



# WORLD TITANIUM RESOURCES

## BUILDING A TIER 1 MINERAL SANDS COMPANY

TZMI CONFERENCE NOVEMBER 2011

BRUCE GRIFFIN – CEO

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*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.*

# World Titanium Resources

Unlisted public company, listing on ASX via Merger with Bondi

Significant scope for re-rating

- Listed peers 5 to 10 times on key metrics

Tier 1 project: scalable, long life and low cost

Simple development concept delivers robust economics

- Low capex (~\$130m) and high grade starter pit (8.1% THM)
- 400ktpa ilmenite, 40ktpa zircon/rutile concentrate
- NPV of \$320m, IRR 45%, 2 year payback

Product suitable for key markets

Capability to deliver

Next steps – Targeting first production 2014

# ASX listed early 2012

	WTR	Bondi	new WTR
Company	Unlisted	ASX listed	ASX listed
Shares	73.5m	120.4m	298.4m
Market Cap	\$74m <sup>1</sup>	\$10m <sup>2</sup>	\$84m <sup>3</sup>
Major Shareholders	Jean Raymond Boulle 29.7% Guy LeClezio 8.7% Peter Woods 5.4%		Jean Raymond Boulle 25.6% Guy LeClezio 7.5% Peter Woods 4.6%

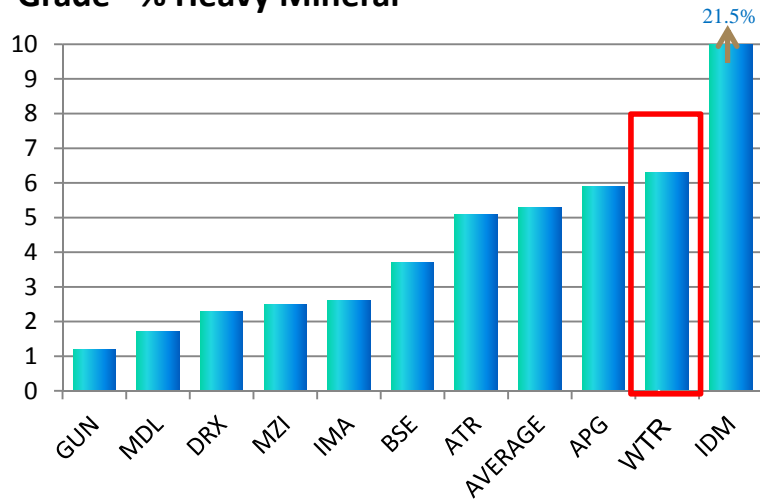
Subject to: Regulatory and court approvals  
Bondi and WTR shareholder approval of transaction

Timetable: Scheme meeting 2 December  
Scheme implementation 31 December  
Relisting as World Titanium Resources 6 January

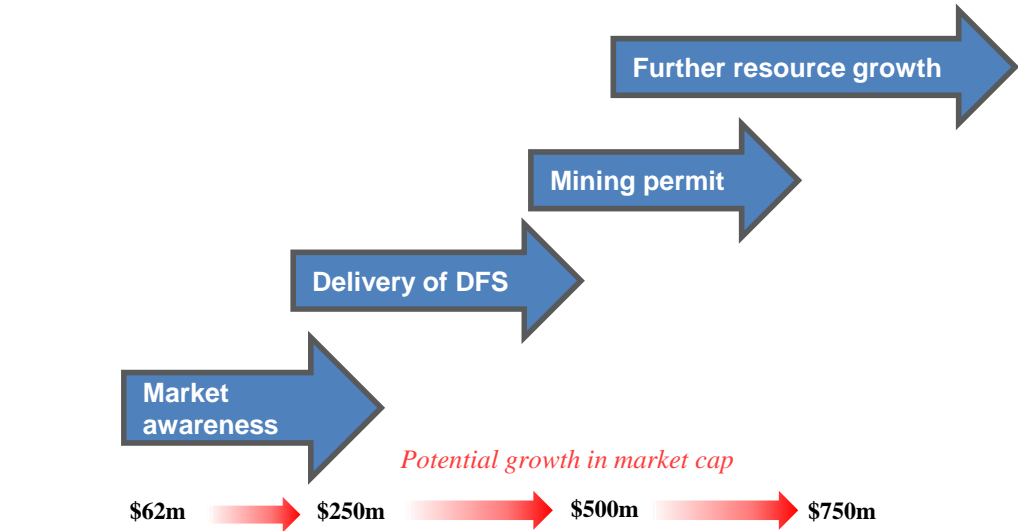
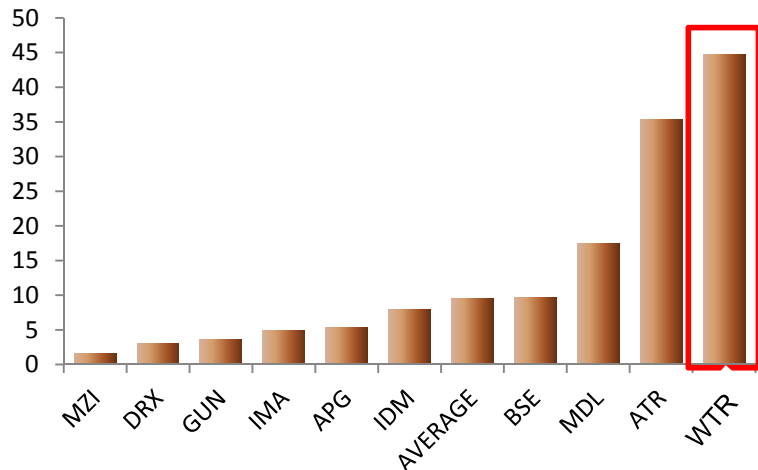
1) Based on the last placement at \$1; 2) at 8c, 3) at 28c (merger ratio of 3.5 x 8c)

