

16 June 2020

ASX Limited  
Level 40, Central Park  
152 – 158 St George’s Terrace  
Perth WA 600  
By email: [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au)

**Attention: Sean Maloney, Adviser, Listings Compliance (Perth)**

Dear Mr Maloney

**Titanium Sands Limited (‘TSL’): Response to ASX Price Query**

We refer to your letter dated 11 June 2020 and as requested, we set out below the Company’s response to your queries (using the numbering and lettering in your letter) as follows:

1. Yes. The information included in the announcement today titled ‘TSL Mannar Island Heavy Mineral Sands Scoping Study Confirms Potential for Major Dredging Project’ (**Scoping Study**).
2.
  - a) Yes, the Company was relying on Listing Rule 3.1A to not disclose the Scoping Study because as at 11 June 2020 the Scoping Study was incomplete and insufficiently definite and not in a form to be released to the market (including as required to comply with Chapter 5 of the ASX Listing Rules).

The Company believes that confidentiality in the information within the Scoping Study (prior to its release) had not been lost. In this regard, the Company does not believe that the recent trading of the Company’s securities is necessarily indicative that the information within the Scoping Study ceased to be confidential. The Company has reviewed the trading in the Company’s securities currently available for the period from 1 June 2020 and based on this review no trades were identified to suggest that the information within the Scoping Study ceased to be confidential. The recent trading in the Company’s securities may be due to the resource upgrade announced by the Company on 6 May 2020 in which the resources at the Mannar Island Project tripled to 264.93Mt at 4.38%, as well as the expectation for release of the Scoping Study to follow this resource upgrade as noted in the Company’s Quarterly Activities Report on 29 April 2020. Another possible explanation is the overall positive sentiment in the small resources sector of ASX listed Companies during this period.

- b) No, an announcement in respect of the Scoping Study was not able to have been made immediately because at the time of receipt of the Price Query, the Scoping Study was incomplete and insufficiently definite and not in a form to be released to the market (including as required to comply with Chapter 5 of the ASX Listing Rules) and it required sign off by named independent experts and the Company’s Board. On receiving the Price Query, the Company, in consultation with the ASX, requested a trading halt as it was not in a position to make an announcement immediately.
  - c) Not applicable. The announcement has been made today by TSL.
3. Not applicable.

4. The Company confirms that it is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. The Company confirms that the responses have been approved by the Board of Directors of TSL.

Yours faithfully

**David McEntaggart**  
**Company Secretary**



11 June 2020

Reference: 19377

Mr David McEntaggart  
Company Secretary  
Titanium Sands Limited

By email: davidm@miningcorporate.com.au

Dear Mr McEntaggart

### **Titanium Sands Limited ('TSL'): Price Query**

We note the change in the price of TSL's securities from an opening price of \$0.047 on 1 June 2020 to an intraday high of \$0.083 today.

### **Request for Information**

In light of this, ASX asks TSL to respond separately to each of the following questions and requests for information:

1. Is TSL aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
  - (a) Is TSL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in TSL's securities would suggest to ASX that such information may have ceased to be confidential and therefore TSL may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
  - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
  - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that TSL may have for the recent trading in its securities?
4. Please confirm that TSL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that TSL's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of TSL with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **5:00 PM AWST today Thursday, 11 June 2020**. If we do not have your response by then, ASX will likely suspend trading in TSL's securities under Listing Rule 17.3. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, TSL's obligation is to disclose the

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information “immediately”. This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Listing Rules 3.1 and 3.1A**

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to TSL’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that TSL’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in TSL’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in TSL’s securities under Listing Rule 17.3.

### **Enquiries**

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

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**Sean Maloney**

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Adviser, Listings Compliance (Perth)