
TITANIUM SANDS LIMITED

ACN 009 131 533

NOTICE OF GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 11 am (WST)

DATE: Thursday, 28 September 2023

PLACE: Level 8
216 St Georges Terrace
PERTH WA 6000

The business of the Meeting affects your shareholding and your vote is important.

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their 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 on +61 8 9481 0389.

TITANIUM SANDS LIMITED

ACN 009 131 533

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Titanium Sands Limited ACN 009 131 533 (**Company**) will be held at Level 8, 216 St Georges Terrace, Perth WA 6000 on Thursday, 28 September 2023 at 11am (WST) (**Meeting**).

The Explanatory Memorandum to this Notice 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 regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 26 September 2023 at 5pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 8 of the Explanatory Memorandum.

1. **Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares**

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

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue of 210,959,675 Shares to the Tranche 1 Placement Participants on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by the Tranche 1 Placement Participants or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (i) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.
-

2. Resolution 2 – Approval to issue Tranche 2 Placement Shares

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the issue of 9,040,325 to the Tranche 2 Placement Participants on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Tranche 2 Placement Participants and their nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

3. Resolution 3 – Approval to grant Placement Options

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the grant of up to 220,000,000 Placement Options to the Placement Participants on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Placement Participants and their nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. □ Resolution 4 – Approval to grant Options to Lead Manager

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the grant of up to 105,000,000 Placement Options to the Lead Manager (or its nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of the Lead Manager and its nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. □ Resolution 5 – Approval to grant Conversion Securities to G.J Johnson & Co

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the grant of 40,000,000 Shares and 40,000,000 Placement Options to G.J Johnson & Co (or its nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of G.J Johnson & Co and its nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Resolution 6 – Approval to grant Fee Options to G.J Johnson & Co

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

“That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the grant of 10,000,000 Placement Options to G.J Johnson & Co (or its nominees) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of G.J Johnson & Co and its nominees or a person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder) or any associates of those persons.

However, this does not apply to a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

7. Resolution 7 – Approval to issue Conversion Securities to Willis Holdings

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

"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the issue of 40,000,000 Shares and 40,000,000 Placement Options to Willis Holdings (or its nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Willis Holdings and its nominees and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

8. Resolution 8 – Approval to grant Fee Options to Willis Holdings

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

"That, for the purposes of Listing Rule 10.11, and for all other purposes, Shareholders approve the grant of 10,000,000 Placement Options to Willis Holdings (or its nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Willis Holdings and its nominees and any other person who will obtain a material benefit as a result of the proposed issue (except a benefit solely by reason of being a Shareholder), or any associates of those persons.

However, the Company will not disregard a vote cast in favour of this Resolution by:

- (a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or

- (b) the Chair of the Meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated 24 August 2023

BY ORDER OF THE BOARD

James Searle
Managing Director
Titanium Sands Limited

TITANIUM SANDS LIMITED

ACN 009 131 533

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 Level 8, 216 St Georges Terrace, Perth Western Australia on Thursday, 28 September 2023 at 11am (WST).

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

A Proxy Form is located at the end of the 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 Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

2.2 Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9481 0389.

3. □ **Background**

3.1 □ **Placement**

On 13 July 2023, the Company announced it was conducting a placement and non-renounceable entitlement issue in order to raise up to approximately \$2,506,397.85 (before costs). The Company completed the non-renounceable entitlement issue on 8 August 2023 and is currently working with the Lead Manager to place the securities under the shortfall for the non-renounceable entitlement offer which is expected to be completed within three months of the entitlement issue closing date (being 4 November 2023). Refer to the Company's Prospectus dated 13 July 2023 and announcement dated 4 August 2023 for further details on the non-renounceable entitlement issue and shortfall offer.

The placement was offered to sophisticated and professional investors raising \$1,100,000 (before costs) through the issue of 220,000,000 Shares (**Placement Shares**) at an issue price of \$0.005 per Placement Share (**Placement**). The terms of the Placement include one free attaching Option for each Placement Share issued under the Placement (**Placement Options**) for a total of 220,000,000 Placement Options.

The Placement Shares are to be issued in two tranches. The first tranche of the Placement Shares (comprising 210,959,675 Shares) (**Tranche 1 Placement Shares**) was issued on 20 July 2023 pursuant to the Company's available placement capacity under Listing Rule 7.1. Resolution 1 seeks Shareholder ratification of the issue of the Tranche 1 Placement Shares.