# Significant scope for re-rating

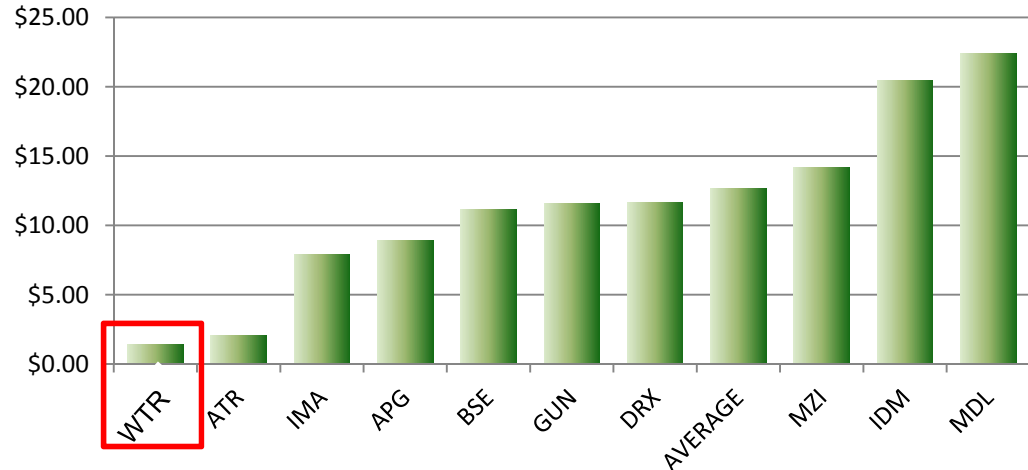
Grade - % Heavy Mineral



Contained Heavy Minerals (mt)



