

BONDI MINING

WORLD TITANIUM RESOURCES

Creating a Tier One Mineral Sands Company

30 August 2011



Disclaimer

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WTR

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All amounts in A\$ unless stated otherwise.

The exploration data and results contained in this presentation are based on information reviewed by Dr Rick Valenta, a fellow of the Australian Institute of Mining and Metallurgy. He is Managing Director of the Company and has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Valenta has consented to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to JORC resources and Exploration Targets has been compiled by GEOCraft Pty Ltd. Mr. Andrew Milne (B. Sc. (Hons) M. Sc.) is an employee of GEOCraft Pty Ltd. Mr. Milne is a member of a Geological Society of Australia ("GSA") and the Australasian Institute of Mining and Metallurgy ("AusIMM") and has the appropriate relevant qualifications, experience, competence and independence to be considered an "Expert" under the definitions provided in the Valmin Code and a "Competent Person" as defined in the JORC Code. Mr. Milne has consented to the inclusion in this release of the matters based on his information and in the form and context in which they appear.

The information in this release that relates to Financial and Mining analysis is based on information compiled by Mr Steve Gilman who is a Fellow of the Australasian Institute of Mining and Metallurgy and a full time employee of TZ Minerals International. Mr Gilman has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Gilman consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

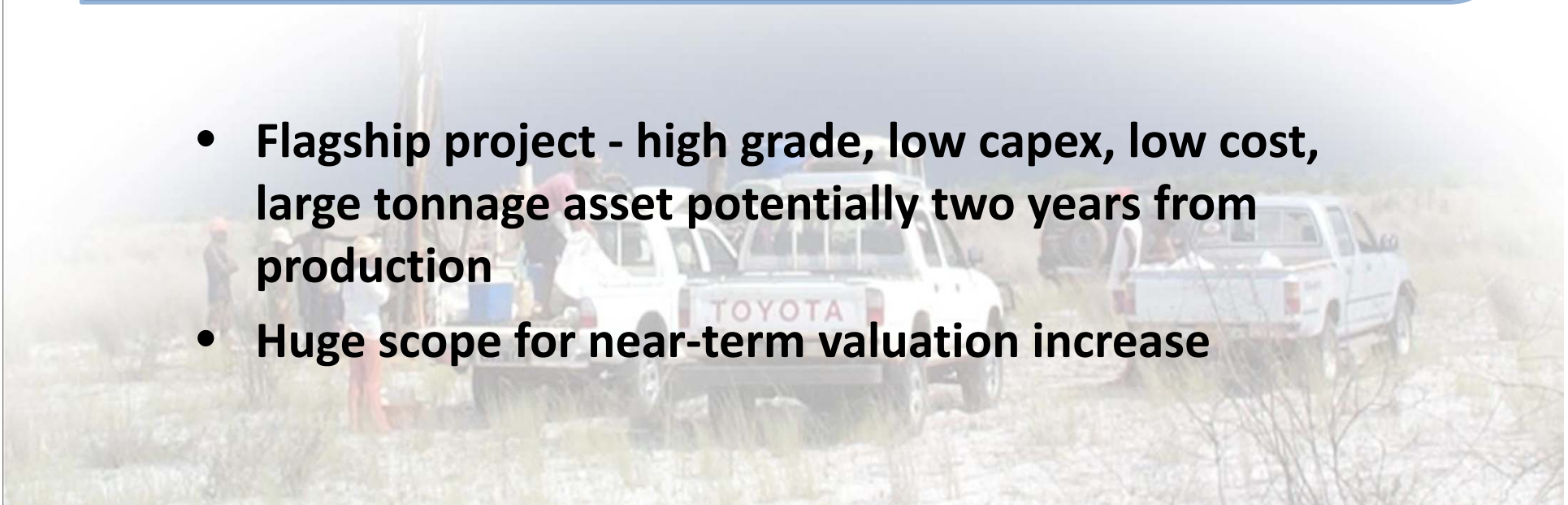
Transaction Overview



A merger with **World Titanium Resources**
will transform **Bondi Mining** into:

*A mineral sands company with a world-class
development-stage asset, on the path to
become a major mineral sands producer*

- **Flagship project - high grade, low capex, low cost, large tonnage asset potentially two years from production**
- **Huge scope for near-term valuation increase**



Transaction Highlights

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World class mineral
sands asset



Significant upside



Synergies

- **Large, high-grade JORC resource** (710Mt at 6.3% THM), relatively rich in high-value zircon, in Madagascar
- Scoping Study completed by TZ Minerals International indicates a **world class asset by industry standards**:
 - Value per tonne of ore well above industry average
 - Heavy mineral grade well above industry average
 - Capital Intensity (ratio of capital expenditure to annual revenue) well below industry average
 - Revenue to cost ratio in second quartile of overall industry
 - Cash cost per tonne product well below industry average
- **Easily mined resource with little/no overburden and low slimes.**
- Overall portfolio defined an exploration target¹ of **4.3 to 4.7 billion tonnes at 2.5% to 4.1% THM**
- Highly skilled exploration and development teams
- Complemented by Bondi's Namibian exploration assets
- Support of WTR Board and major shareholders

¹These Exploration Targets are at an early stage of evaluation, and the potential quantity and grade remain conceptual in nature. At this stage there has been insufficient exploration to define Mineral Resources and it is uncertain if further exploration will result in the determination of Mineral Resources greater than that already defined. .