The Company is seeking Shareholder approval for the balance of the Securities to be issued under the Placement, comprising a total of 9,040,325 Shares (**Tranche 2 Placement Shares**) and 220,000,000 Placement Options under Resolutions 2 and 3.

The funds raised from the non-renounceable entitlement issue and the Placement are intended to be used to fund completion of the acquisition of James Global (Pvt) Ltd, exploration drilling on the ground held by James Global (Pvt) Ltd, progression of the IML application on the Mannar Island Project and associated activities (including GSMB approvals, completion of the Environmental Impact Assessment (EIA) report on the Mannar Island Project and obtaining initial land access agreements and approvals) and for working capital purposes. Refer to the Company Prospectus dated 13 July 2023 for further details on next phase activities and use of funds.

3.2 □ **Lead Manager Mandate**

The Company engaged CPS Capital Group Pty Ltd to act as lead manager and broker in respect of the Placement and the non-renounceable entitlement issue (together the **Capital Raising**) pursuant to a lead manager, broker and corporate adviser mandate (**Lead Manager Mandate**).

The key terms of the Lead Manager Mandate are set out below:

(a) **Capital Raising Fees**

The Company agreed to pay the Lead Manager the following fees in respect of its services as lead manager and broker to the Capital Raising:

- a management fee of 2% (plus GST) of the total amount raised under the Placement (being a fee of up to \$30,000);
- a placement fee of 4% (plus GST) of the total amount raised under the Placement (being a fee of up to \$60,000); and
- a placement fee of 6% (plus GST) for any shortfall placed by the Lead Manager from the non-renounceable entitlement offer and for any shortfall in the entitlement offer taken up by Lead Manager customers;
- 65,000,000 Placement Options; and
- 40,000,000 Placement Options should the Lead Manager place any shortfall from the non-renounceable entitlement offer.

All selling fees to third parties will be paid by the Lead Manager from the fees set out above.

In addition to the above fees, the Lead Manager is entitled to be reimbursed for all out-of-pocket expenses incurred during its engagement in connection with the services provided.

- (b) **Term:** 12 months (unless terminated earlier).
- (c) **Right of First Refusal:** The Lead Manager has the right of first refusal for any future capital raise contemplated by the Company.

The mandate otherwise contains terms and conditions typical for a mandate of its nature, including confidentiality, intellectual property protection and indemnities.

The Lead Manager is also engaged as the corporate advisor of the Company for a period of 12 months commencing from the date of the lead manager mandate. Fees payable in respect of this role are \$6,000 per month (plus GST).

3.3 **Convertible Facilities**

As announced on 26 April 2023, the Company entered into a convertible facility with two major Shareholders (G.J Johnson & Co and Willis Holdings, entities related to Garry Johnson and Robert Nelson respectively) which provided up to \$700,000 in funding available for draw-down by the Company for the Company's working capital purposes (**Convertible Facilities**). The Company has drawn down a total of \$400,000 under the Convertible Facilities to date.

A summary of all the material terms of the Convertible Facilities is set out below:

- **Lenders:** Willis Holdings and G.J Johnson & Co.
- **Facility:** The total facility allows the Company to borrow up to \$700,000 from the lenders which can be drawn down at any time.
- **Repayment Date:** 8 September 2023.

- **Repayment:** Repayment of the Convertible Facilities is to be by shares or cash at the election of the funder as follows:
 - (i) issue of Shares as repayment will be subject to Shareholder approval (such Shares to be issued at \$0.023 per Share); and
 - (ii) facility repayment in cash will attract an interest rate of 10% per annum on advanced funds.
- **Lender Options:** Each lender will be issued 10,000,000 Placement Options subject to Shareholder approval as part of the fees payable for providing the facilities.

As set out in the ASX announcement dated 13 July 2023, the Company subsequently agreed with the lenders to vary the terms of the Convertible Facilities so that amounts drawn down under the Convertible Facilities convert into securities on the same terms as under the Placement (being at an issue price of \$0.005 per Share with one free attaching Placement Option for each Share issued). Given \$400,000 has been drawn down under the Convertible Facilities to date, it is proposed that a total of 80,000,000 Shares and 80,000,000 Placement Options are issued to the lenders on conversion of the Convertible Facilities subject to Shareholder approval under Resolutions 5 and 7.

As set out above, the lenders are also entitled to 20,000,000 Placement Options as part of the fees payable for providing the facilities, subject to Shareholder approval under Resolutions 6 and 8.

