

BIDDER'S STATEMENT

On-Market Cash Offer by African Minerals Exploration &
Development Fund II SICAR SCA

TO ACQUIRE ALL ORDINARY SHARES IN

WORLD TITANIUM RESOURCES LIMITED

FOR FIVE AUSTRALIAN CENTS CASH PER SHARE

THE OFFER HAS NO CONDITIONS AND IS ABLE TO BE ACCEPTED BY SELLING ON THE AUSTRALIAN SECURITIES EXCHANGE ("ASX") IMMEDIATELY, ALLOWING THREE TRADING DAYS FOR RECEIPT OF CASH

TO ACCEPT THIS OFFER PLEASE INSTRUCT YOUR BROKER TO SELL YOUR SHAREHOLDING TO AFRICAN MINERALS EXPLORATION & DEVELOPMENT FUND II SICAR SCA ("AMED FUND II") ON-MARKET THROUGH THE ASX

Offer Opens 2 February 2016

Offer Closes 3 March 2016

ASX Participant: Pershing Securities Australia Pty Ltd

On behalf of organising broker: APP Securities Pty Limited

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

You should read this document in its entirety.

If you are in any doubt as to how to deal with this document, you should consult your broker or your legal, financial or other professional adviser as soon as possible.

KEY DATES

Date of Announcement of Offer	18 January 2016
Bidder's Statement Lodged with WTR, ASIC and ASX	18 January 2016
WTR Shareholders Able to Sell WTR Shares to AMED Fund II	18 January 2016
Date of Offer	2 February 2016
Offer Closes (Unless Extended or Withdrawn) 4.00pm (AEST)	3 March 2016

These dates may vary as permitted under the Corporations Act. Any changes to the above timetable will be notified to the ASX.

ACCEPTANCE

To accept the Offer, you should follow the instructions set out in Section 2 of this Bidder's Statement.

QUESTIONS

If you have any questions in relation to this document, the Offer or how to accept the Offer, you may contact your broker or please call APP Securities Pty Limited: +61 2 9226 0215. Please note that calls to this number may be recorded.

Letter from AMED Fund II

Dear WTR Shareholder,

I am pleased to enclose a Bidder's Statement from African Minerals Exploration & Development Fund II SICAR SCA ("*AMED Fund II*") in respect of its offer to acquire all of the issued ordinary shares in World Titanium Resources Ltd ("*WTR*" or the "Company") on issue during the Offer Period which it does not already own.

AMED Fund II already owns 20.37% of WTR's issued ordinary shares. By making this Offer, AMED Fund II is seeking to increase its shareholding in WTR.

As a major shareholder and a supporter of the Company and its Madagascar projects, AMED Fund II is offering A\$0.05 in cash for each of your shares in WTR in the event you wish to sell your Shares. There are no conditions attached. AMED Fund II has instructed AMED Fund II's Broker to purchase, at the offer price of A\$0.05 per share, all WTR shares offered for sale to it on ASX during the Offer Period, which will commence at the start of trading on the ASX on 2 February 2016 and finish at the close of trade on ASX on 3 March 2016 unless the Offer is extended or withdrawn.

The Offer values WTR at approximately A\$23.0 million. The Offer provides WTR shareholders certain and immediate value and the opportunity to receive cash within three trading days from the date your broker actions your instruction to sell your WTR shares.

In summary, key reasons for accepting the Offer are detailed below:

- the Offer represents a significant premium to the recent trading price of WTR Shares on ASX:
 - a premium of 127.3% to the last closing price on ASX prior to the Announcement Date of A\$0.022;
 - a premium of 86.9% to the 3 month VWAP on ASX prior to the Announcement Date; and
 - a premium of 92.6% to the 6 month VWAP on ASX prior to the Announcement Date;
- the Offer is paid in cash, allowing Shareholders the opportunity to realise their investments in a highly illiquid stock;
- the Offer is unconditional;
- the Offer provides price certainty for Shareholders at a time when the economic and commodity outlook is particularly uncertain;
- to develop WTR's assets is likely to require significant further investment and financing, leading to dilution for Shareholders unable or unwilling to participate in such investment financing;
- the price of WTR Shares on ASX has declined by over 57% since 1 January 2015, and in the absence of the Offer or a competing bid may fall further.

If you want to accept this Offer you can do so by instructing your broker to sell your shareholding on-market through ASX. Details of how to accept the Offer for your shares are set out in section 2, page 13, of the Bidder's Statement.

Yours sincerely



Carlo Baravalle

On behalf of Explora, manager of AMED Fund II

TABLE OF CONTENTS

Reasons to Accept the Offer	5
Important Information and Notices	7
Frequently asked questions	9
1. Overview of the Offer	11
2. How to accept the Offer	13
3. Information on AMED Fund II	14
4. Information on WTR	16
5. Intentions of AMED Fund II	17
6. Information on WTR Securities	20
7. Funding	21
8. Additional Information	22
9. Glossary and Interpretation	24
10. Approval of Bidder's Statement	26
Appendix 1 – Broker Announcement	28
Corporate Directory	30

Reasons to Accept the Offer

There are a number of important reasons why you should accept AMED Fund II's Offer. These include:

1. **AMED Fund II is offering cash for your WTR Shares which provides you with price certainty compared with retaining your WTR Shares**

AMED Fund II's Offer is to acquire your WTR Shares for **5.0 Australian cents CASH per share**.

The certainty provided by receiving cash at the Offer Price should be compared with the risks associated with remaining a WTR Shareholder, which include development risks and a challenging mineral-sands environment. In the presentation given to Shareholders at its Annual General Meeting on 30 November 2015, WTR noted that sulfate ilmenite prices had averaged US\$70 – 100/t FOB in 2015 versus highs in 2011 of over US\$250/t, with zircon averaging US\$1,000 – 1,100/t in 2015 compared to 2011 highs of over US\$2,500/t. Such prices clearly represent a significant challenge to the mineral sands industry and the prospects for bringing a new project such as WTR's Ranobe Project into production. Recently, two of WTR's African peers, TiZir Limited (a 50% joint venture between Eramet SA and Mineral Deposits Limited) and Base Resources Limited, have been forced to renegotiate the terms of their debt financing, while Kenmare Resources plc has also announced that it proposes to pursue a capital raising and debt restructuring transaction. Against this backdrop of a highly volatile global economic climate and weak commodity prices, the financing environment for projects such as Ranobe may remain challenging for some time.