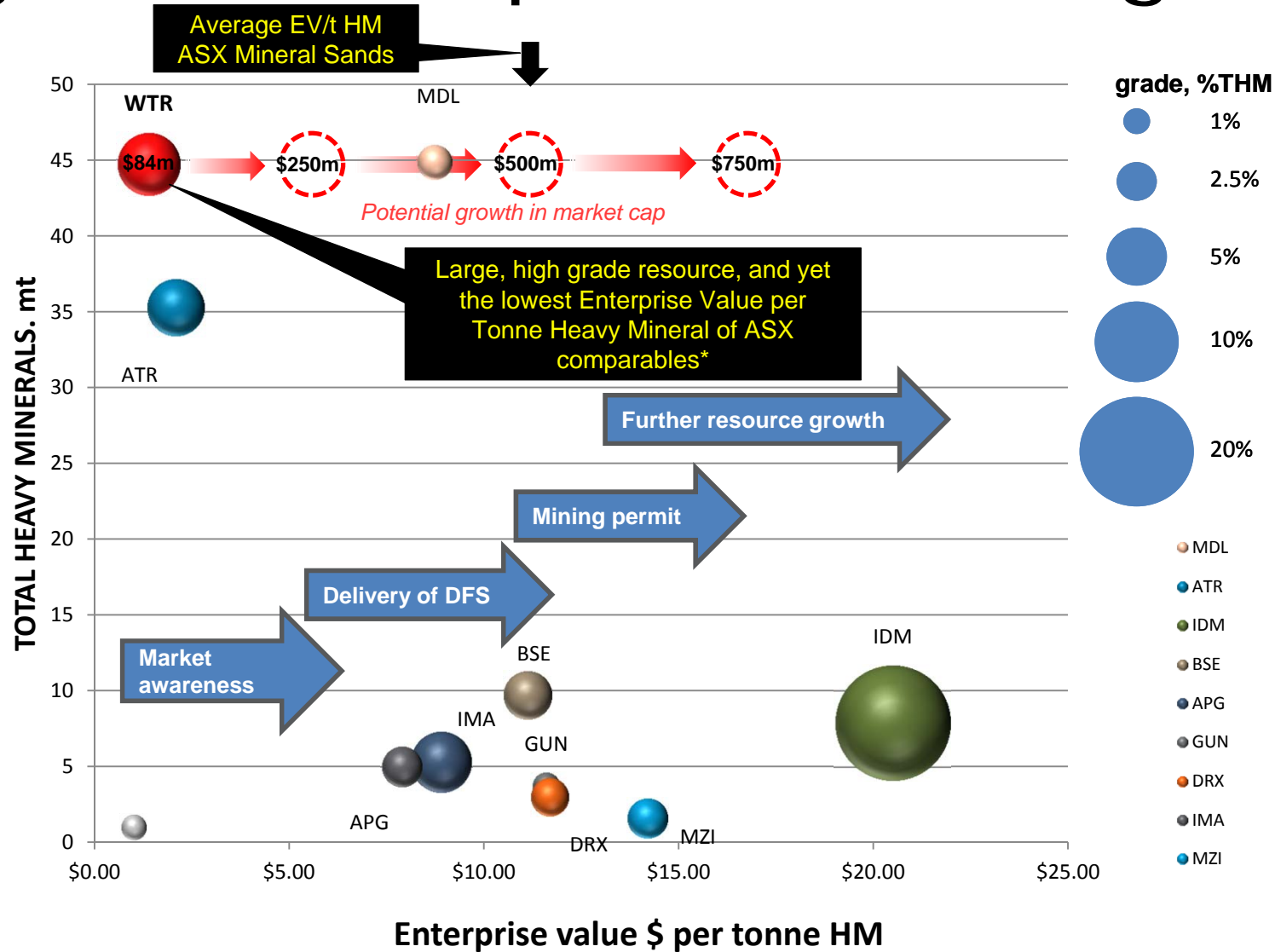
EV \$ per tonne



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

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# Significant scope for re-rating



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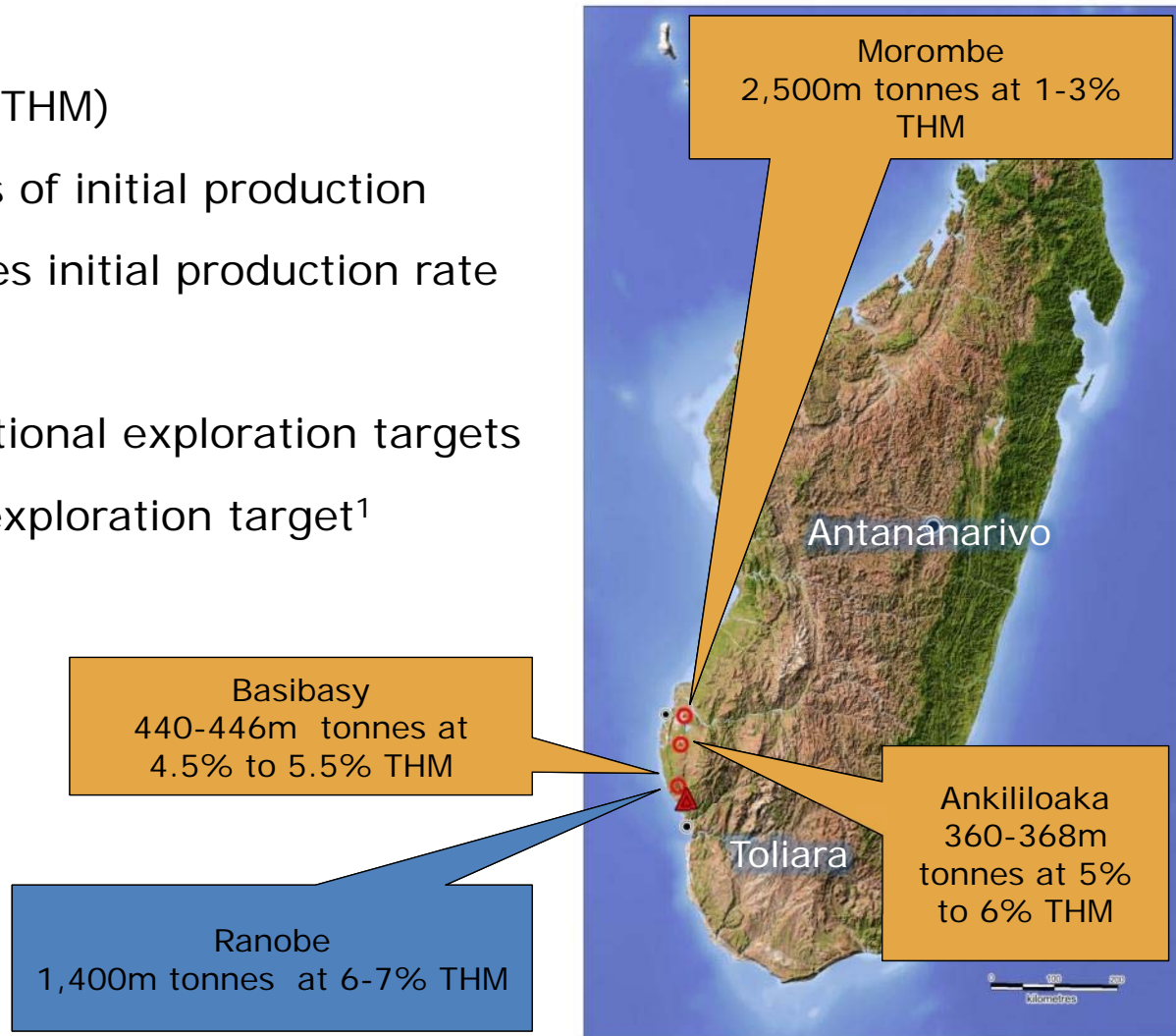
# Tier 1 – Scalable