The number of Securities to be issued to G.J Johnson & Co on conversion of the Convertible Facilities is 40,000,000 Shares and 40,000,000 Placement Options, subject to Shareholder approval under Resolution 5. It is proposed that a further 10,000,000 Placement Options be issued to G.J Johnson & Co as part of the fees payable for providing the facility, subject to Shareholder approval under Resolution 6.

The number of Securities to be issued to Willis Holdings on conversion of the Convertible Facilities is 40,000,000 Shares and 40,000,000 Placement Options, subject to Shareholder approval under Resolution 7. It is proposed that a further 10,000,000 Placement Options be issued to Willis Holdings as part of the fees payable for providing the facility, subject to Shareholder approval under Resolution 8.. Willis Holdings is an associate of Robert Nelson. As Mr Nelson and his related entities have been a substantial (30%+) holder of the Company within the previous 6 months, the proposed issue of the Securities to Willis Holdings falls within Listing Rule 10.11.4 and therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, the Company is seeking Shareholder approval for the issue of Securities to Willis Holdings under Resolutions 7 and 8 under and for the purposes of Listing Rule 10.11.

The Company has obtained legal advice from a suitably qualified and experienced lawyer that the terms of the Convertible Facilities (as varied) are market-standard and that none of the features noted in section 5.9 of Guidance Note 21 are present.

Information Required by Compliance Update No 05/20

Listing Rule 6.1 requires that any convertible securities issued by a company are issued on terms that are considered appropriate and equitable. In determining whether the convertible securities are appropriate and equitable, the terms and conditions of the

convertible securities must be fair to both new and existing shareholders of the company. If the convertible securities appear to be favourable to the holder of the convertible securities, the company is required to explain the circumstances underpinning the issue of the convertible securities.

The Company provides the following information for the purposes of section 4 of ASX Compliance Update No 05/20:

- (a) The Company secured the Convertible Facilities from Willis Holdings and G.J Johnson in April 2023. This was shortly after the Company had received final results from its 2022 resource infill and extension drilling campaign at the Manner Island Project and published its Mannar Project updated resource (refer to ASX announcements on 15/03/23 and 17/01/23).
- (b) The above activities took longer than initially anticipated, which meant at the time the Company was closely monitoring its use of funds and considering fundraising options as its working capital had been reduced. Out of the fundraising options considered, the Convertible Facilities were the least dilutionary to Shareholders whilst also offering the highest level of funding certainty to the Company.
- (c) The Company considers that the terms of the Convertible Facilities secured in April 2023 were an appropriate and commercial solution to provide working capital to the Company to advance its Mannar Island Project activities.
- (d) After securing the Convertible Facilities, the Company published its Mannar Island Project scoping study in May 2023 and successfully progressed various key approvals for the project, including the retention of project licences (eg, see ASX announcement on 23/05/23). While the Company believed it had continued to identify a pathway to creating value for Shareholder via its project development activities, financing conditions remained difficult for the Company and the market generally.
- (e) In July 2023 the Company was considering options to raise further capital to continue its Mannar Island Project activities. Significant expenditure is required for next phase of activities needed to progress the mining licence application process, including securing initial land access agreements and approvals, completion of the environmental impact assessment process and securing the regulatory approvals. The Company decided to raise funds pursuant via the Placement and the non-renounceable rights issue and appointed CPS Capital as the lead manager for the capital raising.
- (f) The terms of the Convertible Facilities originally provided for repayment in Shares (at \$0.023 per Share) or cash at the election of the lenders. The Company's share price had remained below \$0.01 since the Convertible Facilities were agreed in April 2023 and had fallen to \$0.007 when the Placement and the non-renounceable rights issue were being considered. Accordingly, it was likely the lenders would require repayment of the facilities in cash at the maturity date in September 2023.
- (g) In an effort to strengthen the Company's cash position in light of the expenditure required for the next phase of Manner Island Project activities, the Company engaged with the lenders and sought their agreement to convert the Convertible

Facilities on the same terms as proposed under the Placement and the non-renounceable rights issue.

- (h) The Company considers that the terms of the Convertible Facilities as varied are an appropriate and commercial solution to provide the working capital to the Company in its present circumstances. As the Convertible Facilities are proposed to be converted into Securities on the same terms as offered to new sophisticated and professional investors under the Placement and to Shareholders under the non-renounceable rights issue, the Company considers that the varied terms are reasonable and reflect arms-length terms.
- (i) Further, the Company considers that the additional 10,000,000 Placement Options to be issued to each lender represent reasonable and appropriate fees for providing the Convertible Facilities, which remain unchanged from when the facilities were secured in April 2023.

The Company confirms that the Convertible Facilities are not a deed or charge or a form of security agreement to issue 'collateral shares'.