Toliara Sands is a Tier One asset

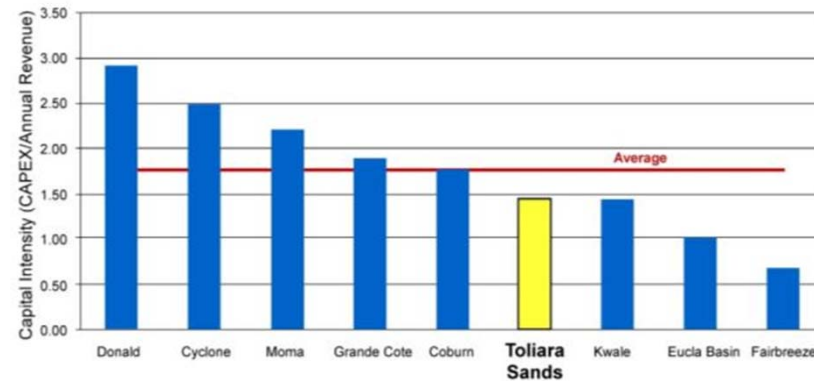


Robust revenue/cost ratio

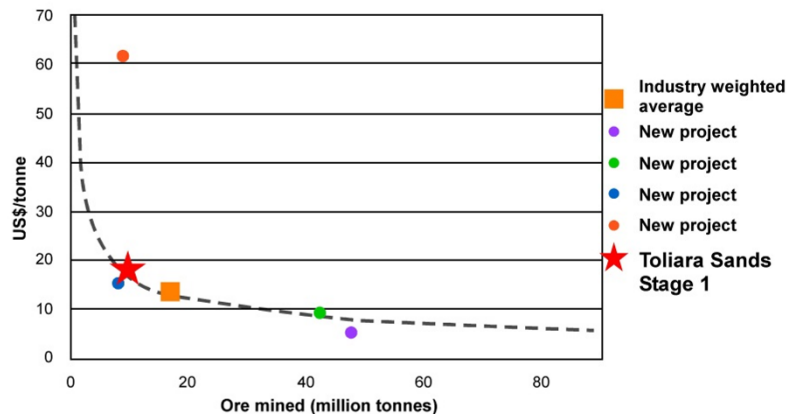
- 2.61 ratio life of mine
- Well above industry average



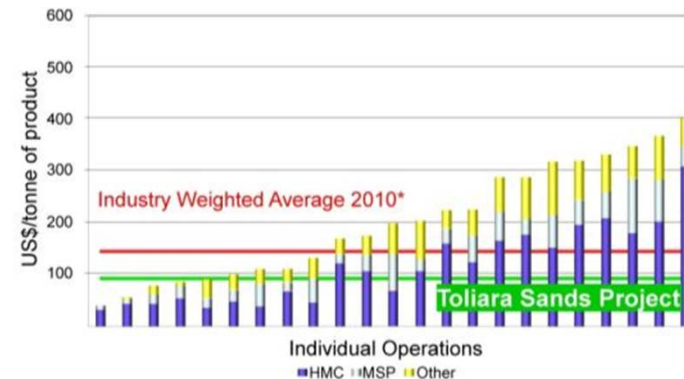
Equal third capex per annual revenue



Second highest in situ contained ore value



Fifth lowest cash cost per tonne mineral product



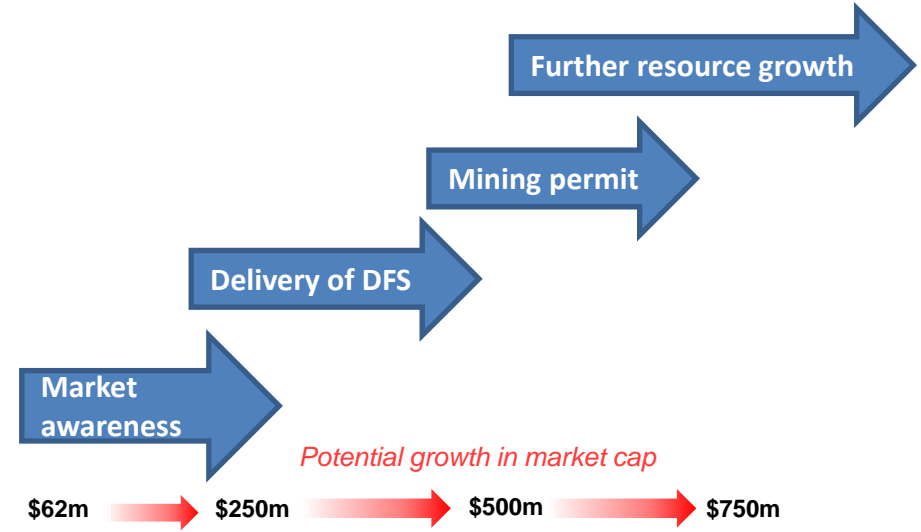
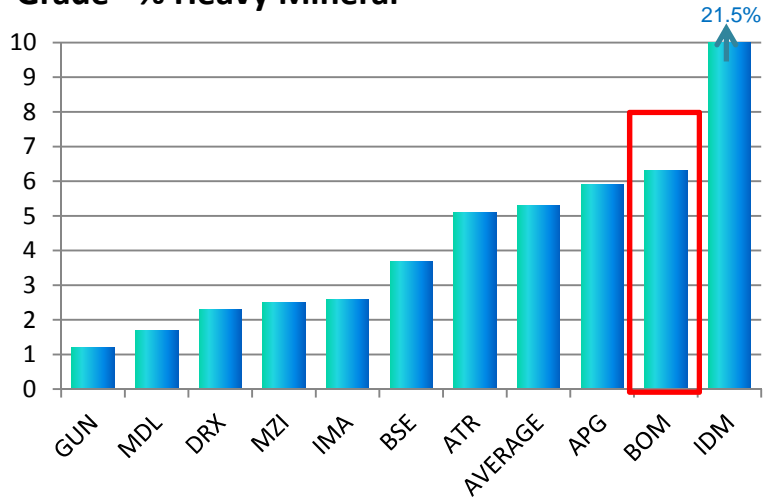
"...(The Toliara Sands Project) has excellent investment criteria and considerable scope for expansion. The re-scaled Ranobe project will satisfy the local and national interest, generate high returns for investors and produce long term reliable ilmenite supply to growing markets, especially China" – TZ Minerals Scoping Study