In its quarterly report for the quarter ended 30 September 2015, WTR reported that EPMS had completed new capital estimates for the Ranobe Project with a capital requirement of US\$175 million excluding working capital. In the same quarterly report management highlighted that they envisaged difficulty securing consumer ilmenite contracts at adequate pricing to support the projected development plan. While WTR has reported it is exploring alternative development plans, there can be no guarantee that a plan will be identified which would justify development in the current commodity price environment or support financing on terms which deliver value to Shareholders.

As at 30 September WTR had a cash balance of A\$3.3 million (approximately US\$2.3 million) and was planning to spend A\$0.7 million (approximately US\$0.5 million) in the quarter to 31 December 2015.

By accepting the Offer you will avoid future uncertainties associated with developing WTR's assets. If an economically viable development plan can be defined at all, it will require substantial capital, with the potential for significant dilution for WTR Shareholders not able or willing to participate in future funding.

2. **The Offer is unconditional and you can sell your WTR Shares immediately and receive a cash payment three trading days after your acceptance**

There are no conditions attached to the Offer and you can sell your WTR Shares at **5.0 Australian cents CASH per WTR Share** on market now. Accordingly, you can **ACCEPT** the Offer with the knowledge that you will be paid in cash three trading days after your acceptance (T+3 Basis).

The opportunity for Shareholders to realise their Shares for cash compares to the limited liquidity of the Shares on the ASX with an average daily trading volume in the Shares on ASX for the six months ended 15 January 2016 of approximately 28,000 Shares. WTR Shares have only traded on ASX on seven days during the last two months.

Section 2 of this Bidder's Statement provides instructions on how you can **ACCEPT** the Offer. Please see "How to Accept the Offer" in Section 2 on page 13 below.

3. **Offer Price represents a significant premium**

The offer represents a significant premium to the recent trading price of the WTR Shares on ASX:

- a premium of 127.3% to the last closing price on ASX of prior to the Announcement Date of A\$0.05;
- a premium of 86.9% to the 3 month VWAP on ASX prior to the Announcement Date; and
- a premium of 92.6% to the 6 month VWAP on ASX prior to the Announcement Date.

4. If the Offer is not accepted then the market price of WTR Shares may fall further

The price of the WTR Shares on ASX has declined by over 57% since 1 January 2015. While there are many factors that will influence the market price of WTR Shares, including commodity prices and the stock market outlook, in the absence of the Offer or a competing bid, it is possible that after the close of the Offer the price of the WTR Shares will fall further.

IMPORTANT INFORMATION AND NOTICES

(a) Nature of this Document

This is the Bidder's Statement dated 18 January 2016 given by AMED Fund II in respect of its offer to purchase for 5.0 **Australian cents CASH** per share all of WTR's Shares that exist or will exist at any time during the Offer Period (other than WTR Shares already held by AMED Fund II).

A copy of this Bidder's Statement was lodged with ASIC and sent to the ASX on 18 January 2016. Neither ASIC nor ASX, nor any of the officers of either of them, take any responsibility for the content of this Bidder's Statement. You should read this Bidder's Statement and seek independent advice if you have any queries in respect of the Offer.

(b) Defined terms and interpretation

Unless otherwise noted, capitalised terms and certain abbreviations used in this Bidder's Statement are defined in the Glossary in Section 9, page 24. That Section also sets out certain rules of interpretation which apply to this Bidder's Statement.

All amounts are in Australian dollars unless otherwise stated.

(c) Investment decisions

Nothing in this Bidder's Statement constitutes, or is intended to constitute, independent legal, taxation or other advice.

This document does not take into account the individual investment objectives, financial situation or particular needs of each Shareholder or any other person, and should not be relied on as the sole basis for any investment decision relating to Shares. WTR Shareholders should seek independent financial, legal and taxation advice before deciding whether to accept or reject the Offer.

(d) Forward-looking statements

This Bidder's Statement includes both historical and forward-looking statements in connection with AMED Fund II and WTR, including statements of current intention or expectation (which include those in Section 5 of this Bidder's Statement). As such forward-looking statements relate to future matters, they are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward-looking statements. None of AMED Fund II, AMED Fund II's manager Explora, any of Explora's directors or officers, any person named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement makes, or should be taken as making, any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfillment of any forward-looking statement, or any events or results expressed or implied in any forward-looking statement, except to the extent that it is required by law. The forward-looking statements contained in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement. Subject to any obligations under the law or the ASX Listing Rules, AMED Fund II does not give any undertaking to update or revise any forward-looking statements after the date of this Bidder's Statement to reflect any change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

(e) Offers outside Australia

The distribution of this Bidder's Statement and the making of the Offer may in certain jurisdictions be restricted by law or regulation. The Offer is not being made, directly or indirectly, in or into, and will not be capable of acceptance from, any jurisdiction in which the making of the Offer, or acceptance of the Offer, would not be in compliance with the laws of that jurisdiction. Persons who come into possession of this Bidder's Statement should inform themselves of, and observe, any of those restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any of these jurisdictions. AMED Fund II does not assume any responsibility for any violation by any person of any of these restrictions.

(f) Important notice to WTR Shareholders in USA

The Offer is made for the shares of an Australian-registered company. It is important that Shareholders in the USA understand that the Offer is subject to disclosure requirements in Australia that are quite different from those in the USA.

(g) Disclaimer as to Information on WTR

The information in this Bidder's Statement relating to WTR has been prepared by AMED Fund II using publicly available information about WTR. The information in this Bidder's Statement concerning WTR has not been independently verified by AMED Fund II. Accordingly, subject to the Corporations Act, AMED Fund II does not make, and should not be interpreted as making, any representation or warranty, express or implied, as to the accuracy or completeness of this information.

(h) Privacy

AMED Fund II will collect personal information about WTR Shareholders for the purposes of making the Offer. The Corporations Act requires the names and addresses of WTR Shareholders to be held in a public register. AMED Fund II will share that personal information with its advisers and service providers only to the extent necessary for purposes relating to the Offer. AMED Fund II may be required to disclose such personal information to regulators, such as ASIC.

(i) Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Bidder's Statement.

Frequently asked questions

What is the Offer?

