

WORLD TITANIUM RESOURCES LIMITED
ACN 120 723 426
(Company)

Corporate Governance Statement

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (**Principles and Recommendations**). The Principles and Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Principles and Recommendations.

The Board of the Company currently has in place a corporate governance policy which has been posted in a dedicated corporate governance information section of the Company's website at www.worldtitaniumresources.com.

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
1.	<i>Lay solid foundations for management and oversight</i>		
1.1	Companies should establish the functions reserved to the board and those delegated to senior executives and disclose those functions.	yes	
1.2	Companies should disclose the process for evaluating the performance of senior executives.	yes	
1.3	Companies should provide the information indicated in the <i>Guide to reporting on Principle 1</i> .	yes	
2.	<i>Structure the board to add value</i>		
2.1	A majority of the board should be independent directors.	yes	
2.2	The chair should be an independent director.	no	Company has only three full-time executives, including the Chairman. Transition to non-executive chairman will be considered as Company's management team grows.

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
2.3	The roles of chair and chief executive officer should not be exercised by the same individual.	yes	
2.4	The board should establish a nomination committee.	yes	
2.5	Companies should disclose the process for evaluating the performance of the board, its committees and individual directors.	yes	
2.6	Companies should provide the information indicated in the <i>Guide to reporting on Principle 2</i> .	yes	
3.	<i>Promote ethical and responsible decision-making</i>		
3.1	Companies should establish a code of conduct and disclose the code or a summary of the code as to: <ul style="list-style-type: none"> the practices necessary to maintain confidence in the company's integrity the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	yes	
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	yes	It is not the intention of the company to introduce measurable objectives until the size of the company increases to the extent that they become meaningful
3.3	Companies should disclose in each annual report the measurable objectives for achieving measurable objectives set by the board in accordance with the	yes	

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
	diversity policy and progress in achieving them.		
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board	yes	
3.5	Companies should provide the information indicated in the <i>Guide to reporting on Principle 3</i> .	yes	
4.	<i>Safeguard integrity in financial reporting</i>		
4.1	The board should establish an audit committee.	yes	
4.2	The audit committee should be structured so that it: <ul style="list-style-type: none"> • consists only of non-executive directors • consists of a majority of independent directors • is chaired by an independent chair, who is not chair of the board • has at least three members. 	yes	
4.3	The audit committee should have a formal charter.	yes	
4.4	Companies should provide the information indicated in the <i>Guide to reporting on Principle 4</i> .	yes	
5.	<i>Make timely and balanced disclosure</i>		
5.1	Companies should establish written policies designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior executive level for that compliance and disclose those policies or a summary of those policies.	yes	
5.2	Companies should provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	yes	

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
6.	<i>Respect the rights of shareholders</i>		
6.1	Companies should design a communications policy for promoting effective communication with shareholders and encouraging their participation at general meetings and disclose their policy or a summary of that policy.	yes	
6.2	Companies should provide the information indicated in the <i>Guide to reporting on Principle 6</i> .	yes	
7.	<i>Recognise and manage risk</i>		
7.1	Companies should establish policies for the oversight and management of material business risks and disclose a summary of those policies.	yes	
7.2	The board should require management to design and implement the risk management and internal control system to manage the company's material business risks and report to it on whether those risks are being managed effectively. The board should disclose that management has reported to it as to the effectiveness of the company's management of its material business risks.	yes	
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	yes	

PRINCIPLES AND RECOMMENDATIONS		COMPLY (YES/NO)	EXPLANATION
7.4	Companies should provide the information indicated in <i>Guide to Reporting on Principle 7</i> .	yes	
8.	<i>Remunerate fairly and responsibly</i>		
8.1	The board should establish a remuneration committee.	yes	
8.2	The remuneration committee should be structured so that it: <ul style="list-style-type: none"> • consists of a majority of independent directors • is chaired by an independent director • has at least three members 	yes	
8.3	Companies should clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives.	yes	
8.4	Companies should provide the information indicated in the <i>Guide to reporting on Principle 8</i> .	yes	