



ASX Release

16th April 2015

Quarterly Report – Period Ending 31 March 2015

HIGHLIGHTS

- The Madagascar Government to change aspects of the Mining Code and tax legislation.
- Completed Contractors selection for estimation of the jetty's construction cost.
- Ongoing test work on the Ranobe Heavy Mineral Concentrate at Mineral Technologies in Brisbane.
- Cash balance at 31 March 2015: A\$0.7m.
- Non-renounceable rights issue to raise up to A\$4.2m announced on 12th March 2015.
- More than 80% shares issued taken up by shareholders resulting in capital raise of A\$3.4m at closing date on 13th April 2015.

GOVERNMENT

The President, the Honourable Hery Rajaonarimampianina has placed the natural resources sector including mining and oil and gas under the strategic control of the presidency in an attempt to curb influence from parliamentary groups and cabinet members loyal to other political groups. Other key sectors that will be crucial to attract foreign investment, such as power and construction, will also have strong presidential control.

One of the greatest obstacles facing foreign investors is the slow licensing process, with a backlog of mining licence applications. In 2015, some of this backlog is proposed to be resolved by newly appointed highly efficient public officials within the presidency.

A new petroleum code and a separate mining code may be submitted to parliament in 2015. The key provision of this law concerning mining sector is the new national mining company and changes to the current tax legislation. A draft paper has been circulated and includes a possible increase in royalty from 2% of revenue and the national company securing a free-carry in projects.

RANOBE MINE PROJECT

Environmental Social and Impact Assessment

The Environmental Social Impact Assessment (ESIA) submitted in mid-2014 to the Government body, Office of National Environment ("ONE") was debated in a series of Public and Government meetings in November 2014 in Tulear on the north east coast of Madagascar.

The ONE's draft recommendations were provided in February 2015 to our team. Your company is a clear step towards final approval for the Ranobe Mineral Sands Project. ESIA has put forward a number of recommendations to be considered by the WTR before the development application is determined. WTR has reviewed all aspects of the Environmental Conditions and there is nothing that raises any material concerns. The recommendations include looking at the environmental impacts on water and wildlife, along with considering project hazards and risks. As part of approval for the ESIA, we have the approval from the Ministry

of Public Works and Ministry of Strategic Resources. ONE must also gain approval from the Port Authority. WTR expects to receive full approval in the June quarter 2015 (was March 2015).

Mineral Processing

Fresh test work completed in January at Allied Mineral Laboratories in Perth, Western Australia has demonstrated that WTR can further simplify the mineral sand processing and reduce capital within the dry separation facilities known as the Mineral Separation Plant (MSP). The circuit changes within the MSP include elimination of an additional drying process, less magnetic rolls equipment and use of two air tables to separate silica sand from the rutile/zircon concentrate.

Engineering and Project Management Services (EPMS) in Perth have completed some modifications to the MSP and the Wet Concentrator Plant (WCP) drawings. EPMS have been asked to source new capital estimates for both the MSP and WSP.

As part of the EPMS assessment of the different capital components, EPMS highlighted the need for additional test work to determine the maximum throughput across the rare-earth magnets. Initial test work showed that increased throughput across single drum rare-earth magnets tended to reduce product quality within the ilmenite.

We now need to assess the throughput speed on differing speeds up to 10 tonnes/hour and the suitability of using double drum rare-earth magnets to maintain product quality. The new test work commenced in late March 2015 and we hope to receive results in late April.

Port Studies

The Definitive Engineering Study (DES) announced in August 2012 basically showed that the port infrastructure including jetty, loading facilities and some associated infrastructure will cost around US\$76.8m and the jetty was designed to be extended into the ocean to a depth of up to 24 metres (24 metre contour). The jetty was designed to load up to 70,000 tonne shipments of ilmenite or six ship loads per year. Stage One for the Ranobe Project as summarised by the DES is expected to produce some 400,000 tonnes of ilmenite per year. However, most customers would prefer 20,000 tonne bulk shipments as product needs storage at the destination. At this new reduced loading rate, activity is only 2 loads per month requiring two to three days of loading per month. The new jetty design reflects the desire to load smaller ships known as Handysize and also includes further refinements to the pylon design.

We used BMT JFA of Perth whom originally completed the design work to modify the port facilities.

Based on the new design, BMT JFA advised WTR to send Expressions of Interest (EOI) to international companies with the capabilities to build the jetty and loading facilities and in our time frame. We received all responses to the EOI by late December 2014.

WTR has now short-listed five tenderers for the jetty construction. Our intention is to receive an accurate capital cost for the marine works. We have requested that one of the tenderers in the short-list be paid by WTR to provide a comprehensive list of rates to complete the jetty. We plan to receive such requests by 15 April and shortly after select a contractor for the price tender. We hope a capital estimate is available in the September quarter.