3.4 Pro-Forma Capital Structure

The pro-forma capital structure of the Company on completion of the transactions the subject of this Notice is set out below:

	Shares	Options	Performance Shares	% of pro forma fully diluted capital structure
On issue at the date of Meeting	1,711,804,701 ¹	381,625,000 ²	33,333,333 ³	68.13%
Securities to be issued under the non-renounceable entitlement issue shortfall offer ⁴	199,332,604	281,279,784 ⁵	-	15.40%
Tranche 2 Placement Shares (Resolution 2)	9,040,325		-	0.29%
Placement Options (Resolution 3)		220,000,000 ⁵	-	7.05%
Lead Manager Options (Resolution 4)		105,000,000 ⁵	-	3.36%
Securities on conversion of the Convertible Facilities (Resolutions 5 and 7)	80,000,000	80,000,000 ⁵	-	5.13%
Securities issued to the lenders as fees payable for the Convertible Facilities (Resolutions 6 and 8)	-	20,000,000	-	0.64%
Pro-Forma Capital Structure		1,087,904,784	33,333,333	100.00%

	2,000,177,630		
Notes:			
<ol style="list-style-type: none"> 1. Includes the Tranche 1 Placement Shares issued on 20 July 2023 and 81,947,180 Shares issued pursuant to entitlements taken up by Shareholders under the non-renounceable entitlement issue. The Company is seeking ratification of the issue of the Tranche 1 Placement Shares under Resolution 1. 2. Includes 66,897,716 listed Options exercisable at \$0.10 expiring 17 November 2023 and 314,727,284 Placement Options exercisable at \$0.023 expiring 16 February 2026 (of which 81,947,180 Placement Options were issued pursuant to entitlements taken up by Shareholders under the non-renounceable entitlement issue). 3. Class B unlisted performance shares which convert into Shares on a 1:1 basis subject to the applicable performance milestone being achieved by the expiry date. 4. Refer to the Company Prospectus lodged on 13 July 2023 and announcement dated 4 August 2023 for further details on the non-renounceable entitlement issue and shortfall offer. 5. Placement Options exercisable at \$0.023 and expiring 16 February 2026. Refer to Schedule 1 for the terms and conditions of the Placement Options. 			

4. **Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares**

4.1 **General**

Further detail on the issue of the Tranche 1 Placement Shares is set out in Section 3.1.

4.2 **Listing Rule 7.1 and 7.1A**

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12-month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made pursuant to Listing Rule 7.1. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1.

Accordingly, Resolution 1 seeks Shareholder ratification of the issue of a total of 210,959,675 Shares which were issued pursuant to the Company's 15% capacity under Listing Rule 7.1 under and for the purposes of Listing Rule 7.4.

4.3 **Information required by Listing Rule 14.1A**

If Resolution 1 is passed, the issue of the Shares to Tranche 1 Placement Participants will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

If Resolution 1 is not passed, the issue of Shares to Tranche 1 Placement Participants will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the date of issue of the Shares.

Resolution 1 is an ordinary resolution.

4.4 **Information required by Listing Rule 7.5**

The following information is provided for the purposes of Listing Rule 7.5:

- (a) A total of 210,959,675 Shares were issued to Tranche 1 Placement Participants on 20 July 2023.
- (b) The Tranche 1 Placement Shares were issued at \$0.005 each.
- (c) The Tranche 1 Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement raised a total of \$1,100,000 (before costs) with the issue of the Tranche 1 Placement Shares accounting for the raising of \$1,054,798 (before costs). Detail on the proposed use of funds is set out in Section 3.1.
- (e) The Tranche 1 Placement Shares were not issued pursuant to an agreement.
- (f) A voting exclusion statement is included in the Notice.

5. **Resolution 2 – Approval to issue Tranche 2 Placement Shares**

5.1 **General**

As detailed in Section 3.1, the Company has agreed, subject to Shareholder approval, to issue 9,040,325 Shares to the Tranche 2 Placement Participants.

The grant of the Tranche 2 Placement Shares therefore requires Shareholder approval under Listing Rule 7.1. A summary of Listing Rule 7.1 is in Section 4.2.

Resolution 2 seeks the required Shareholder approval to issue the Tranche 2 Placement Shares under and for the purposes of Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to proceed with the issue of the Tranche 2 Placement Shares to the Tranche 2 Placement Participants. In addition, the issue of the Tranche 2 Placement Shares will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, then the Company will not be able to proceed with the issue of the Tranche 2 Placement Shares to the Tranche 2 Placement Participants.

