

Mannar Heavy Minerals Project
Sri Lanka

Growing economic resilience and sustainable agriculture

CORPORATE PRESENTATION MAY 2023



titaniumsands
LTD

CORPORATE OVERVIEW

CORPORATE SNAPSHOT

ASX Code	TSL	Options on issue at \$0.10 (exp. 17/11/23)	68.89m
		Options on issue at \$0.023 (exp.16/02/26)	314.73m
Shares on Issue	1.4b	Cash at Bank	\$0.68m
Market capitalisation (as 24/5/23 at \$0.011 per share)	AUD\$15m	Outstanding performance shares	33.33m

TOP 20 SHAREHOLDERS – 70.85%
TOP 50 SHAREHOLDERS – 80.97%

DIRECTORS

LEE CHRISTENSEN NON-EXECUTIVE CHAIRMAN

A lawyer and former senior partner at both Dentons and Gadens in Perth, specialising in dispute resolution, insolvency and restructures.

JAMES SEARLE MANAGING DIRECTOR

38 years of experience in base metals, precious metals and mineral sand deposits. He has led successful exploration, project development and operational teams in Australia, Africa, Northern Europe, and Central Asia.

JASON FERRIS NON-EXECUTIVE DIRECTOR

An experienced ASX company director with 20 years' experience in corporate, property and investment finance sectors.



titaniumsands
LTD

DISCLAIMER & FORWARD LOOKING STATEMENTS

This presentation has been prepared by Titanium Sands Limited ("TSL"). The information contained in this presentation is a professional opinion only and is given in good faith. Certain information in this document has been derived from third parties and though TSL has no reason to believe that it is not accurate, reliable or complete, it has not been independently audited or verified by TSL. Any forward-looking statements included in this document involve subjective judgment and analysis and are subject to uncertainties, risks and contingencies, many of which are outside the control of, and may be unknown to, TSL. In particular, they speak only as of the date of this document, they assume the success of TSL's strategies, and they are subject to significant regulatory, business, competitive and economic uncertainties and risks. Actual future events may vary materially from the forward-looking statements and the assumptions on which the forward-looking statements are based. Recipients of this document (Recipients) are cautioned to not place undue reliance on such forward-looking statements. TSL makes no representation or warranty as to the accuracy, reliability or completeness of information in this document and does not take responsibility for updating any information or correcting any error or omission which may become apparent after this document has been issued. To the extent permitted by law, TSL and its officers, employees, related bodies corporate and agents (Agents) disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of TSL and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this presentation or information. This presentation is not an offer, invitation, solicitation or recommendation with respect to the subscription for, purchase or sale of any security, and neither this presentation nor anything in it shall form the basis for any contract or commitment whatsoever. All amounts in Australian dollars unless stated otherwise.

For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

For latest MRE details refer to Updated Mineral Resource Estimate – Mannar Heavy Mineral Project, ASX Announcement 15 March 2023. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

Competent Persons Statement

Except where indicated, exploration results above have been reviewed and compiled by James Searle BSc (hons), PhD, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy, with over 38 years of experience in metallic and energy minerals exploration and development, and as such has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Searle is the Managing Director of Titanium Sands Limited and consents to the inclusion of this technical information in the format and context in which it appears.



titaniumsands
LTD

Scoping Study Highlights¹

Mannar Island Heavy Mineral Sand Project is located in North West Sri Lanka owned and operated by Kilsyth Investments (Pvt) Ltd group of companies, a subsidiary of ASX listed Titanium Sands Limited

Resource expanded to 318Mt

Based on resource at 2% lower cut-off. Resource provides expansion possibilities into a 2 or 3 dredge operation with further exploration to follow both laterally and at depth.

Anticipated revenue of AUD\$100m p.a

Revenue based on one dredge facility. Stage 2 scoping study (and beyond) to identify project expansion to 2 or 3 dredge operation significantly increasing revenue.



TSL's Mannar Island project has a **Revenue to Cost ratio of 2.75** which is highly competitive with other ilmenite feedstock producers globally.



NPV of \$545m

Based on single dredge production focused only on high grade zone of 82Mt at 3% lower cut off.