AMED Fund II is making an Offer to acquire all your WTR Shares. The Offer consideration is **5.0 Australian cents CASH for each WTR Share**.

When can I sell my WTR Shares to AMED Fund II?

You can sell some or all your WTR Shares on-market to AMED Fund II immediately and receive cash proceeds within three trading days. AMED Fund II's Broker will stand in the market on behalf of AMED Fund II and purchase WTR Shares offered to it at the Offer Price from the Announcement Date until 3 March 2016, the date the Offer is scheduled to close (unless extended or withdrawn in accordance with the Corporations Act). To accept the Offer, you should follow the instructions set out in Section 2 of this Bidder's Statement.

If I accept the Offer, when will I be paid?

The usual rules for settlement of transactions which occur on-market on ASX will apply in respect of AMED Fund II's purchase of WTR Shares on-market. This means that you will be paid on a T+3 Basis.

What is this Bidder's Statement?

This Bidder's Statement was prepared by AMED Fund II for distribution to WTR Shareholders. This Bidder's Statement describes the terms of the Offer for your WTR Shares and information relevant to your decision whether or not to accept the Offer. This Bidder's Statement is an important document. Should you have any doubt as to how to deal with this document, you should consult your financial, legal or other professional adviser.

Who is AMED Fund II?

AMED Fund II is a Luxembourg investment company in risk capital (*société d'investissement en capital à risqué (SICAR)*) in the form of a corporate partnership limited by shares (*société en commandite par actions (SCA)*). AMED Fund II is governed by the Luxembourg Law and regulated by the *Commission de Surveillance du Secteur Financier (CSSF)*. AMED Fund II was established on 17 December 2013 for the purpose of investing in mineral exploration and development projects in sub-Saharan Africa following the establishment of AMED Fund I on 31 January 2012 with substantially the same investment strategy. AMED Fund II has total committed capital of US\$245.8 million, as per the adherence letters entered into at the establishment of AMED Fund II.

Explora acts as the sole manager of AMED Fund II and makes all investment decisions for AMED Fund II in line with its investment strategy. Explora is a *société anonyme* regulated under Chapter 16 of the Undertakings for Collective Investment (UCI) Law and is entrusted with the management of the Funds. Explora is governed by the laws of Luxembourg, and regulated by the CSSF and has its registered office in Luxembourg.

The directors of Explora are Dr. David Twist, Mr. Carlo Baravalle, Mr. Arnaud Bon, Mr. Steven Steyn and Mr. Rudolph de Bruin. The shareholders of Explora are Dr. David Twist, Mr. Carlo Baravalle and Mr. Rudolph de Bruin, being the founding partners of AMED Fund II.

AMED Fund II's founding partners have over 40 years of collective experience in mineral exploration and development in more than twenty countries in Africa.

More information on the Funds is available at www.amedfunds.com.

Does AMED Fund II currently have an interest in WTR?

Yes. AMED Fund II currently has an interest in 93,806,405 WTR Shares representing approximately 20.37% of WTR's issued share capital. AMED Fund II acquired its interest in WTR Shares initially through on-market purchases between December 2014 and February 2015 following the announcement of an unsolicited off market takeover by ASX listed mineral sands company Base Resources Limited, and subsequently through participation in an entitlement offer completed by WTR in April 2015.

How do I accept the Offer?

The Offer can only be accepted by selling all or some of your WTR Shares on market before the end of the Offer Period. You are not required to complete a form to accept the Offer. If your WTR Shares are in a CHESS Holding (if your HIN starts with an "X"), you will need to instruct your Broker to accept the Offer for you. If your WTR Shares are registered in an Issuer Sponsored Holding (if your SRN starts with an "I"), you may instruct a Broker of your choice to sell your WTR Shares and accept the Offer on your behalf. Further information on how to accept the Offer is set out in Section 2 of this Bidder's Statement.

Are there any conditions of the Offer?

No. The Offer is an unconditional cash offer.

When does the Offer close?

The Offer is currently scheduled to close at the close of trading on ASX (approximately 4:00 pm AEST) on 3 March 2016 (unless extended or withdrawn in accordance with the Corporations Act).

Will the Offer Period be extended?

The Offer Period will automatically be extended by law if AMED Fund II's Voting Power in WTR increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after AMED Fund II's Voting Power in WTR increases to more than 50%.

Also, AMED Fund II may extend the Offer Period in its discretion at any time prior to the last 5 Trading Days of the Offer Period, or in certain limited circumstances at any time prior to the end of the Offer Period (subject to compliance with the law).

Will I need to pay brokerage if I accept the Offer?

You are responsible for paying your own Broker's fees.

What are the tax implications of accepting the Offer?

Acceptance of the Offer may have taxation implications. You should seek professional advice regarding the taxation implications of accepting the Offer. AMED Fund II and its advisers do not accept any liability or responsibility for any taxation implications arising from the acceptance of the Offer. Shareholders of WTR should obtain independent advice on the taxation consequences of the Offer before accepting.

1. Overview of the Offer

1.1. Summary of Offer terms: on-market takeover bid

AMED Fund II offers, under an on-market takeover bid, to purchase all WTR Shares that exist at any time during the Offer Period (and which AMED Fund II do not already own) for **5.0 Australian cents CASH per share**. The Offer extends to any WTR Shares which are issued during the Offer Period.

Details of the Offer were announced to the market on 18 January 2016. A copy of that announcement is set out in Appendix 1 of this Bidder's Statement.

1.2. Offer

AMED Fund II offers to acquire all WTR Shares together with rights attaching to them for consideration of **5.0 Australian cents CASH per share**, on the terms and conditions set out in this Offer.

1.3. How the Offers will be made

The Offers will be made on behalf of AMED Fund II by AMED Fund II's Broker through the ASX during the Offer Period.

1.4. Persons to whom the Offer is made

AMED Fund II is making the Offer to each holder of WTR Shares on WTR's register of members on the Announcement Date and the holders of all WTR Shares that are issued during the period from the Announcement Date until the end of the Offer Period. Accordingly, a copy of this Bidder's Statement will be sent to those persons who are registered as the holders of WTR Shares as at the Announcement Date.

The Offer extends to any person who is able during the Offer Period to give good title to a parcel of WTR Shares.