CORPORATE

Cash balance as at 31 March 2015 was A\$0.7m and A\$0.75m expected to be spent in June 2015 quarter

Cash used during the quarter amounted to A\$0.7m, representing mainly payments for engineering, technical and environmental studies and administration costs. The cash balance as at 31st March 2015 stood at A\$0.7m. Forecast expenditure for the next quarter is to the tune of A\$0.75m. In addition to administration costs, there will be ongoing expenses for studies on engineering, ESIA, jetty and marine. In order to progress the Ranobe Project by completing the environmental approvals and further engineering, infrastructure and port studies, the Board of WTR approved an equity raising of up to approximately \$4.2 million before costs comprising a 1 for 3 non-renounceable pro-rata Entitlement Offer at an offer price of 3.5 cents per share. The process started on 12 March 2015 and was completed on 13th April 2015. More than 80% of the shares offered were taken by existing shareholders resulting the raising of A\$3.4m at the closing date of 13th April 2015.

Base Resources takeover offer defeated

On 23 December 2014, Base Resources Limited ("Base") announced an unsolicited share takeover bid for World Titanium Resources Limited (ASX Code: WTR). Base offered one share in Base for five (5) WTR shares which was equivalent to 4 cents per share. The Base takeover bid was subject to a number of condition precedents, including a minimum 40% acceptance condition.

On 24 December 2014 as reported to the ASX, AMED Fund II SICAR acquired 62 million WTR shares at a price of 6 cents per share and equivalent to a 17.12% relevant interest in WTR. After only one day, a new shareholder was prepared to pay 50% cash above the Base share offer.

Your WTR directors unanimously recommended that shareholders **REJECT the bid** and the Base bid was defeated after final acceptances on 6 February 2015. On behalf of the Board I thank all shareholders for their over-whelming support and confidence in our current plan. The WTR team has operated in Madagascar since 1996 and has an excellent reputation in Madagascar, a skilled workforce with a good understanding of the local and political system and understands the clear path to mine development.

Rights Issue to raise up to A\$4.2m

World Titanium Resources Limited ("World Titanium") announced on 12th March 2015 an equity raising of up to approximately \$4.2 million before costs comprising a 1 for 3 non-renounceable pro-rata Entitlement Offer ("Entitlement Offer") at an offer price of 3.5 cents per share.

Eligible shareholders will be able to subscribe for 1 new share for every 3 shares they own at an offer price of 3.5 cents per share. The offer price of 3.5 cents per share represented a discount of 23% to the price of World Titanium shares as at the close of trading on 20th February 2015, being the last day of trading of World Titanium shares before the Entitlement Offer was announced. The entitlement offer opened on 23rd March and closed on Friday, 13th April.

World Titanium's three largest shareholders provided a commitment to subscribe for their full entitlements under the Entitlement Offer totalling approximately A\$2.48m as follows:

- Boule Titanium Ltd (currently 20.37% shareholder): 24,575,020 new shares, representing a commitment totalling approximately \$860,000;
- Mineral Deposits Limited (through its nominee) (currently 19.10% shareholder): 23,046,042, new shares, representing a commitment totalling approximately \$807,000; and
- African Minerals Exploration & Development (AMED) Fund II SICAR (through its nominee) (currently 19.27% shareholder): 23,255,039 new shares, representing a commitment totalling approximately \$814,000.

Eligible shareholders were invited to apply for additional shares in excess of their entitlement. Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. The directors have reserved the right to place any shortfall within 3 months of close of the Entitlement Offer. The Entitlement Offer is not underwritten.

World Titanium intends to use the proceeds from the Entitlement Offer to progress the 100% owned Ranobe mineral sands project in Madagascar by gaining final environmental approvals and seek revised capital estimates for associated infrastructure including the port and processing facilities. Further details are available in the December quarterly report and Target's Statement released to the ASX on 16th January 2015.

As at the closing date of 13th April 2015, more than 80% of the shares offered were taken up by shareholders resulting in the successful raising of A\$3.4m.

Samples to possible Pigment partners

In December 2014 we dispatched two 5 kilogram valuable heavy mineral sand samples from Ranobe to potential customers. We believe the current test work will provide more certainty that the ilmenite within the sample is a suitable for production of an acceptable white pigment. At this stage, we have not received results from this program.

Tenement Status

No Tenement changes were made during this quarter. Appendix 1 details current tenement holdings. No tenements are subject to farm in or farm out agreements.

Jeffrey Williams
Chief Executive Officer
World Titanium Resources
Perth, Western Australia

All enquiries to be directed to:

support@worldtitaniumresources.com or Jeff Williams at jwilliams@worldtitaniumresources.com

About World Titanium Resources:

World Titanium Resources (ASX: WTR) is an Australian listed mineral sands company that owns 100% of the Tier 1 Toliara Sands Project in Madagascar.