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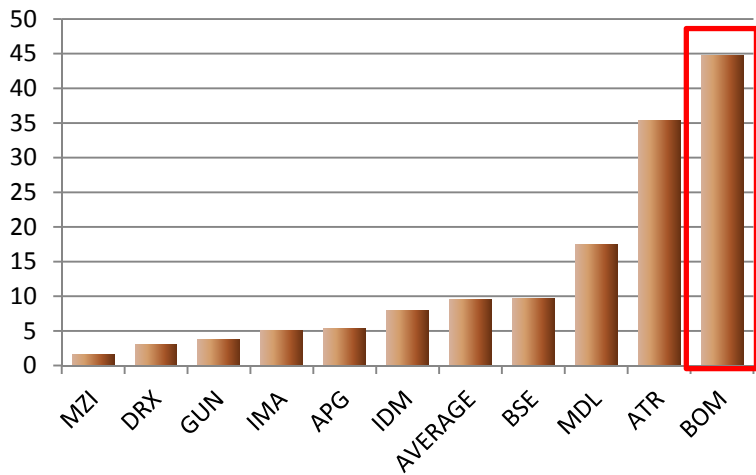
Significant Scope for re-rating

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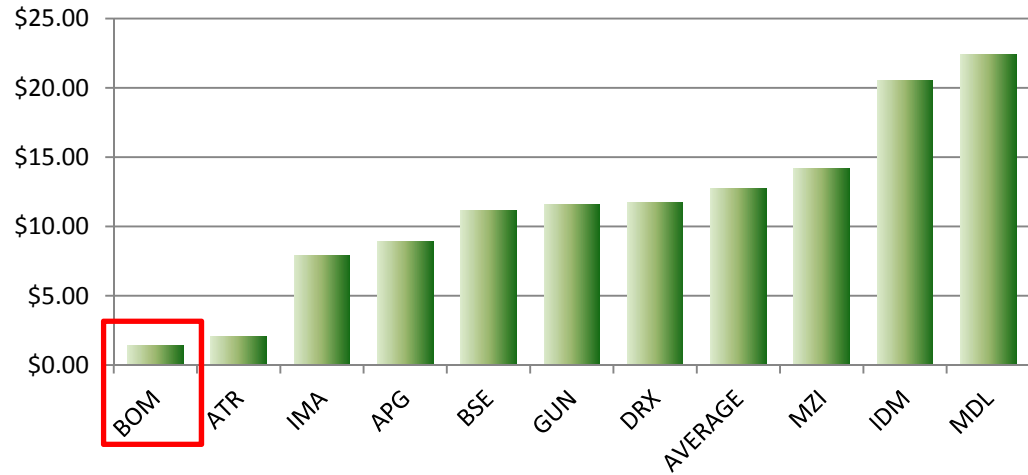
Grade - % Heavy Mineral



Contained Heavy Minerals (mt)



