



5th October 2016

Market Announcements Platform
Australian Securities Exchange

UNMARKETABLE PARCEL SHARE SALE FACILITY & COMPANY RESTRUCTURE

World Titanium Resources Limited (**WTR** or **Company**) is pleased to announce it has established a share sale facility for holders of unmarketable parcels of shares in the Company (**Facility**).

The ASX listing rules define an unmarketable parcel as those with a market value of less than \$500. As at the Record Date, being close of business on 4th October 2016, of the 297 WTR shareholders, 204 holders held an unmarketable parcel of less than 16,129 shares.

WTR is providing the Facility to holders of unmarketable parcels to sell their shares without incurring any costs that could otherwise make a sale of their shares uneconomic. In addition the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholders.

The shares are to be sold on market shortly after the Closing Date and each shareholder will receive their proportionate share of the sale proceeds for all shares sold through the Facility.

A summary of the Key Dates in relation to the Facility is as follows:

Unmarketable Parcels Record Date – 4 October 2016 at close of business

Unmarketable Parcels Announcement Date – 5 October 2016

Letter sent to Shareholders holding Unmarketable Parcels – 6 October 2016

Closing Date for receipt of Share Retention Form – 21 November 2016

Unmarketable Parcels Payment Date – expected to be on or about 1 December 2016

WTR INTENDS RESTRUCTURING

The Facility forms part of the WTR Board's plan to demerge the Company and restructure its assets.

Following the close of the AMED Takeover of WTR in March 2016, AMED is the holder of approximately 69.4% of the shares in WTR. As foreshadowed in AMED's Bidder's Statement¹, the WTR Board has been re-constituted and the new Board has formed the view that it is in WTR shareholders' best interests for the Company to demerge and restructure its assets.

Full details of the proposed demerger will be provided to Shareholders in a subsequent Notice of Meeting at which the Company will seek shareholder approval for an in-specie distribution of all of the shares it holds in its wholly-owned Mauritian subsidiary, World Titane Holdings Limited, to WTR

¹ AMED's Bidder Statement of 18 January, 2016, included statements of intention if it acquired a relevant interest in more than 50% but less than 90% of WTR's shares. Its statement relating to the Directors of WTR was: "AMED Fund II intends, subject to the Corporations Act and WTR's Constitution, to seek to re-constitute the Board of Directors of WTR to reflect AMED Fund II's majority ownership of WTR."

shareholders (**In-specie Distribution**). World Titane Holdings is the owner of all of the Company's Madagascan project assets (**Projects**).

Effectively, WTR shareholders will hold their interest in the Projects via World Titane, rather than WTR.

The World Titane shares currently held by the Company are its major asset. As a result of the proposed In-specie Distribution, the Company will hold no assets of value in Australia.

After the In-Specie Distribution, it is the Board's intention to apply for the Company to be delisted from the ASX, and, in due course, to deregister both the Company and its wholly owned Australian subsidiary, WTR Holdings Pty Ltd (ACN 061 662 011).

Implementing the proposed demerger is subject to the Company obtaining the necessary taxation advice and regulatory approvals, and the subsequent Shareholder approval.

Attached is a copy of the letter and the Share Retention Form which will be sent on 6th October 2016 to all shareholders holding an unmarketable parcel of WTR shares on the Record Date.

Yours faithfully

World Titanium Resources Limited

A handwritten signature in black ink, appearing to read 'G R Boden', written in a cursive style.

G R Boden
Company Secretary

6th October 2016

Reference No: XXXXXXXXXXXX

Number of shares at 4 October 2016: XXXXXXXX

Dear Shareholder

IMPORTANT NOTICE

SALE OF YOUR UNMARKETABLE PARCEL OF WORLD TITANIUM RESOURCES LIMITED SHARES

I am writing to advise you that World Titanium Resources (**WTR**) has established a share sale facility (**Facility**) for holders of less than 16,129 shares (**Unmarketable Parcels**).

Following the recent takeover by AMED, and the changes to the Board of WTR has determined to act on Rule 149 of WTR's Constitution, which permits the Company to sell the Unmarketable Parcel shareholdings of minority members.

Minority members are those whose shares are valued in aggregate at less than \$500, determined by reference to the WAP (Weighted Average Price) of the sale price of WTR's shares on the Australian Securities Exchange (ASX) during a period of 5 consecutive trading days immediately preceding this Notice, rounded off to the nearest half cent or, if there are no sales of the relevant securities on ASX during that period the sale price which in the opinion of the directors is a fair and reasonable sale price for the relevant securities immediately prior to the relevant Notice Date.