Investment IRR of 52%

IRR providing solid forward outlook on investment with economies of scale potentially providing uplift on introduction of dredge facilities 2 and 3.

¹For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.



Financial Highlights¹

Scoping study financial highlights for initial stage one dredge facility only. Potential for stages two and three and beyond to follow on the balance of the mineral resource estimate outlined.



Stage 1 - Gross Revenue

AUD\$2.01b estimated gross earnings for stage one.



Stage 1 - Net Present Value

Based on only 44% of the total mineral resource estimate for the project at a 3% cut off.



Stage 1 - EBITDA

AUD\$1.28b estimated EBITDA for stage one.

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

Government Revenues¹



1 Government Royalties Stage 1

Royalties of up to **AUD\$9.06m** per annum are expected during the first stage of the project.

2

Total Royalties Stage 1

Royalties of over **AUD\$181m** are expected to be paid to the government of Sri Lanka in the first stage.

3

Government Levy on exports

Export levies totaling over **AUD\$37m** are expected to be paid to the Sri Lankan Government throughout the first stage.

4

Government income grows as project grows.

Project related fee and royalty revenue due to the government of Sri Lanka is estimated at over **AUD\$218m** for stage one of the project not including economic benefit of job creation, salaries, and in country project operating expenditure of a **further AUD\$413m** (for stage one alone).

Project financial benefit to the economy of Sri Lanka is estimated at over AUD\$1.2b

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

Project Highlights¹

The Mannar Island mineral resource project is a high-grade ilmenite-based project in North-West Sri Lanka which has a significant resource ready to be brought into production



¹ Refer to Updated Mineral Resource Estimate – Mannar Heavy Mineral Project, ASX Announcement 15 March 2023. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.



Project Highlights¹ cont...

Key features of the Mannar Island project.

Project Life

Anticipated project life of 20 years initially, developing to 50 years+.

Annual Project Revenue

Project Gross revenues forecast at AUD\$100m per annum.



Employment

Direct skilled labor of 300 workers required, with the need for a further 300.

Project plantation

Agriculture development jobs for up to 1,200 people will be created.



titaniumsands
LTD

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.