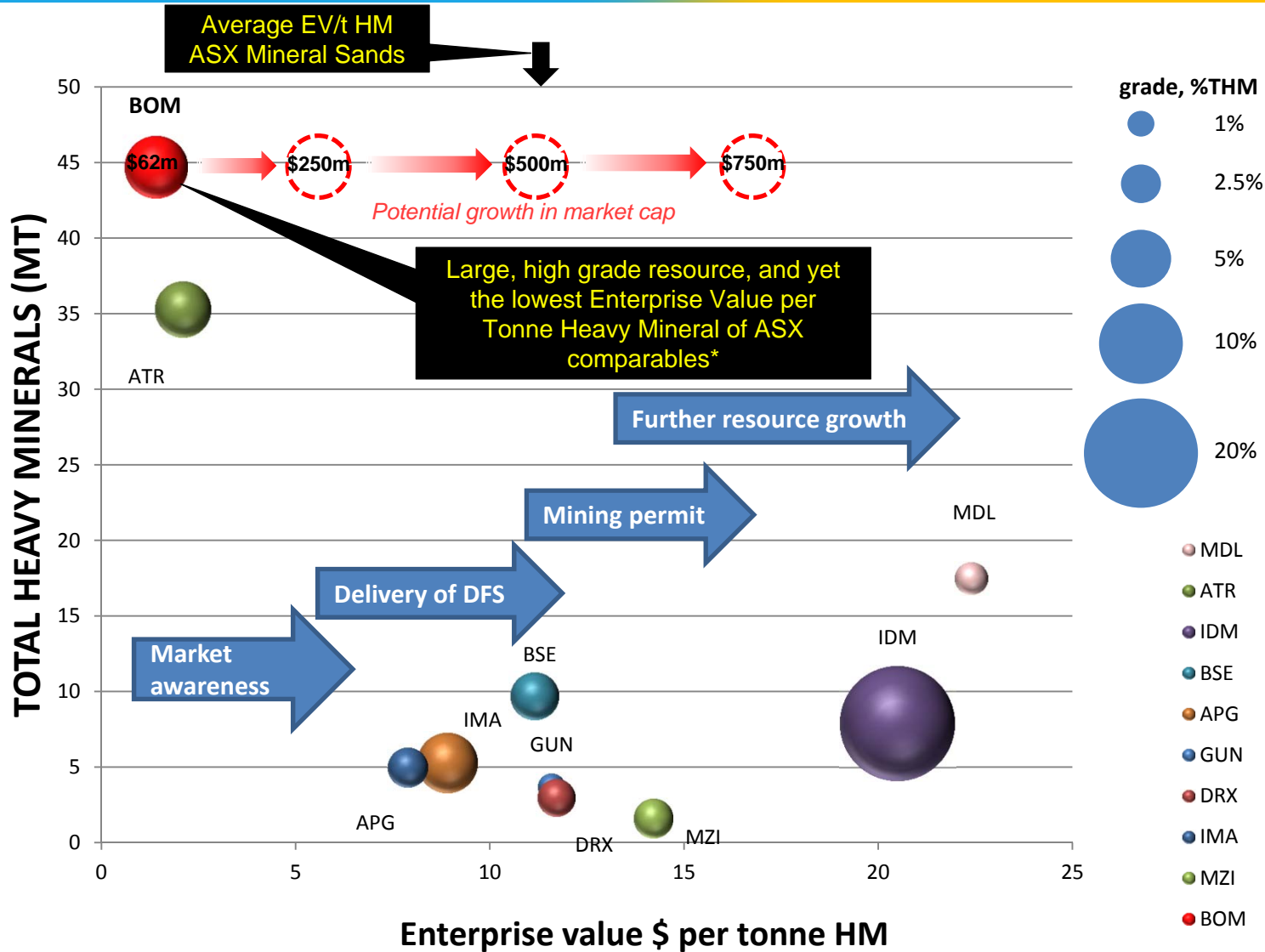
EV \$ per tonne



Significant Scope for re-rating



WTR



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* Based on the implied valuation of the BOM-WTR deal

Transaction Summary

Transaction	<ul style="list-style-type: none">• Bondi to complete 4 for 1 share consolidation• 3.5 consolidated Bondi shares for each WTR share• Unanimously recommended by both boards, with support of major shareholders• Implemented via a WTR scheme of arrangement• Bondi to re-list under Chapters 1 and 2 of ASX listing rules• Prospectus to raise at least A\$3m• Name change to World Titanium Resources
Key Terms	<ul style="list-style-type: none">• Non-solicitation clauses• Break fee in case of non-completion
Conditions	<ul style="list-style-type: none">• Regulatory and court approvals• Bondi and WTR shareholder approval of transaction
Board/Management	<ul style="list-style-type: none">• After the Transaction, Bondi to hire an experienced CEO with a strong track record in mineral sands.• Mix of existing Bondi and WTR directors, with WTR directors comprising the majority
Indicative Timetable	<ul style="list-style-type: none">• Notice of Meeting to shareholders in late September.• Meeting in late October• Scheme implementation mid November

Taking the combined entity forward



Next Steps

- **Complete transaction**
- **Established team in Madagascar, active since 1994**
- **TZMI scoping study is economically positive, and estimates 18 months from Decision to Commence until first production**
- **Stage one resource is already Measured and Indicated**
- **Mining license being finalised with Madagascar government**
- **Steps to Decision to Commence**
 - Finalise mining license
 - Update estimates of capital and operating costs
 - Upgrade scoping study to DFS level
 - Develop funding strategy

About the Toliara Sands Project

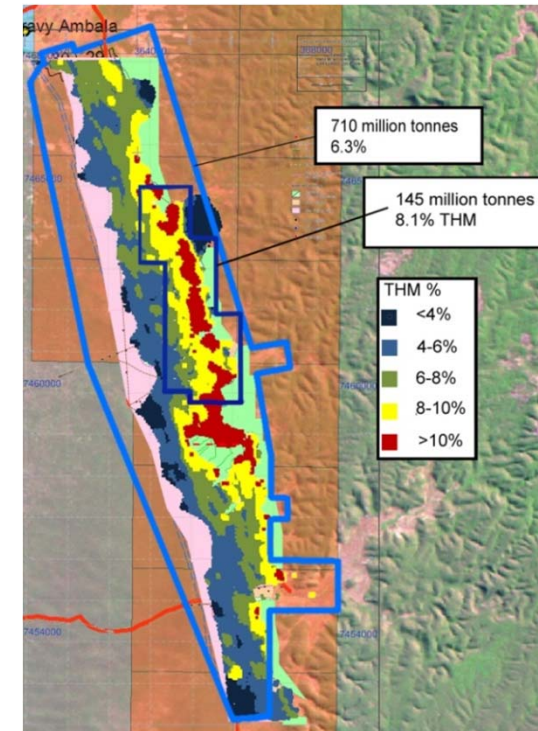


Ranobe: A large, high grade orebody

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- JORC resource is 710 million tonnes at 6.3% THM
- containing around
 - 30 million tonnes of ilmenite,
 - 2.5 million tonnes of zircon, and
 - 0.85 million tonnes of rutile.
- High Grade starter within larger resource:
 - 145 million tonnes at 8.1% THM, containing in turn:
 - 75 million tonnes at 9.5% THM.