WTR is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the Facility will have their shares sold by WTR (as agent). WTR will pay all costs associated with the sale (although any tax consequences from the sale of your shares will be your responsibility).

Our records show that you hold an Unmarketable Parcel. In accordance with Rule 149 of WTR's Constitution, unless you advise WTR that you **do not** wish to sell your shares, WTR intends to sell your shares through the Facility. The proceeds of the sale will be sent to you as soon as practicable following the completion of the sale.

WTR INTENDS RESTRUCTURING

The Facility forms part of the WTR Board's plan to demerge the Company and restructure its assets. Following the close of the AMED Takeover of WTR in March 2016, AMED is the holder of approximately 69.4% of the shares in WTR. As foreshadowed in AMED's Bidder's Statement¹, the WTR Board has been re-constituted and the new Board has formed the view that it is in WTR shareholders' best interests for the Company to demerge and restructure its assets.

¹ AMED's Bidder Statement of 18 January, 2016, included statements of intention if it acquired a relevant interest in more than 50% but less than 90% of WTR's shares. Its statement relating to the Directors of WTR was: "AMED Fund II intends, subject to the Corporations Act and WTR's Constitution, to seek to re-constitute the Board of Directors of WTR to reflect AMED Fund II's majority ownership of WTR."

Full details of the proposed demerger will be provided to Shareholders in a subsequent Notice of Meeting at which the Company will seek shareholder approval for an in-specie distribution of all of the shares it holds in its wholly-owned Mauritian subsidiary, World Titane Holdings Limited, to WTR shareholders (**In-specie Distribution**). World Titane Holdings is the owner of all of the Company's Madagascan project assets (**Projects**).

Effectively, WTR shareholders will hold their interest in the Projects via World Titane, rather than WTR.

The World Titane shares currently held by the Company are its major asset. As a result of the proposed In-specie Distribution, the Company will hold no assets of value in Australia.

After the In-Specie Distribution, it is the Board's intention to apply for the Company to be delisted from the ASX, and, in due course, to deregister both the Company and its wholly owned Australian subsidiary, WTR Holdings Pty Ltd (ACN 061 662 011).

Implementing the proposed demerger is subject to the Company obtaining the necessary taxation advice and regulatory approvals, and the subsequent Shareholder approval.

What should you do if you do not wish to sell your shares?

If you do **not** wish to sell your shares through the Facility you must complete and return the enclosed Share Retention Form so that it is received by **4:00pm (WST) on 21st November 2016**.

If you want to sell your shares through the Facility you do not need to take any action.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility, you should consult your legal, financial or taxation adviser.

This letter sets out further details of the Facility, which you should read before making any decision. You can also contact WTR's share registry, Boardroom Pty Ltd, on +61 (0)2 9290 9600 if you have any queries about lodging your notice to exempt form or the practical operation of the Facility.

Yours faithfully

World Titanium Resources Limited

Graeme Boden

Company Secretary

MORE INFORMATION ON THE FACILITY**1. What is an Unmarketable Parcel of shares?**

A parcel of 16,129 shares or less (as at the date of this letter).

2. What price will I receive for shares sold through the Facility?

The price that you receive for your shares under the Facility will be \$0.030 per share, being the “**Minimum Sale Price**” under the Company’s Constitution. This is the means the weighted average sale price of the relevant securities sold on ASX during a period of 5 consecutive trading days immediately preceding the date of this Notice (being 6th October 2016) rounded off to the nearest half cent or, if there are no sales of the relevant securities on ASX during that period the sale price which in the opinion of the directors is a fair and reasonable sale price for the relevant securities immediately prior to the date of this Notice (being 6th October 2016).

3. When will the proceeds from the sale of shares be sent to me?

Payment will be sent to you as soon as practicable after your shares are sold. Payment will be made in Australian dollars by EFT or by cheque. Boardroom Pty Ltd (the Company’s Share Registry) will notify you, by way of a transaction confirmation advice, of the number of your shares sold and the price per share and total sale proceeds you have received. The transaction confirmation advice will be sent by post, to your address as shown in the share register, as will your cheque, if that is how you have elected to receive funds from the Company, otherwise funds will be remitted by EFT.

4. Where can I get further information?

If you have any questions concerning your shareholding or how the Facility will work, please contact our share registry, Boardroom Pty Limited by telephone on +61 (0)2 9290 9600 or by email to enquiries@boardroomlimited.com.au.

5. What do I need to do if I wish to retain my shares?

To ensure your shares are not sold in the Facility, complete the enclosed ‘Notice to Exempt’ form and return it to WTR’s share registry. The form can be returned using the enclosed envelope:

- by post to Boardroom Pty Limited Level 7, GPO Box 3993 Sydney NSW 2001; or
- by facsimile to Boardroom Pty Limited on facsimile number +61 (0)2 9279 0664.