Ranobe resource (707Mt THM)

- Sufficient for ~75 years of initial production
- Able to support ~3 times initial production rate

Further upside from additional exploration targets

- Estimated 4.7 bt total exploration target<sup>1</sup>



<sup>1</sup>These Exploration Targets are at an early stage of evaluation, and the potential quantity and grade remain conceptual in nature. At his 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.

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# Tier 1 – Long life

## Ranobe

Sufficient resource for ~75 years of initial production

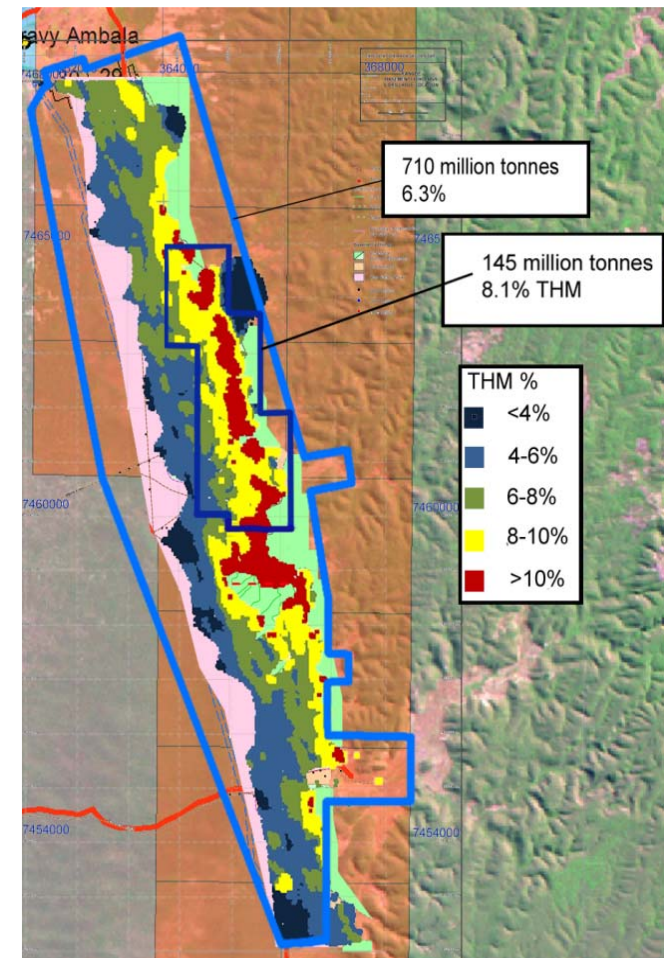
JORC resource of 707 million tonnes at 6.5% THM

- ~ 30 million tonnes of ilmenite
- ~ 2.5 million tonnes of zircon,
- ~ 0.85 million tonnes of rutile

Starter Pit within larger resource:

- 19 year LOM
- 145 million tonnes at 8.1% THM

Classification	Million Tonnes	THM %	Slime %
Measured	222	7.66	4.42
Indicated	393	6.07	4.66
Inferred	92	5.91	5.36
<b>Grand Total</b>	<b>707</b>	<b>6.54</b>	<b>4.70</b>