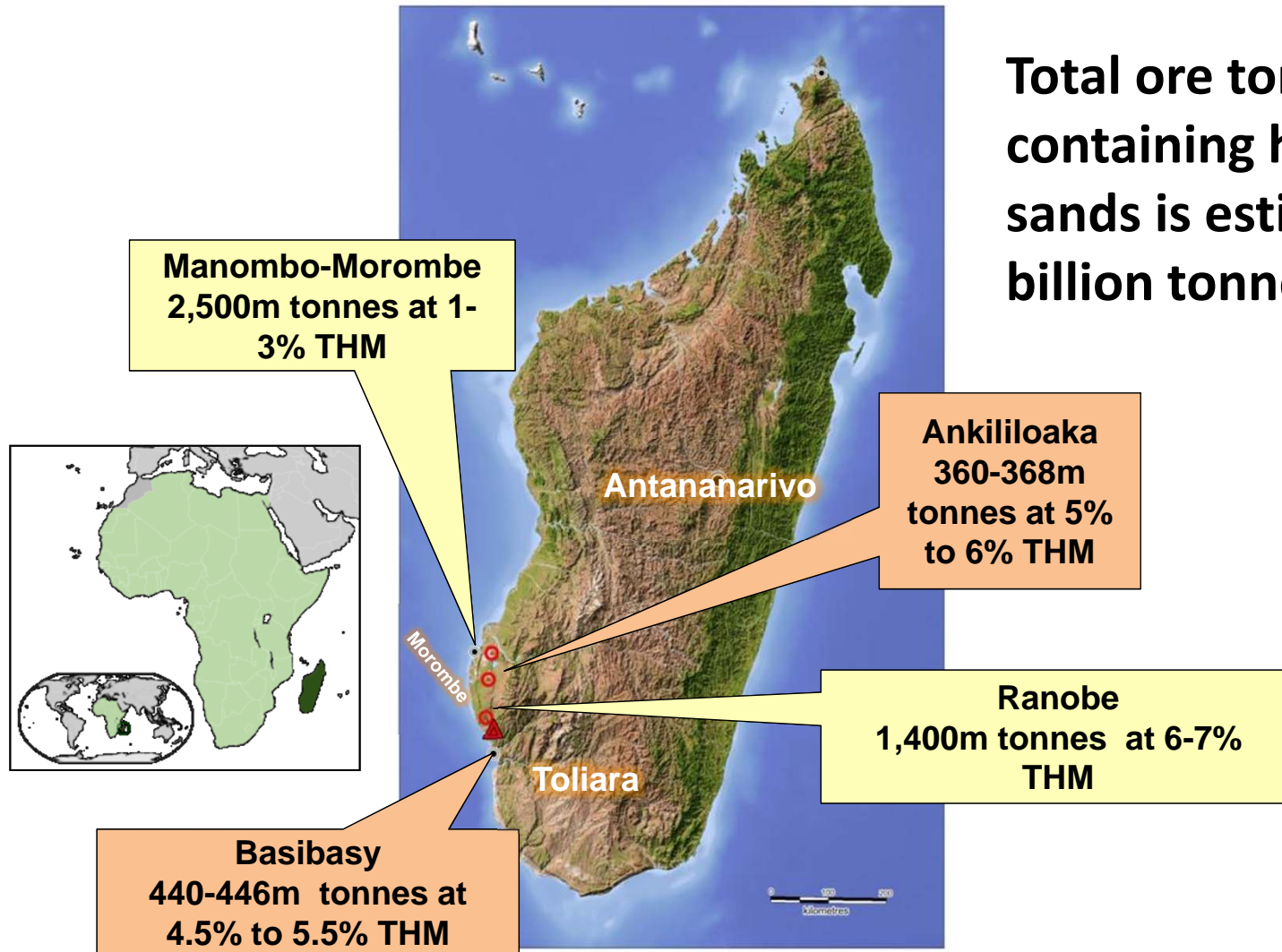
PROJECT ADVANTAGES

- Unconsolidated sand;
- Low slimes content (less than 5%);
- Absence of barren overburden;
- Consistent heavy mineral assemblage;
- Presence of significant high-value zircon and rutile; and
- Very low capital cost

Classification	Mass t (millions)	THM %	Slime %	Ilmenite %	Rutile %	Zircon %
Measured	208.8	7.44	4.08	4.81	0.14	0.42
Indicated	320.4	6.09	4.02	4.00	0.12	0.34
Inferred	181.3	5.32	4.76	3.50	0.10	0.30
Grand Total	710.5	6.29	4.23	4.07	0.12	0.35

...and there is plenty of upside

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Total ore tonnage target¹ containing heavy mineral sands is estimated at 4.7 billion tonnes.

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Mine Development

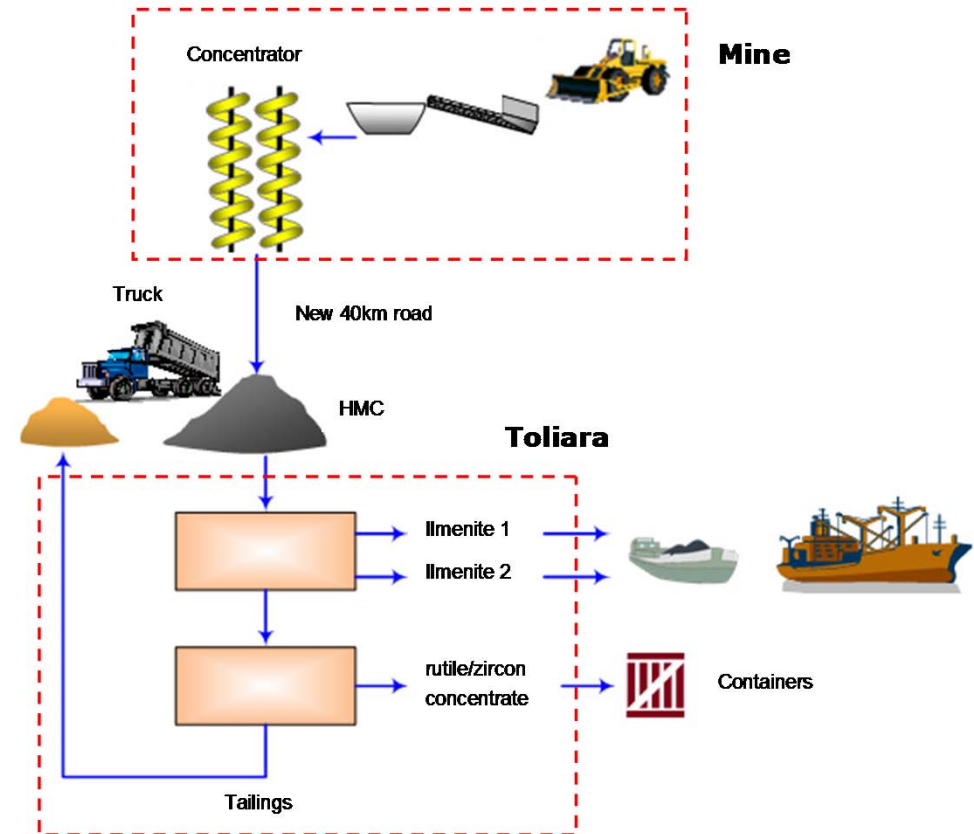
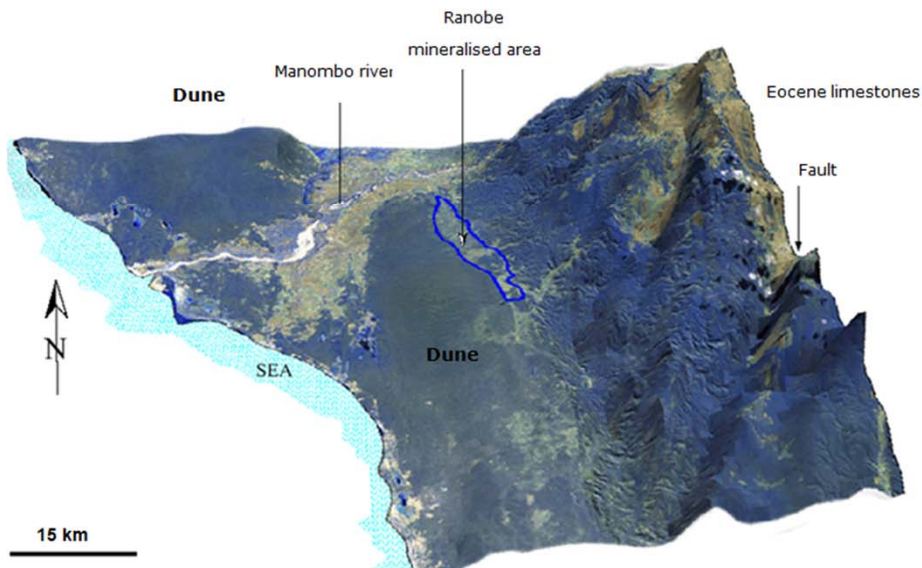
Green fields mine site