Resolution 2 is an ordinary resolution.

5.2 **Information required by Listing Rule 7.3**

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The maximum number of Shares the Company may grant under Resolution 2 is 9,040,325 Shares.
- (b) The Tranche 2 Placement Shares will be granted to the Tranche 2 Placement Participants. None of the Tranche 2 Placement Participants are a related party or substantial holder of the Company, a member of the Company's key management personnel, an adviser to the Company, or any associates of those persons who received more than 1% of the Company's issued capital under the Placement.
- (c) The Tranche 2 Placement Shares will be issued at \$0.005 each. Accordingly, the Company will raise a total of \$45,201 from the issue of the Tranche 2 Placement Shares. These funds will be aggregated with the funds raised from the issue of the Tranche 2 Placement Shares and used for the purposes set out in Section 3.1.
- (d) The Tranche 2 Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) The Tranche 2 Placement Shares may be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (f) The Tranche 2 Placement Shares will not be issued pursuant to an agreement.
- (g) A voting exclusion statement is included in the Notice.

6. □ Resolution 3 – Approval to grant Placement Options

6.1 □ General

As detailed in Section 3.1, the Company has agreed, subject to Shareholder approval, to grant 220,000,000 Placement Options (each exercisable at \$0.023 and expiring 16 February 2026) to the Placement Participants as free attaching Options on the basis of 1 Placement Option for every 1 Placement Share subscribed for under the Placement.

The grant of the Placement Options therefore requires Shareholder approval under Listing Rule 7.1. A summary of Listing Rule 7.1 is in Section 4.2.

Resolution 3 seeks the required Shareholder approval to the grant of the Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the grant of the Placement Options to the Placement Participants. The Placement Options will be granted as free attaching Options. Accordingly, no funds will be raised from the grant of the Placement Options. In addition, the grant of the Placement Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, then the Company will not be able to proceed with the grant of the Placement Options to the Placement Participants.

Resolution 3 is an ordinary resolution.

6.2 Information required by Listing Rule 7.3

The following information is provided for the purposes of Listing Rule 7.3:

- (h) The maximum number of Options the Company may grant under Resolution 3 is 220,000,000 Placement Options.
- (i) The Placement Options will be granted to the Placement Participants. None of the Placement Participants are a related party or substantial holder of the Company, a member of the Company's key management personnel, an adviser to the Company, or any associates of those persons who received more than 1% of the Company's issued capital under the Placement.
- (j) The Placement Options are each exercisable at \$0.023 and expire on 16 February 2023. Full terms and conditions of the Placement Options are set out in Schedule 1. Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (k) The Placement Options may be granted no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (l) The Placement Options will be granted as free attaching Options on the basis of 1 Placement Option for every 1 Share subscribed for in the Placement. Accordingly, no funds will be raised from the grant of the Placement Options.
- (m) The Placement Options will not be granted pursuant to an agreement.
- (n) A voting exclusion statement is included in the Notice.

7. Resolution 4 - Approval to grant Lead Manager Options

7.1 General

As set out in Section 3.2, the Company has agreed to grant up to 105,000,000 Placement Options to the Lead Manager (**Lead Manager Options**), subject to Shareholder approval.

A summary of Listing Rule 7.1 is provided in Section 4.2.

Resolution 4 seeks the required Shareholder approval to the grant of the Lead Manager Options under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, the Company will be able to proceed with the grant of the Lead Manager Options to the Lead Manager. In addition, the grant of the Lead Manager Options will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 4 is not passed, then the Company will not be able to proceed with the grant of the Lead Manager Options and the Company will need to negotiate an alternative fee arrangement with the Lead Manager for the services provided.

Resolution 4 is an ordinary resolution.

7.2 **Information required by Listing Rule 7.3**

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The maximum number of Options the Company may grant under Resolution 4 is 105,000,000 Placement Options.
- (b) The Placement Options will be granted to the Lead Manager (or its nominees).
- (c) The Placement Options are each exercisable at \$0.023 on or before 16 February 2023. Full terms and conditions of the Placement Options are set out in Schedule 1. Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Options may be granted no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).
- (e) The Placement Options will be granted at a nominal issue price of \$0.0001 per Option in consideration of the lead manager services provided by the Lead Manager. Other than the nominal issue price, which will be used for the Company's general working capital, the Company has not received any other funds from the grant of the Placement Options.
- (f) The material terms of the Lead Manager Mandate are set out in Section 3.2.
- (g) A voting exclusion statement is included in the Notice.