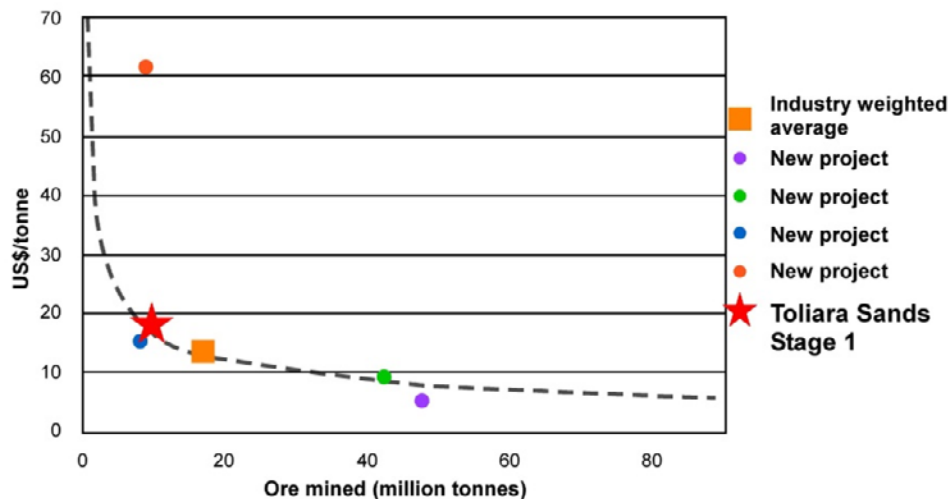
# Tier 1 – Low cost

Robust revenue/cost ratio

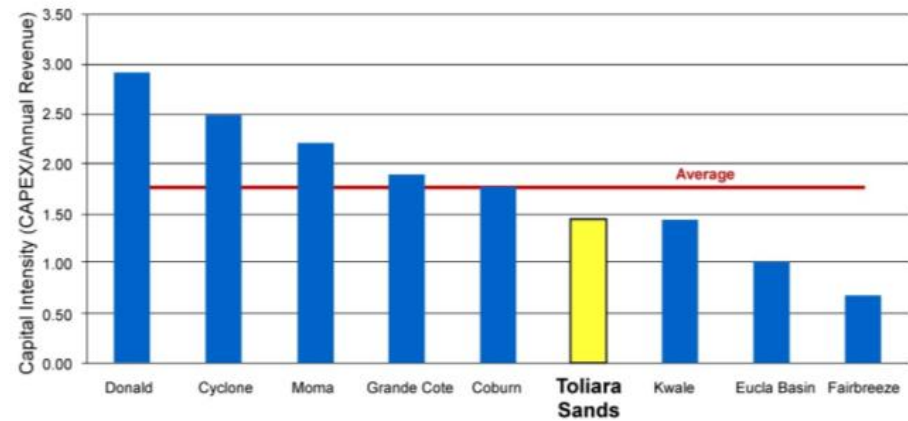
- 2.61 ratio life of mine
- Well above industry average



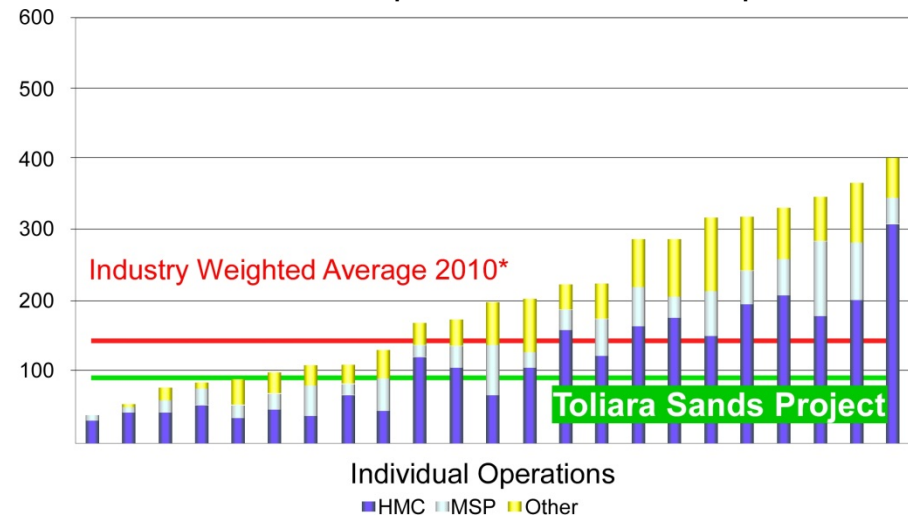
Second highest in situ contained ore value



Equal third capex per annual revenue



Fifth lowest cash cost per tonne mineral product



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# Simple development concept

## **Comprehensive review of the project undertaken**

- Focus mining the high grade area within the Ranobe deposit
- Simplifying mining and separation using off-the-shelf equipment
- Leverage existing infrastructure
- Provide a base for future expansion