1.5. Offer Period

The Offer Period commences on the start of trading on ASX on 2 February 2016 and finishes at the close of trading on the ASX on 3 March 2016, unless extended or withdrawn.

In addition, from the time trading in WTR Shares commenced on 18 January 2016, AMED Fund II's Broker has stood in the market and offered to acquire on behalf of AMED Fund II all WTR Shares offered to it on ASX at the Offer Price, and its current intention is to continue to do so up to the commencement of the Offer Period, unless the Offer is withdrawn.

1.6. Extension of the Offer Period

AMED Fund II may, at its discretion, extend the Offer Period (subject to compliance with the law).

The Offer Period will automatically be extended by law if AMED Fund II's Voting Power in WTR increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after AMED Fund II's Voting Power in WTR increases to more than 50%.

1.7. Payment Date

The usual rules for settlement of transactions which occur on market on the ASX will apply in respect of AMED Fund II's purchase of WTR Shares pursuant to the Offer. This means that if you accept the Offer, you will be paid in CASH on a T + 3 day basis.

1.8. No conditions

The Offer is not subject to any conditions.

1.9. Foreign Laws

The Offer is not registered in any jurisdiction outside Australia (unless an applicable Foreign Law treats it as registered as a result of this document being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any Foreign Laws applicable to you to accept the Offer.

1.10. Brokerage and other costs

As the Offer by AMED Fund II is pursuant to an on-market takeover bid, Offers will be made during normal trading on ASX. WTR Shareholders may accept the Offer through Brokers who are members of ASX. WTR Shareholders will be responsible for the payment of their own brokerage fees.

No duty or GST will be payable by you on the transfer of WTR Shares pursuant to the Offer (other than any GST payable to your Broker in respect of brokerage fees charged to you).

1.11. Withdrawal of Offer

AMED Fund II may withdraw the Offer in respect of unaccepted Offers at any time:

- with the written consent of ASIC and subject to the conditions (if any) specified in such consent; or
- where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence, AMED Fund II's Voting Power in WTR is at or below 50%; or
- upon the occurrence of an Insolvency Event in relation to WTR (regardless of AMED Fund II's Voting Power in WTR).

Notice of withdrawal of the Offer must be given by AMED Fund II to the ASX.

1.12. Variation of Offer

AMED Fund II may vary the Offer by increasing the Offer Price in accordance with the law. If a WTR Shareholder has sold their WTR Shares prior to any such variation of the Offer, that WTR Shareholder will not receive any benefit from the variation.

1.13. Jurisdiction

The Offer and any contract that results from a WTR Shareholder's acceptance of the Offer are governed by the laws in force in New South Wales, Australia.

2. How to accept the Offer

2.1. How to sell your WTR Shares to AMED Fund II

WTR Shareholders may sell some or all of their WTR Shares to AMED Fund II on market by offering to sell some or all of their WTR Shares on ASX at the Offer Price on and from the start of trading on ASX on 2 February 2016 until the end of the Offer Period.

AMED Fund II's Broker will stand in the market to acquire on behalf of AMED Fund II all WTR Shares offered at the Offer Price during normal trading on ASX on and from 2 February 2016 as follows:

- ***For Issuer Sponsored Holdings of WTR Shares (Security holder Reference Number beginning with "I"):*** To sell your WTR Shares to AMED Fund II you may instruct any Broker to initiate acceptance;
- ***For CHESS Holdings of WTR Shares (Holder Identification Number beginning with "X"):*** To sell your WTR Shares to AMED Fund II you must instruct your Controlling Participant to initiate acceptance; and
- ***For Brokers and Participants:*** To sell WTR Shares to AMED Fund II you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules.

You are not required to complete a form to accept the Offer.

3. Information on AMED Fund II

3.1. Overview of AMED Fund II

AMED Fund II is a Luxembourg investment company in risk capital (*société d'investissement en capital à risqué (SICAR)*) in the form of a corporate partnership limited by shares (*société en commandite par actions (SCA)*). AMED Fund II is governed by the Luxembourg Law and regulated by the *Commission de Surveillance du Secteur Financier (CSSF)*.

AMED Fund II was established on 17 December 2013 for the purpose of investing in mineral exploration and development projects in sub-Saharan Africa following the establishment of AMED Fund I on 31 January 2012 with substantially the same investment strategy. AMED Fund II has total committed capital of US\$245.8 million, as per the adherence letters entered into at the establishment of AMED Fund II.

The core investment focus of AMED Fund II is on:

- Brownfield projects that have the prospect to become world-class deposits;
- Projects that demonstrate the potential to have lower-quartile production costs;
- Politically stable countries with reliable mining regulatory framework and title law; and
- Minerals that have a large end-market and an extensive array of applications.

AMED Fund II's strategy is implemented with the following approach:

- The fund identifies the key exploration milestones that need to be achieved in the value creation process;
- Investment is through a phased approach that is linked to exploration milestones in order to limit risk;
- Explora has an active, hands-on role in management of projects including board representation on most of its investments;
- Exit requirements and strategies are planned during the due diligence phase; and
- The fund and its portfolio companies adhere to the UN Global Compact, the Principles for Responsible Investment and the funds' Environmental Social and Governance framework.

AMED Fund II has a number of limited partners, each of which has entered into a confidentiality agreement with AMED Fund II, which prohibits the disclosure of their identities. The limited partners have no voting rights in the fund that would permit or enable the limited partners to control or have any involvement in the management of AMED Fund II.

SGG S.A. is AMED Fund II's administrative agent and depositary agent, RBS Global Banking (Luxembourg) S.A. is the AMED Fund II's custodian and Deloitte S.A. is the AMED Fund II's auditor.

More information on the Funds is available at www.amedfunds.com.

3.2. Management of AMED Fund II

The sole manager of AMED Fund II is Explora. Explora is a société anonyme regulated under Chapter 16 of the Undertakings for Collective Investment (UCI) Law and is entrusted with the management of the fund. Explora is governed by the laws of Luxembourg, and regulated by the CSSF and has its registered office in Luxembourg. Explora has acted as manager of AMED Fund II since 11 September 2014 and makes all investment decisions for AMED Fund II in line with its investment strategy.