8. **Resolutions 5 and 6 - Approval to issue Securities to G.J Johnson & Co**

As set out in Section 3.3, the Company has agreed to issue G.J Johnson & Co 40,000,000 Shares (at an issue price of \$0.005 per Share) and 40,000,000 Placement Options on conversion of the Convertible Facilities and 10,000,000 Placement Options as part of the fees payable for providing the Convertible Facilities, subject to Shareholder approval under Resolutions 5 and 6.

A summary of Listing Rule 7.1 is provided in Section 4.2.

Resolution 5 seeks the required Shareholder approval to the issue of 40,000,000 Shares and 40,000,000 Placement Options to G.J Johnson & Co on conversion of the Convertible Facilities under and for the purposes of Listing Rule 7.1.

Resolution 6 seeks the required Shareholder approval to the issue of 10,000,000 Placement Options to G.J Johnson & Co as part of the fees payable for providing the Convertible Facility under and for the purposes of Listing Rule 7.1.

If Resolutions 5 and 6 are passed, the Company will be able to proceed with the issue of Securities to G.J Johnson & Co. In addition, the issue of Securities to G.J Johnson & Co will be excluded from the calculation of the number of equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolutions 5 and 6 are not passed, then the Company will not be able to proceed with the issue of Securities to G.J Johnson & Co and the Company will need to repay the amount drawn down on the Convertible Facilities in cash and will need to negotiate an alternative fee arrangement with G.J Holdings & Co in lieu of the fee options.

Resolutions 5 and 6 are ordinary resolutions.

8.1 **Information required by Compliance Update No 05/20**

A summary of Listing Rule 6.1 is set out in section 3.3.

The Company refers to the information provided for the purposes of section 4 of ASX Compliance Update No 05/20 in section 3.3 above.

8.2 **Information required by Listing Rule 7.3**

The following information is provided for the purposes of Listing Rule 7.3:

- (a) The maximum number of Securities the Company may grant:
 - (i) under Resolution 5 is:
 - i. 40,000,000 Shares (at an issue price of \$0.005 per Share); and
 - ii. 40,000,000 Placement Options, and
 - (ii) under Resolution 6 is 10,000,000 Placement Options.
- (b) All Securities to be issued under Resolutions 5 and 6 will be issued to G.J Johnson & Co (or its nominees).
- (c) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (d) The Placement Options are each exercisable at \$0.023 on or before 16 February 2023. Full terms and conditions of the Placement Options are set out in Schedule 1. Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) The Securities may be granted no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

- (f) 40,000,000 Shares and 40,000,000 Placement Options to be issued to G.J Johnson & Co under Resolution 5 will be granted for nil consideration as they are being granted upon conversion of the debt drawn down on the Convertible Facilities. 10,000,000 Placement Options to be issued to G.J Johnson & Co under Resolution 6 are to be issued as part of the fees payable for providing the Convertible Facilities. Accordingly, no funds will be raised from the issue of Securities to G.J Johnson & Co.
- (g) The material terms of the Convertible Facilities are set out in Section 3.3.
- (h) A voting exclusion statement is included in the Notice.

9. Resolutions 7 and 8 – Approval to issue Securities to Willis Holdings

As set out in Section 3.3, the Company has agreed to issue Willis Holdings 40,000,000 Shares (at an issue price of \$0.005 per Share) and 40,000,000 Placement Options on conversion of the Convertible Facilities and a further 10,000,000 Placement Options as part of the fees payable for providing the Convertible Facilities, subject to Shareholder approval under Resolutions 7 and 8.

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, the Company must not issue or agree to issue equity securities to:

- a related party (Listing Rule 10.11.1);
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the Company (Listing Rule 10.11.2); or
- a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the Company and who has nominated a Director to the Board pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);
- an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or
- a person whose relationship with the Company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by Shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its Shareholders.

Willis Holdings is an entity related to Robert Nelson. As at the date of this Notice, Robert Nelson and his related entities hold approximately 27.07% of the Company's issued Shares. Prior to the issue of the Tranche 1 Placement Shares on 20 July 2023, Robert Nelson and his related entities held approximately 30.81% of the Company's issued Shares. The proposed issue of Securities to Willis Holdings therefore falls within Listing Rule 10.11.4 and does not fall within any of the exceptions in Listing Rule 10.12.