6. Important notes

If you currently have more than one holding on the WTR share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel and therefore no longer eligible to participate in the Facility. For further advice in this regard, please contact WTR’s share registry on +61 (0)2 9290 9600.

This letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that is the Facility the best way to sell WTR shares.

Whilst this Facility is in place, you may also sell any shares you hold on market, including any that constitute an Unmarketable Parcel for the purposes of the Listing Rules.

If you are in any doubt about what to do, you should consult your legal, financial or tax adviser.

World Titanium Resources Limited

CAN 120 723 426

All correspondence to

Boardroom Pty Limited

GPO Box 3993

Sydney NSW 2001

Tel: 1300 737 760 (within Aust)

Tel: + 61 2 9290 9600 (outside Aust)

Fax: + 61 2 9279 0664

www.boardroomlimited.com.au

enquires@boardroomlimited.com.au

Subregister

SRN/HIN.

Share Retention Form

IMPORTANT: This is an important document and requires your immediate attention. World Titanium Resources Limited (**Company**) is implementing a sale facility for holders of parcels of the Company's shares valued at less than \$500 (**Sale Facility**). Further details regarding the Sale Facility are set out in the letter to you from the Company dated 6 October 2016, which accompanies this form. If you do not want the parcel of shares in the Company referred to below sold under the Sale Facility, you must complete this form and return it so that it is received by the Company's share registry no later than 5.00pm on 21 November 2016. If you are in any doubt as to how to deal with this form, you should consult your professional adviser. If your holding of the Company's shares increases to more than \$500 by on market purchases or otherwise, then your holding will not be sold under the Sale Facility.

A Number of shares held as at Record Date

The number of shares that you held at 7pm on 4 October 2016.

B Retention of shares

I/We refer to the letter from the company dated 6 October 2016 and hereby give notice that we would like to retain my/our shares.

C Contact details (Enter your contact details below)

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	()	()	

D Shareholder Signature

By signing and returning this form, I/we confirm that I/we understand that my/our shares will **NOT BE SOLD** under the Sale Facility.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Day

Month

Year

**This form must be received by no later than 5.00pm on
21 November 2016**

LODGEMENT INSTRUCTIONS ARE ON THE REVERSE OF THIS FORM

Additional information

How to complete this form

- A. This is the number of shares that you held at 7pm on 4 October 2016.
- B. If you would like to retain your shares, please mark the box on the front of this form and return it to the Company's share registry in accordance with the lodgement instructions below. If this form is not received by 5.00pm on 21 November 2016, and you have not otherwise validly notified the Company that you wish to retain your shares, the Company will be entitled to sell your shares on your behalf. **IF YOU WOULD LIKE THE COMPANY TO SELL YOUR SHARES, YOU SHOULD NOT COMPLETE THIS FORM.**
- C. Enter your **contact details** so we may contact you regarding your form.
- D. The form **must** be signed. In the spaces provided you must sign this form as follows:

Individual: Where the holding is in only one name, this form is to be signed by the securityholder.

Joint Holding: Where the holding is in more than one name, all the securityholders must sign.

Power of Attorney: To sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. **Please indicate the office held by signing in the appropriate place.**

Lodgement of this Form

If you wish to retain your shares, this form must be completed and returned to the share registry by no later than 5.00pm on 21 November 2016. If you are returning your form by post, please allow sufficient time for collection and delivery by postal services. The postal rule does not apply, which means that to be valid your completed form must be received by no later than 5.00pm on 21 November 2016.

Mailing address:

World Titanium Resources Limited
C/- Boardroom Pty Limited
GPO Box 3993
SYDNEY NSW 2001

Delivery address:

World Titanium Resources Limited
C/- Boardroom Pty Limited
Level 12
225 George Street
SYDNEY NSW 2000

Consolidation of shareholdings

If you have more than one holding on the World Titanium Resources Limited register, you should consider consolidating them. For further information regarding this, please contact Boardroom Pty Limited on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia).

Changes of Address Supported by your Signature(s)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHESS holders must notify your sponsoring broker for amendments to holdings on the CHESS Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /
Sole Director & Sole Company
Secretary

Joint Shareholder 2 (Individual) /
Director

Joint Shareholder 3 (Individual) /
Director/Company Secretary
(Delete one)

Privacy Statement

Boardroom Pty Limited advises that Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form. Our privacy policy is available on our website (<http://www.boardroomlimited.com.au/Privacy.html>).