The directors of Explora are Dr. David Twist, Mr. Carlo Baravalle, Mr. Arnaud Bon, Mr. Steven Steyn and Mr. Rudolph de Bruin. The shareholders of Explora are Dr. David Twist, Mr. Carlo Baravalle and Mr. Rudolph de Bruin, being the founding partners of AMED Fund II.

AMED Fund II's founding partners have over 40 years of collective experience in minerals exploration and development in more than twenty countries in Africa. The founding partners have a strong track record and through AMED Fund I and AMED Fund II they are currently actively involved in the management of twelve companies including those with assets in South Africa, Mozambique, DRC and Ethiopia covering commodities such as potash, copper, rebar, coal and mineral sands. Prior to founding the Funds Dr. David Twist and Rudolph de Bruin founded and built a number of companies which include Taung Gold International Limited, Platmin Limited and Sephaku Cement (Pty) Ltd. AMED Fund II's founding partners are

supported by a large investment team of geologists, legal and finance professionals and are closely involved in all of the Fund's investments.

3.3. AMED Fund II's Relevant Interest and Voting Power in WTR

As at the date of this Bidder's Statement, AMED Fund II has a Relevant Interest and Voting Power in 93,806,405 WTR Shares, being 20.37% of the WTR Shares on issue.

No Associate of AMED Fund II has any interest in any WTR Shares.

AMED Fund II's present intention is to purchase WTR Shares on ASX at the Offer Price from the time the Offer is announced and for the duration of the Offer Period.

4. Information on WTR

4.1. Profile of WTR

WTR is listed on the ASX under symbol "WTR".

WTR's primary asset is the Toliara Sands Project, located north of the port of Toliara in south-west Madagascar, comprising the Ranobe Project, and the Morombe, Ankililoaka and Basibasy exploration targets.

The primary focus of WTR and its predecessor companies and partners has been the development of the Ranobe Project which has been the subject of considerable work and investment and funding to date without a definitive development plan having been finalised to support a development decision.

In its quarterly report for the quarter ended 30 September 2015, WTR reported that EPMS had completed new capital estimates for the Ranobe Project with a capital requirement of US\$175 million excluding working capital. In the same quarterly report WTR highlighted that it envisaged difficulty securing consumer ilmenite contracts at adequate pricing to support the projected development plan. While WTR has reported it is exploring alternative processing methods, there can be no guarantee that an alternative will be identified which would justify development in the current commodity price environment or support financing on terms which deliver value to Shareholders.

WTR's registered office is located at 15 Lovegrove Close, Mount Claremont, Western Australia, 6010 and principal place of business is located at Level 17, 500 Collins Street, Melbourne, VIC 3000.

More information is available at <http://www.worldtitaniumresources.com/>

4.2. Publicly available information

The information in this Section 4 has been prepared based on a review of publicly available information concerning WTR, unless otherwise stated. It has not been verified and AMED Fund II does not make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information concerning WTR may be included in its target's statement in relation to the Offer.

Being a company listed on the ASX, WTR is subject to the periodic and continuous disclosure requirements. Accordingly, more information concerning WTR, including WTR's Annual Financial Report for the Period Ended 30 June 2015, may be accessed via the ASX website (www.asx.com.au) or WTR's website (<http://www.worldtitaniumresources.com/>).

5. Intentions of AMED Fund II

5.1. Overview

This Section 5 sets out the intentions of AMED Fund II, on the basis of the facts and information concerning WTR known to AMED Fund II, in relation to the following:

- the continuation of the business of WTR;
- any major changes to the business of WTR including any redeployment of the fixed assets of WTR;
- the future employment of the present employees of WTR.

AMED Fund II, together with its advisors, have reviewed publically available information concerning WTR, its businesses and assets however it has not undertaken any formal due diligence in relation to WTR's businesses in connection with the Offer and consequently does not believe that it is aware of all material information necessary to enable it to assess all of the operational, commercial, taxation and financial implications of its current intentions.

At the conclusion of the Offer Period (or at such earlier time as AMED Fund II acquires a controlling interest in WTR) AMED Fund II will, to the extent to which it is able, conduct a review of WTR and its assets, liabilities, strategy and management following which it will review its intentions as set out in this Section 5. Final decisions will only be reached after that review has been concluded and the results evaluated in light of all material information, facts and circumstances that exist at that time.

Consequently, the statements set out in this Section 5 are statements of AMED Fund II's current intention only, which may change as new information becomes available or circumstances change and this Section 5 should be read in this context.

5.2. Intentions upon acquiring 90% or more of WTR Shares

AMED Fund II's intentions if it acquires a Relevant Interest in more than 90% of WTR's shares and is entitled to proceed to compulsory acquisition of the outstanding WTR Shares are set out below.

Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, AMED Fund II intends to:

- a) give notice to Shareholders to compulsorily acquire outstanding WTR Shares, including any WTR shares which are issued as a result of the exercise of WTR Options after the end of the Offer Period and in the 6 weeks after AMED Fund II gives compulsory acquisition notices in accordance with section 661B of the Corporations Act; and/or
- b) if necessary, give notice to Shareholders to compulsorily acquire all outstanding WTR Shares in accordance with section 664C of the Corporations Act.

If it is required to do so under sections 662A and 663C of the Corporations Act, AMED Fund II will give notice to WTR Shareholders and holders of WTR Options offering to acquire their WTR Shares and WTR Options in accordance with sections 662B and 663B of the Corporations Act, respectively.

ASX Listing

At the conclusion of the compulsory acquisition process, AMED Fund II intends to arrange for WTR to be removed from the official list of ASX (subject to any required approvals of the part of ASX), thereby eliminating the corporate administration costs associated with maintaining WTR as a listed company.

Directors

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 ownership of WTR. No decision has been made as to the constitution of the Board or who WTR's nominees to the Board would be but they will reflect the skills and expertise of AMED Fund II.

WTR's businesses, assets and employees

Following the close of the Offer AMED Fund II intends to initiate a strategic review to objectively decide the best way forward for the Ranobe Project in the current challenging market, which could include deferring significant further expenditure until such time as the commodity market is more supportive for development, continuing with work to explore alternative development options, or progressing with a similar development plan to that outlined in the previously published definitive engineering study.

The status of WTR's existing employees will be considered as part of the strategic review outlined above. AMED Fund II considers that the management of the Company should be primarily located closer to its asset base in Africa, and be properly motivated to deliver the successful development of the Ranobe Project and the Company's wider asset base.