Capital requirements:

- Mine and process development
- Transport Infrastructure

Mining and processing:

- Truck and shovel
- Conventional processing



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Proposed Development

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Stage 1 Resource 145 million tonnes (8.1% grade)	Mine Plan
Ore mined	145 million tonnes
Average grade	8.1%
Tonnes per annum	7.0 mtpa Yrs 1-10 9.4 mtpa Yrs 13-19
Mine life	19 years
Annual production rate	
ilmenite	400,000 tpa
rutile/zircon concentrate	43,000 tpa
Projected project financials	
Capital investment	Initial US \$131 m Yr 10 US \$24.0 m
IRR (after tax)	45%
NPV (after tax. 10% Real)	US \$323 million
Payback	2 years
Annual after tax cash flow	Approximately US\$ 51 million



Typical HMC
"road train"



Typical loader and
hopper dry mining
operation



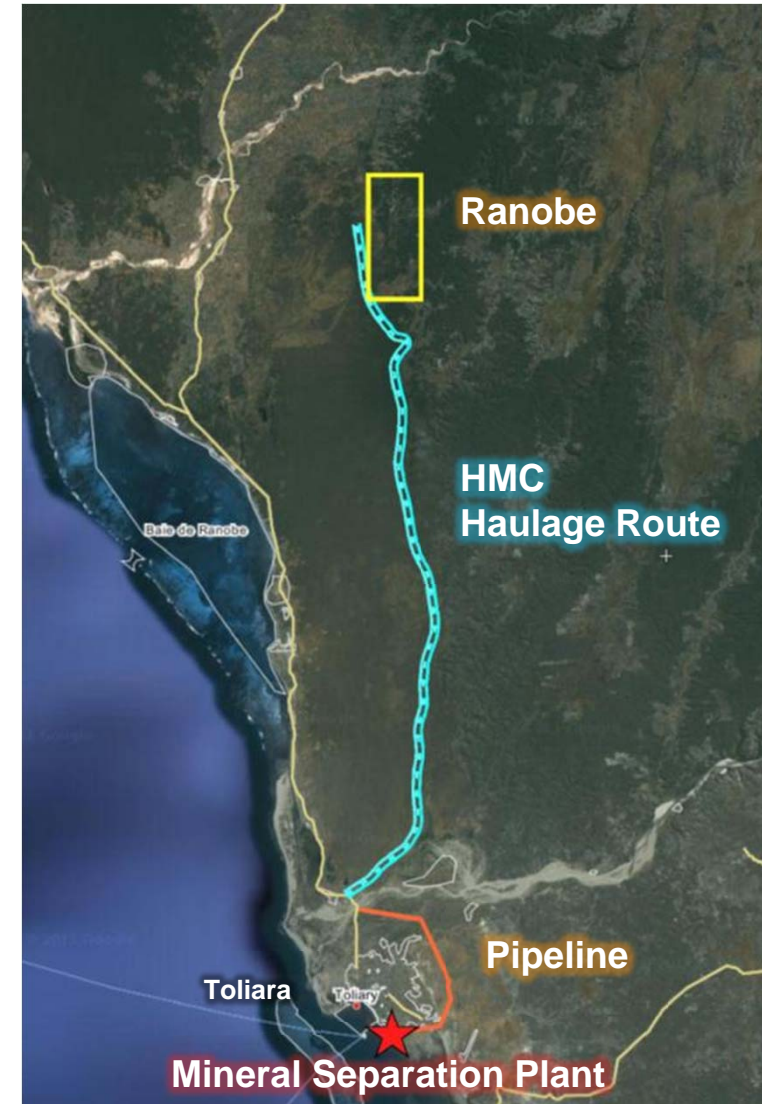
Toliara
port

Infrastructure

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- 40k road to transport concentrate from project to slurry pipeline
- 14km slurry pipeline to Mineral Separation Plant
- Existing port facility at Toliara
 - 15,000 tonne wharf capacity
 - deep-water channel with capacity for 35,000 tonne ships for barge transfer
- Supportive community – project positive for local economy
- Extensive study has confirmed project's environmental sustainability