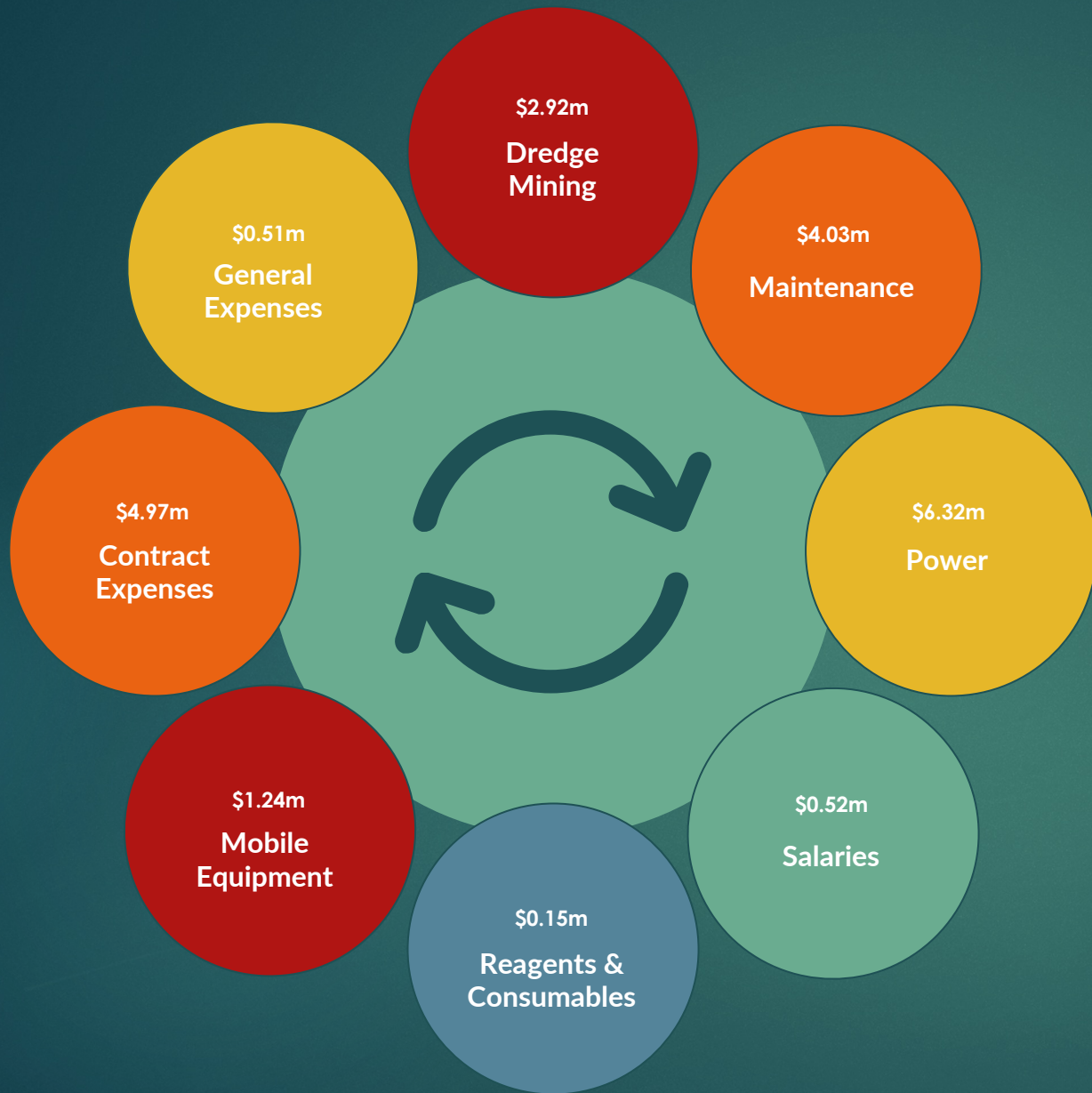
CAPEX SUMMARY¹

AUD\$122,296,533



titaniumsands
LTD

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.