5.3. Intentions upon Acquisition of more than 50% but less than 90% of WTR Shares

AMED Fund II's intentions if it acquires a Relevant Interest in more than 50% but less than 90% of WTR's Shares are set out below.

ASX Listing

AMED Fund II believes that a delisting is in the best interest of the Company and its Shareholders. It will review the costs and benefits of remaining listed on ASX by engaging with the newly constituted Board, and may seek approval from Shareholders and ASX to delist WTR.

Directors

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. No decision has been made as to the constitution of the Board or who WTR's nominees would be but they will reflect the skills and expertise of AMED Fund II.

WTR's businesses, assets and employees

AMED Fund II intends to attempt to procure that the WTR Board implements the intentions of AMED Fund II which are outlined in Section 5.2 above to the extent possible and appropriate.

Capital raisings & funding

Following the strategic review referred to above, AMED Fund II intends to either offer to underwrite a pro-rata equity offering in WTR or request the WTR Board to complete a private placement to raise the required equity funding necessary for the selected strategy.

Further acquisitions of WTR Shares

AMED Fund II may acquire additional WTR Shares under the "creep" provisions of the Corporations Act. In summary, those provisions would permit AMED Fund II and its Associates to acquire up to 3% of WTR Shares every 6 months after completion of the Offer.

Information protocols

AMED Fund II will seek access to all books and records of WTR to assist it to implement its intentions as set out above. Whether such access is given would be a decision for the independent directors of WTR at the time, after complying with their statutory and fiduciary duties. If access is given, those books and records may contain confidential information concerning WTR. AMED Fund II contemplates that such access would be given under an appropriate confidentiality agreement.

Limitations on intentions

There will be minority WTR Shareholders and AMED Fund II expects that there will be directors on the Board who are independent from AMED Fund II, which may include one or more of the current

directors of WTR. AMED Fund II will expect that any directors appointed to the Board by AMED Fund II will act at all times in accordance with their statutory and fiduciary duties. AMED Fund II intends that all requisite shareholder approvals and other requirements of law, including the Corporations Act and ASX Listing Rules, are complied with in pursuing the intentions referred to above.

As a result of these requirements the approval of minority WTR Shareholders may be required for the implementation of some or all of the intentions outlined above. The requirement for WTR directors to have regard to their fiduciary duties and the possible requirement to seek approval of WTR minority shareholders may prevent a particular intention from being achieved.

5.4. Intentions if AMED Fund II acquires less than 50% of WTR Shares

If AMED Fund II acquires WTR Shares which take its total holding to less than 50% of WTR Shares, it will seek to obtain representation on the Board of WTR commensurate with its shareholding. Through any such Board representation, AMED Fund II will attempt to procure that the WTR Board and management implement the intentions of AMED Fund II which are outlined in Section 5.2 above to the extent possible.

AMED Fund II may, in the future, acquire further WTR Shares in compliance with the requirements of the Corporations Act, as described in section 5.3 above, under the heading 'Further acquisitions of WTR Shares'.

6. Information on WTR Securities

6.1. Issued securities

According to publicly available information, WTR has on issue at the date of this Bidder's Statement 460,404,808 fully paid ordinary shares and 3,000,000 options exercisable on or before 15 October 2019 at \$0.046 per share.

6.2. Relevant Interest in WTR securities and Voting Power

As at the date of this Bidder's Statement, AMED Fund II holds a Relevant Interest and Voting Power in, 93,806,405 WTR Shares, representing approximately 20.37% of the Company's issued share capital.

6.3. Consideration provided for WTR securities during previous four months

AMED Fund II has not acquired WTR Shares during the period of four months ending on the day immediately before the date of the Offer. No WTR Shares have been acquired by an Associate of AMED Fund II during the period of four months ending on the day immediately before the date of the Offer.

6.4. WTR Share price history

The highest and lowest closing prices on ASX during the three months immediately before 15 January 2016 were:

- (a) Highest – **A\$0.032** on 28 October 2015; and
- (b) Lowest – **A\$0.022** on 13 January 2016.

The last closing price on ASX before 18 January 2016 was A\$0.022

Trading in WTR is extremely illiquid, with WTR Shares having only traded on ASX on seven days during the last two months.

6.5. Inducing benefits

Neither AMED Fund II nor any of its Associates will during the Offer Period, give, offer or agree to give a benefit to another person where the benefit is likely to induce the other person, or an Associate, to:

- (a) accept the Offer; or
- (b) dispose of WTR Shares,

which benefit is not offered to all WTR Shareholders under the Offer.

7. Funding

7.1. Maximum cash consideration

The consideration for the acquisition of WTR Shares to which the Offer relates will be satisfied wholly in cash.

If the Offer is accepted in respect of all of the WTR Shares which are on issue as at the Announcement Date and all WTR Shares that will be issued if all WTR Options which are on issue as at the Announcement Date are exercised, other than the WTR Shares already owned by AMED Fund II (see Section 3.3), the maximum consideration payable by AMED Fund II for those shares will be approximately \$18.5 million.

7.2. AMED Fund II's funding arrangements

AMED Fund II has existing cash reserves and committed funds available for draw down from its limited partners sufficient to fund the maximum amount of consideration payable under the Offer and all associated transaction costs.

8. Additional Information

8.1. No Tax Advice Given

Acceptance of the Offer may have taxation implications. You should seek professional advice regarding the taxation implications of accepting the Offer.

AMED Fund II and its advisers do not accept any liability or responsibility for any taxation implications arising from the acceptance of the Offer. Shareholders of WTR should obtain independent advice on the taxation consequences of the Offer before accepting.

8.2. ASIC class orders and modifications

AMED Fund II has relied on the modification to section 636(3) of the Corporations Act set out in ASIC Class Order CO13/521 to include references to certain statements which are made or based on statements made in the following documents lodged by WTR with ASIC or ASX:

- Annual Report to 30 June 2015
- Quarterly Report to 30 September 2015
- AGM Presentation 30 November 2015

Pursuant to the Class Order, the consent of the relevant person is not required for the inclusion of such statements in this Bidder's Statement. As required by the Class Order, AMED Fund II will make available a copy of these documents (or of relevant extracts from these documents), free of charge, to any WTR Shareholder who requests it during the Offer Period. To obtain a copy of these documents (or the relevant extracts), you can call APP Securities on +61 2 9226 0215.

