 3.9.2 the right to receive Dividends,
- of the relevant Member in respect of some or all of the Shares liable to be sold or disposed of.
- 3.10 After the sale of the relevant Sale Shares, the Company must pay to the person entitled any Dividends that have been withheld under paragraph 3.9.

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My/Our contact details in case of enquiries are:

Name:

Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online www.securitytransfer.com.au

Postal Address PO BOX 52
Collins Street West VIC 8007

Street Address Suite 913, Exchange Tower
530 Little Collins Street
Melbourne VIC 3000

Telephone 1300 992 916

Facsimile +61 8 9315 2233

Email registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.