Products produced

Product	Yearly production years 1 and 2	Yearly production years 3 to 20	Application
Rutile/Zircon concentrate (16% Rutile; 74% Zircon; 10% Other)	21Kt	43Kt	<ul style="list-style-type: none"> • Shipment to overseas processors for further treatment • Current high appetite for semi-finished concentrate
Sulfate ilmenite	118.4Kt	236.8Kt	<ul style="list-style-type: none"> • TiO2 sulfate pigment process • Ilmenite smelters for chloride-grade slag
Chloride ilmenite	27Kt	54Kt	<ul style="list-style-type: none"> • Higher TiO2 • Suitable for direct chlorination • Blend feed to synthetic rutile processors

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About Madagascar

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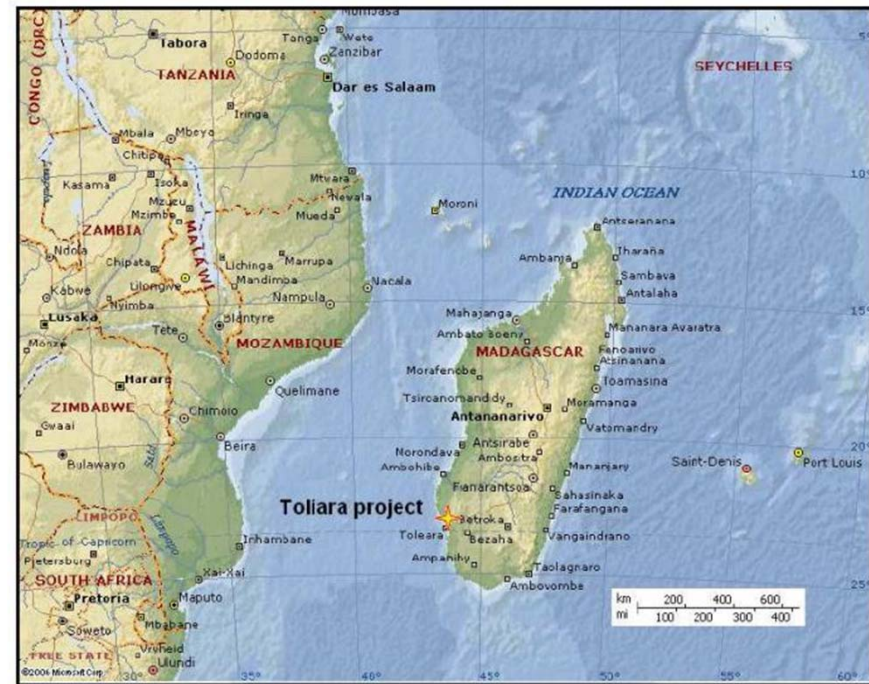


Madagascar

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- 1200 Kilometers off the coast of Africa, separated by the Mozambique Channel
- Madagascar is the fourth largest island in the world with a total area of approximately 587,000 km²
- The official languages are: French and Malagasy
- Mining Law modernised in 2000
- 2% Royalty; 25% Tax – reducible for large investments
- Mining is becoming a significant player in Madagascar, with various international mining companies investing over \$4bn currently.
 - Rio Tinto (QIT Madagascar Minerals) - Ilmenite
 - Sherrit International (Ambatovy) - Nickel
 - Cline Mining (Bekisopa) – Iron Ore



WTR in Madagascar

- WTR has been operating in Madagascar continuously since 1994
- Local country manager
- Strong government relationship
- Excellent relationship with local communities

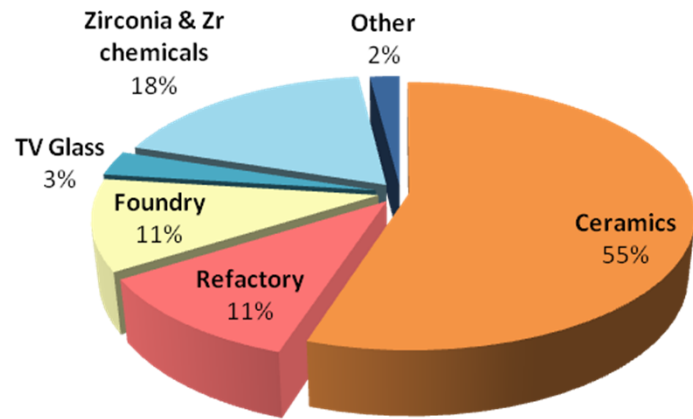
About Mineral Sands

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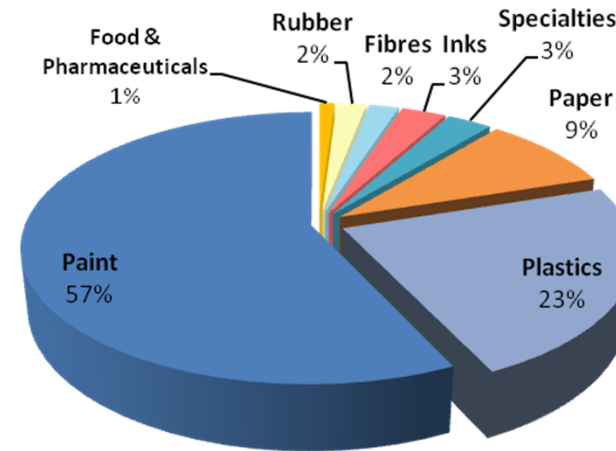