As background the Company received the two Mining Licenses for the Ranobe Project on 27th April 2012. Each of the License's has a term of 40 years and is renewable. Current resources and reserves for the deposit prepared by McDonald Speijers and Associates (see release dated 9th August 2012; Ranobe Mine – Significant Resource Increase) are stated below.

Resources for the Ranobe Deposit at a 3% THM cutoff:

Mineral Resource Category	Tonnes (Mt)	Heavy Minerals		Slimes (%)	Mineral Assemblage (% in HM)		
		(%)	(Mt)		Ilmenite	Rutile	Zircon
Measured	209	7.59	15.9	4.01	72.2	2.4	5.6
Indicated	226	6.12	13.8	4.00	71.8	2.2	5.6
Inferred	524	5.50	28.8	4.40	72.3	2.3	5.6
Total	959	6.10	58.5	4.22	72.2	2.3	5.6

Reserve at Ranobe based on current starter pit design:

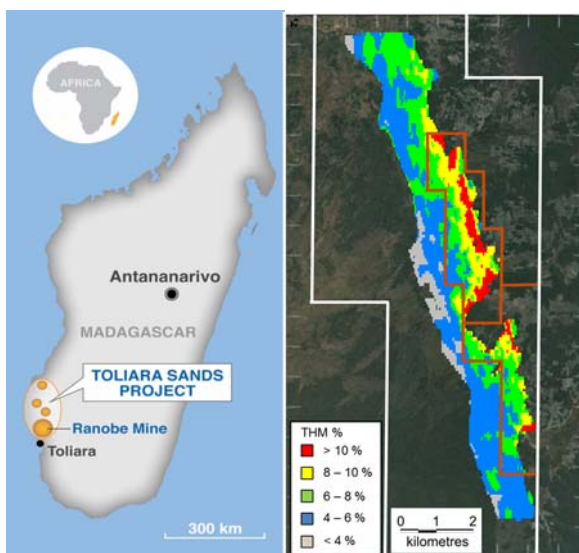
Ore Reserve Category	Tonnes (Mt)	Heavy Minerals		Slimes (%)	Mineral Assemblage (% in HM)		
		(%)	(Mt)		Ilmenite	Rutile	Zircon
Proved	148	8.12	12.0	4.02	72.3	2.4	5.5
Probable	13	9.18	1.20	3.65	72.1	2.3	5.4
Total	161	8.20	13.2	3.99	72.3	2.4	5.5

Investors are cautioned that the information prepared for both releases dated 28 August 2012; Results of Completed Definitive Engineer Study for the Ranobe Mine, and the see release dated 9th August 2012; Ranobe Mine – Significant Resource Increase were prepared and first disclosed under the JORC Code 2004. They have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Similarly the material assumptions underpinning the production target have not changed, and remain valid since it was last reported.

Competent Person Statement

Ian Ransome, B.Sc. (Hons) Geology, Pr.Sci.Nat., a Director of the Company, who is a registered geological scientist with the South African Council for Natural Scientific Professions (SACNASP), and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration, and is thus a Qualified Person in terms of the JORC Code, has reviewed and consented to the inclusion of the scientific and technical information contained in this ASX Release.

www.worldtitaniumresources.com



Appendix 1: Tenement Holdings of World Titanium Resources Ltd.

Toliara Sands SARL and Madagascar Resources SARL are 100% owned subsidiaries of World Titanium Resources Ltd. No tenements are subject to farm-in or farm-out agreements.

PROJECT	PERMIT NUMBER	REGISTERED Holder/Applicant	PERMIT TYPE	GRANT DATE (Application Date)	EXPIRY DATE	TERM (Years)	TOTAL AREA (km ²)	SMALL SQUARE	SUBSTANCES UNDER TITLE	NOTES
Ranobe	3315	TSSARL	R	21/03/2012	20/03/2015	3	106.25	272	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(1)
	12026	TSSARL	R	15/09/2004	14/09/2014	10	6.25	16	Ilmenite	(2) (3)
	17388	TSSARL	R	28/07/2005	27/07/2015	10	18.75	48	Ilmenite	(2)
	37242	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
	39130	TSSARL	E	21/03/2012	20/03/2052	40	9.38	24	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(4)
Ankililoaka	3314	MRSARL	R	12/01/2001	11/01/2011	10	75	192	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5) (6)
	36876	MRSARL	R	22/11/2004	21/11/2014	10	12.5	32	Ilmenite	(2) (7)
Basibasy	35822	MRSARL	R	12/01/2001	11/01/2011	10	81.25	208	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5) (6)
Morombe	30250	MRSARL	R	12/01/2001	11/01/2011	10	206.25	528	Ilmenite, Zircon, Leucoxene, Rutile, Basalte, Calcate, Guano	(2) (5) (6)
Other	36182	MRSARL	R	22/10/2009			62.50		Ilmenite, Rutile, Zircon, Magnetite	(8)
	36183	MRSARL	R	22/10/2009			8.59		Ilmenite, Rutile, Zircon, Magnetite	(8)
	36648	MRSARL	R	16/11/2009			3.13		Calcaire	(8) (9)
	39650	MRSARL	R	16/11/2009			3.13		Calcaire	(8) (9)
	38091	MRSARL	R	23/09/2010			30.47		Ilmenite, Grenate, Zircon	(8)