OPEX SUMMARY¹

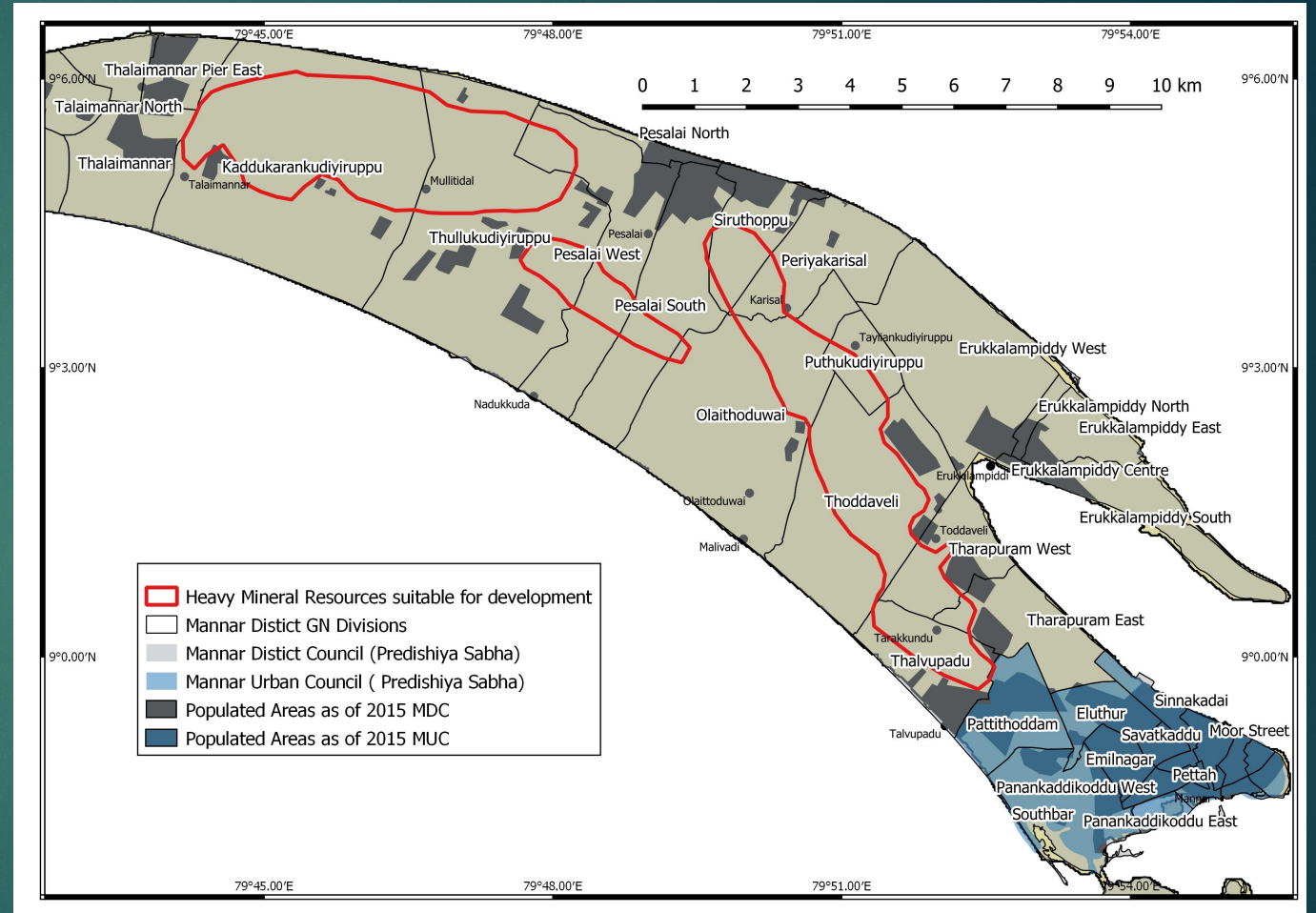
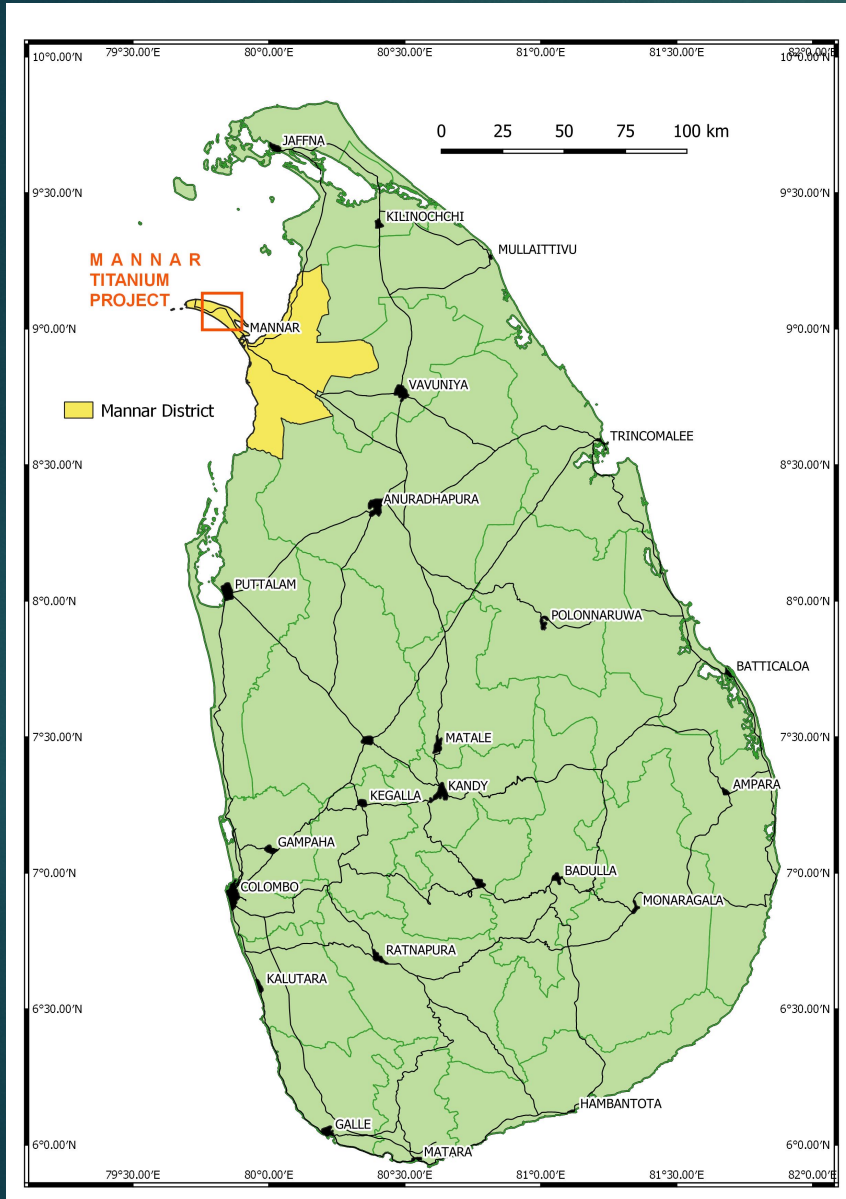
AUD\$20,689,527