Mineral Sands

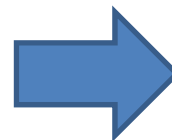
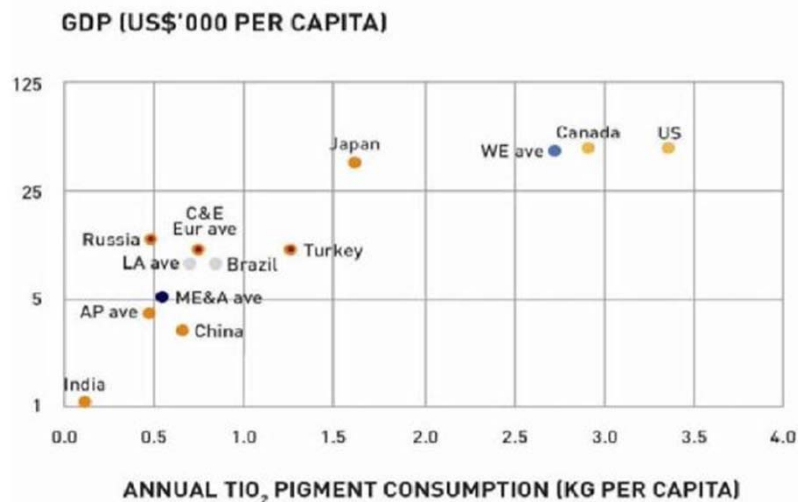
We are entering into a period of excellent market conditions for ilmenite, rutile and zircon.



Zircon Consumption



TiO₂ Pigment Consumption



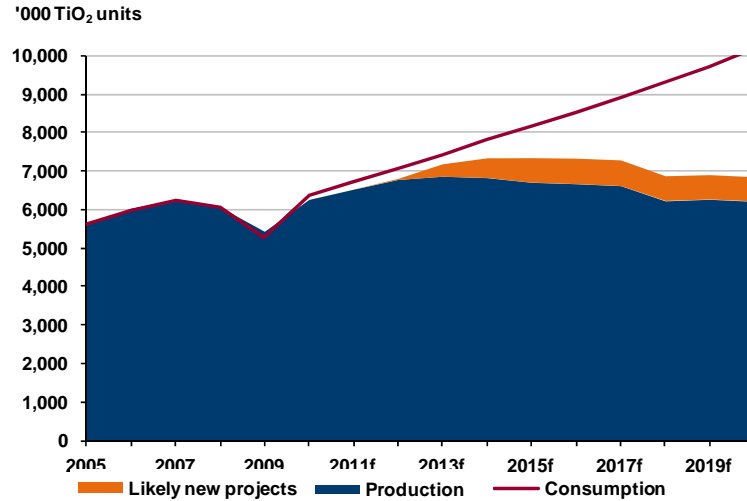
- Growth in GDP per capita in large developing country can drive consumption
- China key driver in projected growth

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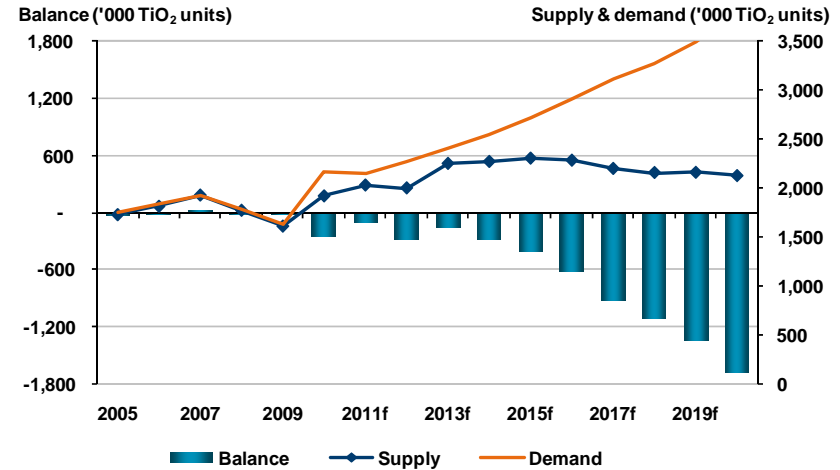
Significant Supply Shortfall

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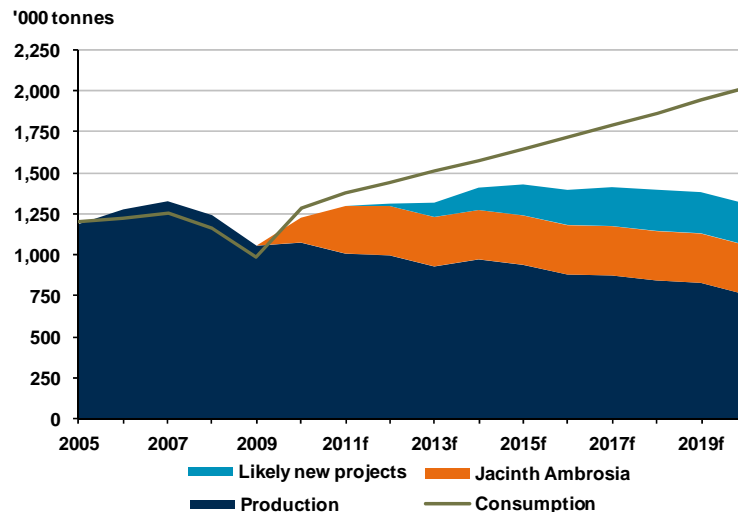
Total titanium feedstock supply/demand balance



Forecast supply/demand for sulfate ilmenite



Base case global zircon supply/demand



- Global market for titanium feedstocks in deficit for foreseeable future
 - Positive supply/demand outlook
 - Chinese sulfate pigment production key driver in projected growth
- Market dynamics similar for zircon
- Predicted zircon production from new projects insufficient to meet demand curve
- **Supply/demand outlook will continue to drive strong prices for these commodities**

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World class mineral
sands asset



Significant upside



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Key Contacts



Bondi Directors

- Simon O’Loughlin (Chairman)
- Rick Valenta (Managing Director)
- Creagh O’Connor (non-exec)
- Darren Morcombe (non-exec)

WTR Directors

- Peter Woods (Chairman)
- Wayne Malouf (CEO)
- Guy Leclezio (non-exec)
- Tristan Davenport (non-exec)

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