Resolutions 7 and 8 seeks the required Shareholder approval to grant the Securities to Willis Holdings under and for the purposes of Listing Rule 10.11. If Resolutions 7 and 8 are passed, the Company will issue the Securities to Willis Holdings (or its nominees). If Resolutions 7 and 8 are not passed, the Company will not issue the Securities to Willis Holdings and repay the amount drawn down on the Convertible Facilities in cash and will need to negotiate an alternative fee arrangement with Willis Holdings in lieu of the fee options.

Resolutions 7 and 8 are ordinary resolutions.

9.1 □ Section 606 and 611 of the Corporations Act

Section 606 of the Corporations Act expressly prohibits a person from acquiring a relevant interest in issued voting shares in a listed company if the acquisition would result in that person's voting power in the company increasing:

- (a) from 20% or below to more than 20%; or
- (b) from a starting point that is above 20% and below 90%,

(Takeover Prohibition).

Section 611 of the Corporations Act provides exceptions to the Takeover Prohibition and Item 9 of the table in section 611 of the Corporations Act permits an acquisition if:

- (a) throughout the six months before the acquisition, the shareholder has had voting rights in the company of at least 19%; and
- (b) as a result of the acquisition, the shareholder would not increase their voting power in the company by more than 3% than they had in the 6 months before the acquisition,

(3% Creep Exemption).

Item 10 of the table in section 611 of the Corporations Act also permits an acquisition that results from the issue of securities pursuant to a rights issue which satisfies the criteria in paragraphs (a) to (e) of Item 10.

As at the date of this Notice, Robert Nelson and his related entities hold approximately 27.07% of the Company's issued Shares on an undiluted basis (which includes Shares issued pursuant to the non-renounceable rights issue on 8 August 2023). Assuming that Shareholders approve the issue of Shares to Mr Nelson under Resolution 7, Mr Nelson and his related entities will hold approximately 28.73% of the issued Shares in the Company on an undiluted basis which represents a maximum increase in voting power of 1.66%. Accordingly the proposed acquisition of Shares by Mr Nelson and his related entities falls within the 3% Creep Exemption and accordingly does not require Shareholder approval under Chapter 6 of the Corporations Act.

9.2 □ Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Shareholder approval under Chapter 2E of the Corporations Act is not required because the issue of Securities to Willis Holdings is on reasonable arm's length terms with all Securities being offered on the same terms which Shareholders were offered Securities in the Placement which is an exception to the requirement for shareholder approval under section 210 of the Corporations Act.

9.3 □ Technical Information required by Listing Rule 14.1A

If Resolutions 7 and 8 are passed, the Company will be able to proceed with the issue of the Securities to Willis Holdings within one month after the date of the Meeting. As approval pursuant to Listing Rule 7.1 is not required for the issue of the Securities to Willis Holdings because approval is being sought under Listing Rule 10.11, the issue of Securities will not use up any of the Company's 15% annual placement capacity.

If Resolutions 7 and 8 are not passed, the Company will not issue Securities to Willis Holdings and will need to determine an alternative form of payment.

9.4 □ Information required by Compliance Update No 05/20

A summary of Listing Rule 6.1 is set out in section 3.3.

The Company refers to the information provided for the purposes of section 4 of ASX Compliance Update No 05/20 in section 3.3 above.

9.5 □ Information required by Listing Rule 10.13

The following information is provided for the purposes of Listing Rule 10.13:

- (a) The Securities will be issued to Willis Holdings (or its nominees).
- (b) Approval is required to grant the Securities to Willis Holdings as it falls within Listing Rule 10.11.4 by virtue of being an associate of a person referred to in Listing Rule 10.11.2, namely Robert Nelson who together with his related entities has been a substantial (30%+) holder in the Shares of the Company within the past 6 months.
- (c) The maximum number of Securities the Company may issue:
 - (i) under Resolution 7 is:
 - i. 40,000,000 Shares (at an issue price of \$0.005 per Share); and
 - ii. 40,000,000 Placement Options; and
 - (ii) under Resolution 8 is 10,000,000 Placement Options.

- (d) The Shares will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (e) The Placement Options are each exercisable at \$0.023 on or before 16 February 2023. Full terms and conditions of the Placement Options are set out in Schedule 1. Shares issued on exercise of the Placement Options will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the Company's existing Shares on issue.
- (f) The Securities may be granted no later than one month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (a) 40,000,000 Shares and 40,000,000 Placement Options to be issued to Willis Holdings pursuant to Resolution 7 will be granted for nil consideration as they are being granted upon conversion of the debt drawn down on the Convertible Facilities. 10,000,000 Placement Options are to be issued to Willis Holdings pursuant to Resolution 8 as part of the fees payable for providing the Convertible Facilities. Accordingly, no funds will be raised from issue of Securities to Willis Holdings.
- (g) The material terms of the Convertible Facilities are set out in Section 3.3.
- (h) A voting exclusion statement is included in the Notice.