DEFINITIONS: "R": Research (Exploration) "E": Exploitation (Mining Permit)
 "TSSARL": Toliara Sands SARL "MRSARL": Madagascar Resources SARL
 "BCMM": Bureau Du Cadastre Minier De Madagascar

- NOTES:**
- Renewable once for three year period. Application lodged on 15 December 2014 and pending at BCMM.
 - Renewable twice for a three year period per renewal.
 - Renewal application lodged on 23 May 2014 and pending at BCMM.
 - Renewable once for 40 year period.
 - Renewal application lodged 17 September 2010 for a three-year period and pending at BCMM. Second extension term is due 3 years from the date of as yet unissued decree for the first extension term.
 - Permits presently registered in the name of Toliara Sands SARL (TSSARL) and for which a transfer to Madagascar Resources SARL (MRSARL) is pending at the BCMM.
 - Renewal application lodged 1 September 2014 and pending at BCMM.
 - New application pending at BCMM.
 - Permit 36648 has been split into two Permits (36648 and 39650) but to date the Company has not received confirmation of grant.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 1/6/2010.

Name of entity

WORLD TITANIUM RESOURCES LTD

ABN

21 120 723 426

Quarter ended ("current quarter")

31st March, 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date(9mths) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration & evaluation	(183)	(904)
(b) development	-	-
(c) production	-	-
(d) administration	(478)	(1,379)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	42
1.5 Interest and other costs of finance paid	-	(5)
1.6 Income taxes paid, GST/taxes paid	(46)	(42)
1.7 Other	-	-
Net Operating Cash Flows	(699)	(2,288)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(1)	(3)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	14	39
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
Net investing cash flows	13	36
1.13 Total operating and investing cash flows (carried forward)	(686)	(2,252)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(686)	(2,252)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1	1
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - Costs associated with capital raising	-	-
	Net financing cash flows	1	1
	Net increase (decrease) in cash held	(685)	(2,251)
1.20	Cash at beginning of quarter/year to date	1,333	2,848
1.21	Exchange rate adjustments to item 1.20	70	121
1.22	Cash at end of quarter	718	718

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	122
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

All payments to Directors and Associates are on normal commercial terms.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

N/A

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-
3.2	Credit standby arrangements	-

Estimated cash outflows for next quarter *

		\$A'000
4.1	Exploration and evaluation	250
4.2	Development	-
4.3	Production	-
4.4	Administration	497
	Total	747

+ See chapter 19 for defined terms.

* To meet the forecast expenditure, WTR launched a rights issue (1 share for every 3 held) resulting in the capital raising of AUD 3.4m at the close of the offer on 13th April 2015

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	668	633
5.2	Deposits at call	50	700
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)		718	1,333

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid upper security (see note 3) (cents)
7.1	-	-	-	-
7.2	-	-	-	-
7.3	362,006,589	362,006,589	Fully Paid	Fully Paid
Preference + securities (description) Total Issued and Quoted Issued, but not quoted (subject to ASX escrow)				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.4	Changes during quarter (a) Increases through issues/exercised options - Cash Issue - Merger Consideration (b) Decreases through returns of capital, buy-backs - Consolidation	-	-	-	-
7.5	+Convertible debt securities <i>(description)</i>	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	Options	<i>Options</i>	<i>Listed Options</i>	<i>Exercise Price</i>	<i>Expiry Date</i>
		475,000	-	\$0.80	08/05/2015
		1,500,000	-	\$0.28	31/12/2015
		1,500,000	-	\$0.13	12/08/2015
		2,000,000	-	\$0.051	15/10/2019
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	22,750,000	-	\$0.28	31/03/2015
7.11	Debentures <i>(totals only)</i>	-	-	-	-
7.12	Unsecured notes <i>(totals only)</i>	-	-	-	-

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 16th April, 2015
CFO

Print name: Goroodeo Sookun

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position.

+ See chapter 19 for defined terms.

An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.