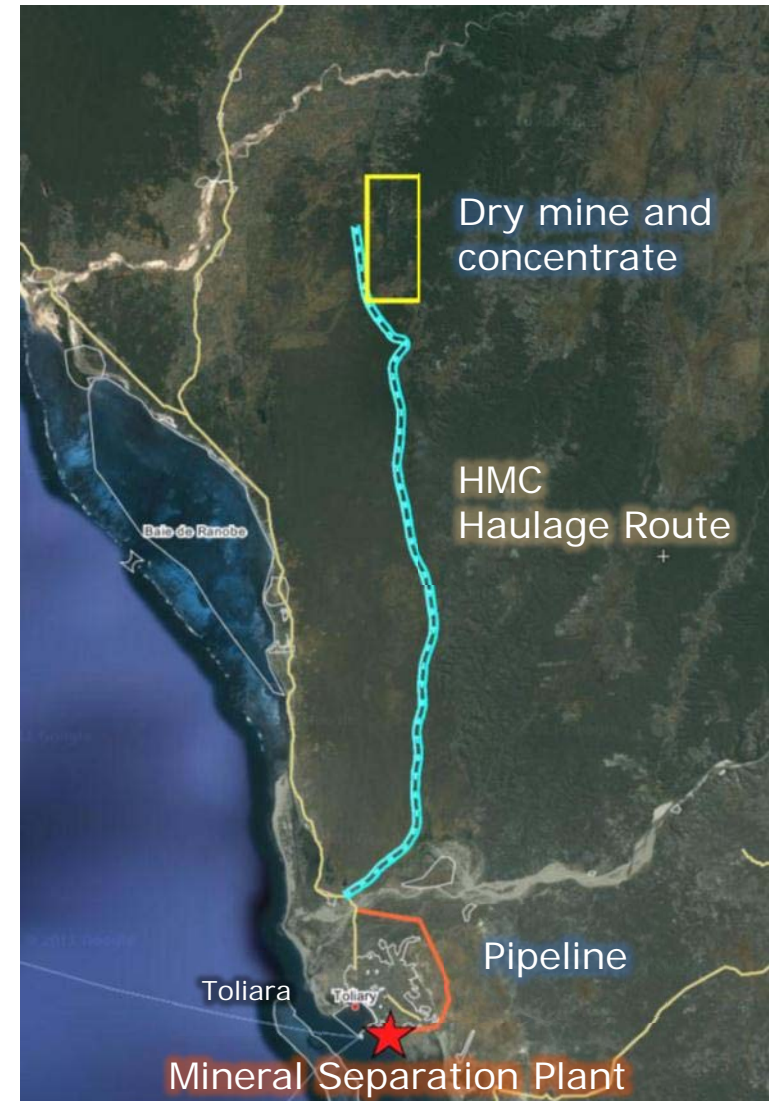
### Exploiting the resources' inherent advantages

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

# Simple development concept

## Low Cost Concept

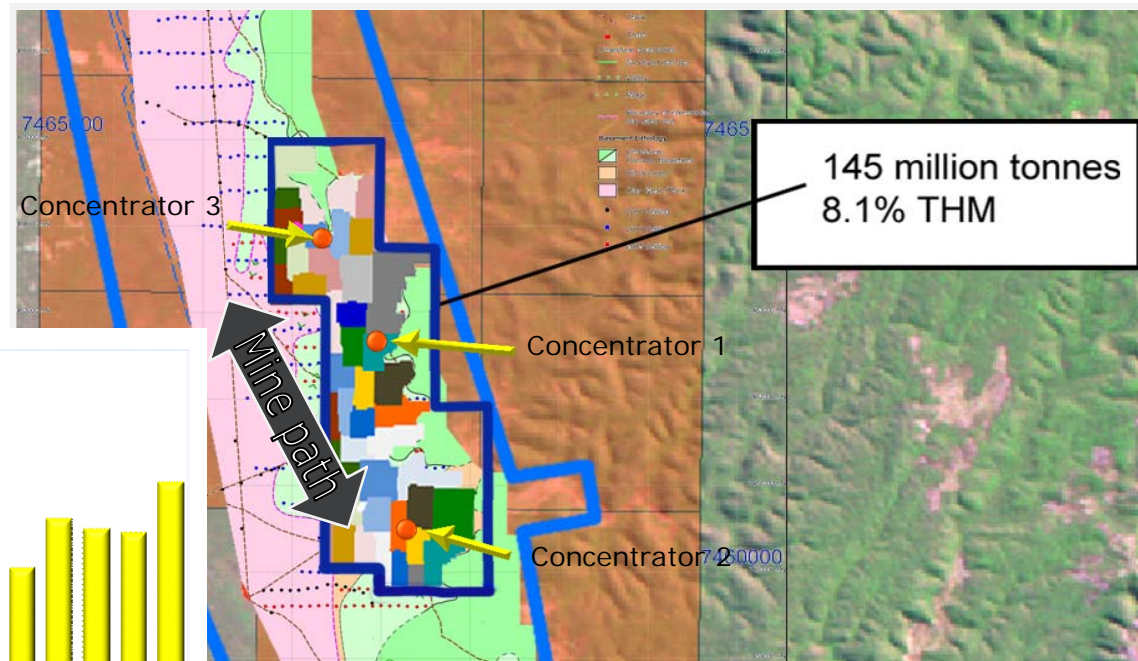
- Dry mine and slurry to mobile concentrators
- 40km HMC haul road
- 14km slurry pipeline to existing port
- MSP at port – zircon and rutile concentrate
- Existing port facility at Toliara
  - 15,000 tonne wharf capacity
  - Deep-water barge transfer for 35,000 tonne ships
- Investigating options for further optimisation