AMED Fund II has not obtained from ASIC any specific modifications of or exemptions from the Corporations Act in relation to the Offer. AMED Fund II may rely on class order relief granted by ASIC which applies generally to all persons, including AMED Fund II.

8.3. Regulatory and other approvals

There are no regulatory approvals that AMED Fund II is required to obtain before acquiring WTR Shares under the Offer.

8.4. Approvals for payment of consideration

(a) Banking (Foreign Exchange) Regulations 1959 (Cth)

The *Banking (Foreign Exchange) Regulations 1959* (Cth) may impose restrictions on certain financial transactions and require the consent of the Reserve Bank of Australia for the movement of funds into and out of Australia

(b) Other Commonwealth legislation

The *Charter of the United Nations Act 2002* (Cth) prohibits:

- (i) assets from being provided to proscribed persons or entities; and
- (ii) the use or dealing, and facilitation of such use or dealing, of certain assets owned or controlled by proscribed persons or entities,

in each case without the written consent of the Minister of Foreign Affairs.

8.5. No escalation agreements

Neither AMED Fund II nor any Associate of AMED Fund II has entered into any escalation agreement in respect of WTR Shares that is prohibited by section 622 of the Corporations Act.

8.6. Consents

Each of Bennett + Co, APP Securities and Pershing Securities Australia Pty Ltd has given and has not, before lodgment of this Bidder's Statement with ASIC, withdrawn its consent to the inclusion of:

- (a) references to its name; and
- (a) additionally, in the case of Pershing Securities Australia Pty Ltd, the statement it has made as set out in Appendix 1, in this Bidder's Statement in the form and context in which those references and statements appear.

Each person who is named in this Bidder's Statement as acting in a professional capacity for AMED Fund II in relation to the Offer (including, without limitation, Bennett + Co, APP Securities Pershing Securities Australia Pty Ltd):

- (b) does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based, other than a statement included in this Bidder's Statement with the consent of that person; and
- (c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than any statement which has been included in this Bidder's Statement with the consent of that party.

Explora and AMED Fund II has given and has not, before lodgment of this Bidder's Statement with ASIC, withdrawn its consent to the inclusion of:

- (a) references to its name; and
- (b) the statements by it, or said to be based on a statement by it,

in this Bidder's Statement in the form and context in which those references and statements appear.

8.7. No other material information

There is no other information that:

- is material to the making of the decision by a holder of WTR Shares whether or not to accept the Offer; and
- which is known to AMED Fund II,

other than:

- as set out or referred to elsewhere in this Bidder's Statement; or
- information which it would be unreasonable to require AMED Fund II to disclose because the information has previously been disclosed to holders of WTR Shares.

9. Glossary and Interpretation

9.1. Glossary

The following terms have the meanings set out below unless the context requires otherwise:

AEST (or Sydney time) means Australian Eastern Standard Time.

Announcement Date means 18 January 2016, being the date of the Broker Announcement.

ASIC means the Australian Securities and Investments Commission.

AMED Fund I means African Minerals Exploration & Development Fund SICAR SCA.

AMED Fund II means African Minerals Exploration & Development Fund II SICAR SCA.

AMED Fund II's Broker means Pershing Securities Australia Pty Ltd (ABN 60 136 184 962), AFSL No. 338264.

APP Securities means APP Securities Pty Limited (ACN 112 871 842), AFSL 307706.

Associate has the meaning given to that term in section 12 of the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange it operates.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Bidder's Statement means this document, being the bidder's statement of AMED Fund II under Part 6.5 of the Corporations Act relating to the Offer.

Broker means a person who is a share broker.

Broker Announcement means the announcement in relation to the Offer made by AMED Fund II's Broker on 18 January 2016, a copy of which is set out in Appendix 1.

Business Day means a day on which banks are open for general banking business in Sydney (not being a Saturday, Sunday or public holiday in that place).

CHESS means the Clearing House Electronic Sub-Register System operated by ASX Settlement, which provides for the electronic transfer, settlement and registration of securities in Australia.

CHESS Holding means a holding of Shares on the CHESS sub register of WTR.

Controlling Participant in relation to WTR Shares has the same meaning as in the ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001 (Cth)* and any regulations made under that Act.

CSFF means the Commission de Surveillance du Secteur Financier of Luxembourg.

EPMS means Engineering & Project Management Services, the lead engineering contractor for the Ranobe Project.

Explora means Explora S.A. a Luxembourg société anonyme, whose registered office is 12F, rue Guillaume Kroll, L-1882 Luxembourg, registered with the Luxembourg trade and companies register under number B 182 982.

Foreign Law means a law of a jurisdiction other than an Australian jurisdiction.

Funds means AMED Fund I and AMED Fund II.

GST means the goods and services tax imposed under the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Holder Identification Number or **HIN** means the number used to identify a WTR Shareholder on the CHESSE sub-register of WTR.

Insolvency Event means any of the events set out in section 652C(2) of the Corporations Act.

Issuer Sponsored Holding means a holding of WTR Shares on WTR's issuer sponsored sub-register.

Listing Rules means the listing rules of ASX as amended or varied from time to time.

Offer means the offer to acquire WTR Shares under the terms and conditions contained in this Bidder's Statement, as varied in accordance with the Corporations Act.

Offer Period means the period commencing on 2 February 2016 and ending on 3 March 2016, or such later date to which the Offer has been extended.

Offer Price means 5 Australian cents (\$0.05) per WTR Share.

WTR or the Company means WTR.

WTR Option means an option to subscribe for a WTR Share.

WTR Shareholder or **Shareholder** means a person who is registered as the holder of WTR Shares in the Register.

WTR Shares means fully paid, ordinary shares in WTR.

Participant has the meaning given in the ASX Settlement Operating Rules.

Prescribed Occurrence means any of the events set out in section 652C(1) of the Corporations Act.

Ranobe Project or the **Project** means the Ranobe mineral sands development project.

Register means the register of WTR Shareholders maintained by WTR in accordance with the Corporations Act.

Relevant Interest has the meaning given to it in Section 608 of the Corporations Act.

Securityholder Reference Number or **SRN** means the number allocated by WTR to identify a WTR Shareholder on its issuer sponsored sub-register.