10. Definitions

\$ means Australian Dollars.

3% Creep Exemption has the meaning given to that term in Section 9.1.

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

Board means the board of Directors.

Capital Raising has the meaning given to that term in Section 3.2.

Chair means the chair of this Meeting.

Company means Titanium Sands Limited (ACN 009 131 533).

Convertible Facilities has the meaning given to that term in Section 3.3.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

G.J Johnson & Co means G.J Johnson & Co Pty Ltd.

Lead Manager means CPS Capital Group Pty Ltd.

Lead Manager Mandate has the meaning given to that term in Section 3.2.

Lead Manager Options has the meaning given in Section 7.1.

Listing Rules means the listing rules of ASX.

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

Notice means this notice of meeting.

Option means an option to acquire a Share.

Placement has the meaning given in Section 3.1.

Placement Options means an Option to acquire a Share on the terms and conditions in Schedule 1.

Placement Participant means Tranche 1 Placement Participants and Tranche 2 Placement Participants.

Placement Shares has the meaning given in Section 3.1.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share, Option or performance right in the Company.

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

Shareholder means a shareholder of the Company.

Takeover Prohibition has the meaning given to that term in Section 9.1.

Tranche 1 Placement Participant means various professional and sophisticated investors who are existing clients of the Lead Manager or other brokers who participated in the issue of the Tranche 1 Placement Shares.

Tranche 1 Placement Shares has the meaning given in Section 3.1.

Tranche 2 Placement Participant means various professional and sophisticated investors who are existing clients of the Lead Manager or other brokers who have agreed to subscribe for Tranche 2 Placement Shares.

Tranche 2 Placement Shares has the meaning given in Section 3.1.

Willis Holdings means Willis Holdings Ltd.

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

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

SCHEDULE 1 – TERMS AND CONDITIONS OF PLACEMENT OPTIONS

The Placement Options have the same terms and conditions (and in this Schedule 1 are referred to as **Options**).

1. **Entitlement**

Each Option entitles the holder to subscribe for one fully paid ordinary Share in the Company upon exercise of the Option.

2. **Exercise Price**

Subject to paragraph 9, the amount payable upon exercise of each Option will be \$0.023 (**Exercise Price**).

3. **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 16 February 2026 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

5. **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

6. **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the Company will:

- (a) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (a) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

8. □ Shares issue on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

9. □ Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

10. □ Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

11. □ Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

12. □ Transferability

The Options are transferable any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.



titaniumsands
LTD

TITANIUM SANDS LIMITED
ABN 65 009 131 533

Need assistance?



Phone:

1300 308 185 (within Australia)
+61 3 9415 4000 (outside Australia)



Online:

www.investorcentre.com/contact



YOUR VOTE IS IMPORTANT

For your proxy appointment to be effective it must be received by **11:00am (AWST) on Tuesday, 26 September 2023.**

Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

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

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, 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 can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

PARTICIPATING IN THE MEETING

Corporate Representative

If a representative of a corporate securityholder or proxy is to participate in the meeting you will need to provide the appropriate "Appointment of Corporate Representative". A form may be obtained from Computershare or online at www.investorcentre.com/au and select "Printable Forms".

Lodge your Proxy Form:

XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is



Control Number: 182833

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:

Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:

1800 783 447 within Australia or
+61 3 9473 2555 outside Australia



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

You may elect to receive meeting-related documents, or request a particular one, in electronic or physical form and may elect not to receive annual reports. To do so, contact Computershare.

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

Step 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Titanium Sands Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Titanium Sands Limited to be held at Level 8, 216 St Georges Terrace, Perth, WA 6000 on Thursday, 28 September 2023 at 11:00am (AWST) and at any adjournment or postponement of that meeting.

Step 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

	For	Against	Abstain
Resolution 1 Ratification of prior issue of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Approval to issue Tranche 2 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Approval to grant Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Approval to grant Options to Lead Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval to grant Conversion Securities to G.J Johnson & Co	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6 Approval to grant Fee Options to G.J Johnson & Co	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7 Approval to issue Conversion Securities to Willis Holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8 Approval to grant Fee Options to Willis Holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1 <input type="text"/>	Securityholder 2 <input type="text"/>	Securityholder 3 <input type="text"/>	/ / Date
Sole Director & Sole Company Secretary	Director	Director/Company Secretary	

Update your communication details (Optional)

Mobile Number Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically