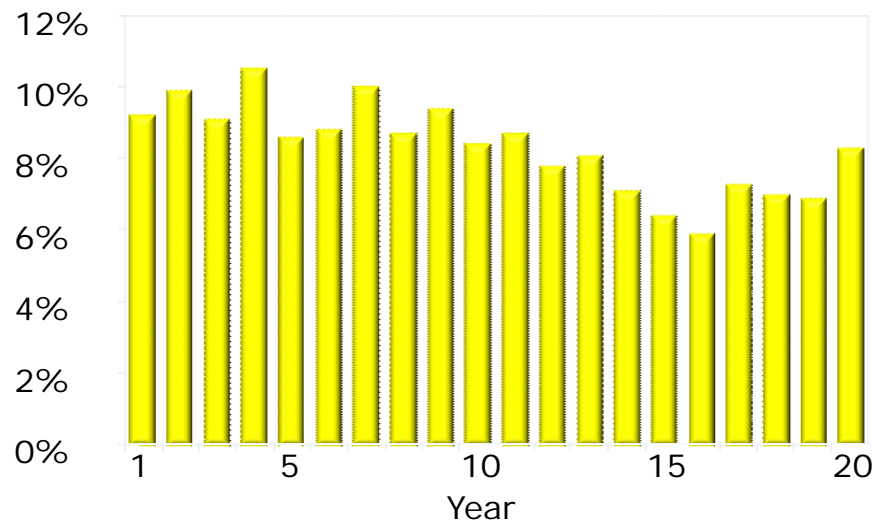
# Simple development concept

## High grade starter pit

- High grade zones targeted first – 145 million tonnes at 8.1%
- Mining North to south



Average Grade (%)

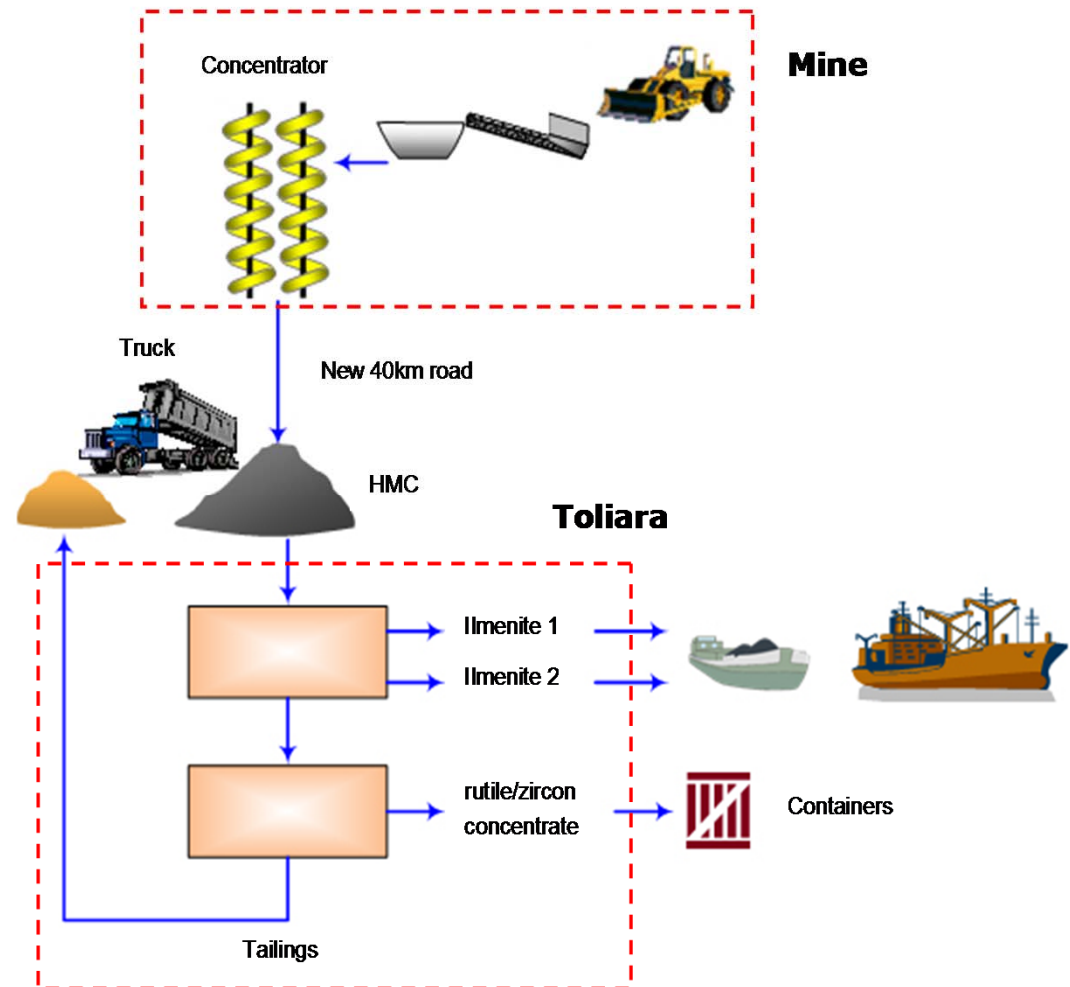


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# Simple development concept

## Simple Processing

- Simplified flow sheet
- Delivering three products
  - Sulfate ilmenite
  - Zircon/rutile concentrate
  - Chloride ilmenite
- Confirmed by pilot scale trials
  - 5,000t of ore processed
  - Proved easy separation



# Delivering robust project economics

Stage 1	
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 zircon/rutile concentrate	400,000 tpa 43,000 tpa
Forecast project financials	
Capital investment	Initial US \$131 m Yr 10 US \$24 m
IRR (after tax)	45%
NPV (after tax, 10% Real)	US \$323 million
Payback	2 years
Annual after tax cash flow	~ US\$ 51 million
Price assumptions (average)	
ilmenite	\$151/t
Zircon/rutile concentrate	\$1108/t

# Products suitable for key markets

Product	Annual production	Application
Sulfate ilmenite	326Kt	<ul style="list-style-type: none"> <li>• Sulfate pigment process</li> <li>• Utilised by the majority of China pigment plants</li> <li>• Ilmenite smelters for chloride-grade slag</li> </ul>
Zircon/Rutile concentrate (74% Zircon; 16% Rutile; 10% Other)	43Kt	<ul style="list-style-type: none"> <li>• Shipment to overseas processors for treatment</li> <li>• Current high appetite for concentrate</li> </ul>
Chloride ilmenite	74Kt	<ul style="list-style-type: none"> <li>• Higher TiO<sub>2</sub></li> <li>• Suitable for direct chlorination</li> <li>• Blend feed to synthetic rutile processors</li> </ul>

# Capability to deliver

Bruce Griffin – CEO

- 4 years as Vice President Titanium BHP Billiton and Director of Richards Bay Minerals
- Experienced international resource executive (9 years Shell, 7 years BHP Billiton)

Wayne Malouf – Chairman

- 6 years as CEO then Executive Vice Chairman of Sierra Rutile Limited
- Former CEO and current Chairman of Diamond Fields Limited

Peter Woods – Consultant Geologist

- Discovered the Ranobe deposit, exploring in Madagascar since 1994
- More than 20 years in mining, mineral exploration, and environmental science
- Founding director of World Titanium Resources

Jules LeClezio – Country Manager Madagascar

- Lived and worked in Madagascar for more than 14 years
- Involved in Toliara Sands since inception
- Extensive network contacts in Madagascar
- Instrumental in forming the Association for the Development of Mining in Madagascar

# Capability to deliver

Gooroodeo (Mahen ) Sookun – Director

- Director, CFO and Company Secretary of Diamond Fields International
- Former Finance and Administration Manager for Titanium Resources Limited
- Corporate Finance executive experience across Africa in a range of industries

Darren Morecombe – Director

- Chairman of Foran Mining, founder of Springtide Capital, Bondi Mining Director
- Resources executive experience including Normandy and Newmont Mining

Ian Ransome – Director

- CEO of Diamond Fields International
- Extensive experience in exploration and mining in Africa

Tristan Davenport – Director

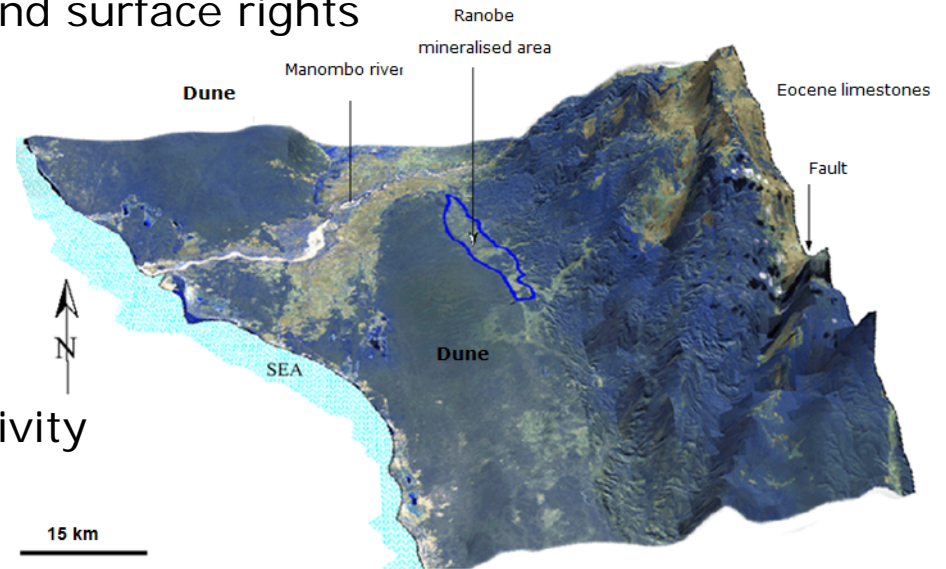
- Established and managed exploration projects across Africa

# Next steps

- Complete Bondi merger
- Complete definitive engineering study and verify capex and opex
- Secure mining licence, other approvals and surface rights
- Determine optimum funding strategy
- Raise development capital
- Design, construct and commission

Sufficient cash for all pre-development activity

- ~\$12m post Bondi merger



Targeting first production in early 2014

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