

12 March 2015

**Market Announcements Platform
Australian Securities Exchange**

**Entitlement Offer
Cleansing Notice under section 708AA(2)(f) of the Corporations Act**

This notice is given by World Titanium Resources Limited ("World Titanium") under section 708AA(2)(f) of the Corporations Act 2001 (the "Act") as notionally modified by ASIC Class Order 08/35.

World Titanium has announced on 12 March 2015 a non-renounceable Entitlement Offer ("Entitlement Offer") of 1 fully paid World Titanium ordinary share ("New Shares") for every 3 World Titanium ordinary shares held as at 7:00 pm (Melbourne Time) on 18 March 2015 by eligible shareholders ("Eligible Shareholders").

Eligible Shareholders may, in addition to taking up their entitlements in full, apply for additional shares ("Additional Shares") in excess of their entitlements at the same price as under the Entitlement Offer ("Top-Up Facility"). Additional shares will only be available where there is a shortfall between applications received from Eligible Shareholders and the number of New Shares ("Shortfall").

World Titanium proposes to adopt the following allocation policy for Additional Shares subscribed pursuant to the Top-Up Facility:

- (a) If there is a Shortfall, each Eligible Shareholder who has applied for Additional Shares through the Top-Up Facility will be entitled to be allocated their pro-rata share of the Shortfall having regard to their holdings at the Record Date (if a holder has made an application for Additional Shares for an amount less than the amount of Additional Shares that the holder would otherwise be allocated under this process, the holder will be allocated the amount applied for).
- (b) If, following allocation of the Shortfall in the first round, there remains any Shortfall, the above allocation process will be repeated in rounds until either all the Shortfall has been allocated or all applications for Additional Shares have been satisfied in full.

For avoidance of doubt the Corporations Act limits apply to the acquisition of Additional Shares through the Top-Up Facility.

- (c) If any Shortfall remains following the above allocation process, the directors of the World Titanium reserve their discretion to place the remaining Shortfall within 3 months following the close of the Entitlement Offer.

World Titanium advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act;
- (b) the notice is being given under section 708AA(2)(f) of the Act;
- (c) as at the date of this notice, World Titanium has complied with:
 - (i) the provisions of Chapter 2M of the Act as they apply to World Titanium; and
 - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act; and
- (e) the potential affect the Entitlement Offer will have on the control of World Titanium is as follows:
 - (i) If all Eligible Shareholders take up their entitlements under the Entitlement Offer, then the Entitlement Offer will have no effect on the control of World Titanium.
 - (ii) If some Eligible Shareholders do not take up all of their entitlements under the Entitlement Offer, then the interests of those Eligible Shareholders will be diluted.
 - (iii) The proportional interests of shareholders who are not Eligible Shareholders will be diluted because such shareholders are not entitled to participate in the Entitlement Offer.
 - (iv) World Titanium's three largest shareholders as at the date of this notice, Boule Titanium Ltd ("Boule Titanium"), ZTF Investments Pty Ltd (as nominee for Mineral Deposits Limited) ("MDL") and African Minerals Exploration & Development (AMED) Fund II SICAR (through its nominee) ("AMED") have each provided a commitment to subscribe for their full entitlements under the Entitlement Offer based on their current holdings outlined in the table below.
 - (v) The maximum voting power of all known substantial shareholders of World Titanium at the date of this notice based on the following assumptions (although none of these matters have yet been determined) both currently and following the Entitlement Offer is set out in the table below:
 - 1. there is no change to the below shareholdings prior to the close of the Entitlement Offer;
 - 2. no other Eligible Shareholder, other than Boule Titanium, MDL and AMED, take up their entitlement under the Entitlement Offer; and
 - 3. none of Boule Titanium, MDL or AMED apply for any Additional Shares under the Top-Up Facility (noting that the Corporations Act limits apply to the acquisition of Additional Shares through the Top-Up Facility).

Substantial shareholder	Current number of shares over which holder has voting power	Current voting percentage	Maximum possible number of shares over which holder may have voting power following the Entitlement Offer	Maximum possible voting percentage
Boulle Titanium Ltd	73,725,060	20.73%	98,300,080	22.71%
ZTF Investments Pty Ltd (as nominee for Mineral Deposits Limited)	69,138,124	19.10%	92,184,166	21.30%
African Minerals Exploration & Development (AMED) Fund II SICAR (through its nominee)	69,765,116	19.27%	93,020,155	21.49%
J P Morgan Nominees Australia Limited	25,305,389	6.99%	25,305,389	5.85%

Yours faithfully

World Titanium Resources Limited



Graeme Boden
Company Secretary

Email: gboden@bigpond.net.au

Phone: +61 8 9286 1219