T+3 Basis means that settlement occurs on the third Trading Day after the date of the transaction in accordance with ASX practice.

Trading Day has the meaning given to it in the Listing Rules.

Voting Power has the meaning given to it in section 610 of the Corporations Act.

VWAP means volume weighted average price.

9.2. Interpretation

In this Bidder's Statement, unless the context requires otherwise:

- (a) annexures to this Bidder's Statement form part of this Bidder's Statement;

- (b) words and phrases to which a meaning is given by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules have that meaning in this Bidder's Statement unless that meaning is inconsistent with the context in which the word or phrase is used;
- (c) headings are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (d) the singular includes the plural and vice versa and words importing any gender includes the other gender, and references to persons include corporations;
- (e) references to Sections are to sections of this Bidder's Statement;
- (f) references to paragraphs are references to paragraphs within the section in which the reference to the paragraph is made;
- (g) references to time are references to the time in Sydney, Australia on the relevant date, unless stated otherwise; and
- (h) references to "dollars", "\$" or "cents" are to Australian currency, unless stated otherwise.

9.3. Exchange Rates

Throughout this Bidder's Statement, unless otherwise stated, an exchange rate of US\$1.00:A\$0.69 has been used.

10. Approval of Bidder's Statement

This Bidder's Statement has been approved by a resolution of the directors of Explora in its capacity as sole manager of AMED Fund II dated 15 January 2016.

Signed for and on behalf of Explora by:

A handwritten signature in black ink, appearing to be 'C. Baravalle', written in a cursive style.

Carlo Baravalle
Director

Appendix 1

Broker Announcement



Broker Announcement

Pershing Securities Australia Pty Ltd

18 January 2016

The Company Announcements Platform
ASX Limited

For immediate release to the market

ON-MARKET TAKEOVER BID FOR WORLD TITANIUM RESOURCES LIMITED

Unconditional Cash Offer

In accordance with section 6.1.1 of the ASIC Market Integrity Rules (ASX Market) 2010, Pershing Securities Australia Pty Ltd (ACN 136 184 962) (AFSL 338264) ("**Broker**" or "**Pershing**") announces that during the period commencing on 2 February 2016 and (subject to extension or withdrawal) ending 3 March 2016 ("**Offer Period**"), Broker will, on behalf of African Minerals Exploration & Development Fund II SICAR SCA ("**AMED Fund II**"), pursuant to section 635 of the Corporations Act 2001 (Cth) ("**Act**"), offer ("**Offer**") to acquire on market during official trading days ("**Trading Days**") of the Australian Securities Exchange ("ASX") at a price of 5 cents per share ("Offer Price"), all of the fully paid ordinary shares in World Titanium Resources Limited ("**WTR**") which are listed for quotation on the Official List of the ASX that exist or will exist at any time during the Offer Period ("**WTR Shares**").

During the Offer Period, Broker (on behalf of AMED Fund II) will accept at the Offer Price every WTR Share offered to Broker on market.

Terms of the Offer

Given that the Offer is an on-market bid, it is unconditional and the consideration will be paid by way of cash.

The key features of the Offer are:

- Offer Price of 5 cents per share;
- unconditional Offer;
- cash payment will be made on a T + 3 day basis;
- Broker will accept all WTR Shares offered to it on market from today at the Offer Price until the conclusion of the Offer Period; and
- Offer Period may be extended and the Offer Price may be increased or the Offer withdrawn in accordance with the Act.

Acquisition from Announcement

AMED Fund II has appointed APP Securities Pty Limited (ACN 112 871 842) ("**APP Securities**") to act in the capacity as organising broker on its behalf. APP Securities has instructed Pershing as ASX Market Participant to purchase on-market all WTR Shares offered at the Offer Price, from and including the date of this announcement to the end of the Offer Period.

Payment for WTR Shares and brokerage

Payment for WTR Shares sold to AMED Fund II under the Offer will be made on a T + 3 day settlement basis in accordance with the usual ASX Settlement Operating Rules for ASX trading.

As the Offer will be capable of acceptance only by holders of WTR Shares selling through brokers who are participants of ASX, all WTR Shares to be purchased by AMED Fund II will be purchased on market only during trading days on ASX.

Any brokerage charged by brokers acting for holders of WTR Shares wishing to sell their WTR Shares will be the sole responsibility of the WTR Shareholders. AMED Fund II will bear its own brokerage cost, if any, on purchases of WTR Shares made on market.

Bidder's Statement

In accordance with section 635 of the Act, a Bidder's Statement will today be served on WTR. Copies of the Bidder's Statement will also be sent to ASX and lodged with the Australian Securities & Investments Commission (ASIC). A copy of the Bidder's Statement will be sent to holders of WTR Shares before the commencement of the Offer Period.

Variation of Offer

The Offer Period may be extended and/or the Offer Price may be increased in accordance with the Act.

At any time before the end of the Offer Period, AMED Fund II reserves the right to withdraw, or to make an application to ASIC to withdraw, unaccepted Offers to the extent permitted by the Act.

WTR Shares

The WTR Shares which are the subject of the Offer are all the fully paid ordinary shares in the capital of WTR that AMED Fund II does not already have a relevant interest in and any other fully paid ordinary shares which are issued prior to the end of the Offer Period.

Immediately prior to the making of this announcement:

- (a) as far as AMED Fund II is aware, WTR had a total of 460,404,808 fully paid ordinary shares on issue all of which are quoted on ASX; and
- (b) AMED Fund II has a relevant interest in 93,806,405 WTR Shares, representing approximately 20.37% of the total of the number of WTR Shares on issue.

Signed on behalf of Pershing Securities Australia Pty Limited



.....
Deane Sweeney
Company Secretary
Pershing Securities Australia Pty Limited

Corporate Directory

AMED Fund II

12F rue Guillaume Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Explora

12F rue Guillaume Kroll
L-1882 Luxembourg
Grand-Duchy of Luxembourg

Organising Broker

APP Securities Pty Limited
AFSL 307 706
17, 60 Margaret St
Sydney NSW 2000

AMED Fund II's Broker

Pershing Securities Australia Pty Ltd
L7, 1 Chifley Square
Sydney NSW 2000

Legal Adviser

Bennett + Co
Ground Floor, 28 The Esplanade
PERTH WA 6000