titaniumsands
LTD

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

Project Location



Heavy Mineral Resource Estimate (MRE)¹

for the Mannar Island Project
Compliant with ASX JORC (2012) requirements

Resource Category	Volume (Mm ³)	Tonnes (M)	Thm %	Silt %	Ovz %	Ilm %	Leu %	Rut %	Zir %	Gar %
Indicated	83.3	145.7	4.28	1.76	18.41	1.90	0.35	0.08	0.09	0.44
Inferred	98.5	172.3	4.07	1.31	16.37	1.87	0.31	0.08	0.10	0.30
Total	181.7	318.0	4.17	1.52	17.30	1.88	0.33	0.08	0.10	0.37

Project all domain mineral resource estimate at 2% THM lower cut off with updated Domain 2 and 8 MRE



Garnet grains X400



Ilmenite grains X200

¹ Refer to Updated Mineral Resource Estimate – Mannar Heavy Mineral Project, ASX Announcement 15 March 2023. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.



Annual Production¹



- 1 Ilmenite**
Estimated to produce 115,000 tonne/yr with potential up to 300,000+ tonne/yr.
- 2 Garnet**
Estimated to produce 11,000 tonne/yr with potential up to 30,000+ tonne/yr .
- 3 Rutile**
Estimated to produce 3,500 tonne/yr with potential up to 9,000+ tonne/yr .
- 4 Zircon**
Estimated to produce 2,500 tonne/yr with potential up to 7,000+ tonne/yr
- 5 Green Focus**
Rehabilitation will commence during production so community will benefit from expanded green zone from as early as year 1.

Stage 1 of the project is estimated to be 20 years with the project expanding beyond that for stages 2 and 3, to potentially make a 50 year+ project.

**SRI LANKA
RECOGNISED**

**Stages 2 and 3 create
a global significant
ilmenite feedstock
producer and trader.**



titaniumsands
LTD

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

Mineral Sands Value Proposition¹

The value proposition for TSL mineral sands product is being developed and advanced through ongoing off-take discussions.

Ilmenite

Ilmenite is the most important ore of titanium. Ilmenite is the main source of titanium dioxide, which is used in paints, printing inks, fabrics, plastics, paper, sunscreen, food and cosmetics.

Rutile

Rutile is used in the manufacture of refractory ceramic, as a pigment, and for the production of titanium metal

AUD\$635/t

AUD\$3,207/t

AUD\$3,380/t

AUD\$433/t

Zircon

Zircon forms the basis for specialty uses include fibre optics, glass, paints, catalysts, underarm deodorants, adhesives, cosmetics, dental ceramics plus various research applications

Garnet

Garnet is used as an abrasive in high pressure paint stripping and industrial cleaning solutions

¹ For full Scoping Study details, refer TSL ASX release dated 12 May 2023, TSL Scoping Study Mannar Heavy Mineral Project. TSL confirms that it is not aware of any new information or data that materially affects the information included in that release. All material assumptions and technical parameters underpinning that release continue to apply and have not materially changed.

REHABILITATION

Sustainable

Rehabilitation and sustainable plantation agriculture development commencing with start of operations and continuous

Beneficial

Operations only on land not currently being used for formal agriculture

Development

Development of plantation agriculture under land access agreements with landowners

Natural Vegetation

Development of natural vegetation corridors to protect the plantation agriculture and enhance visual amenities

Conservation

Conservation of high value natural assets

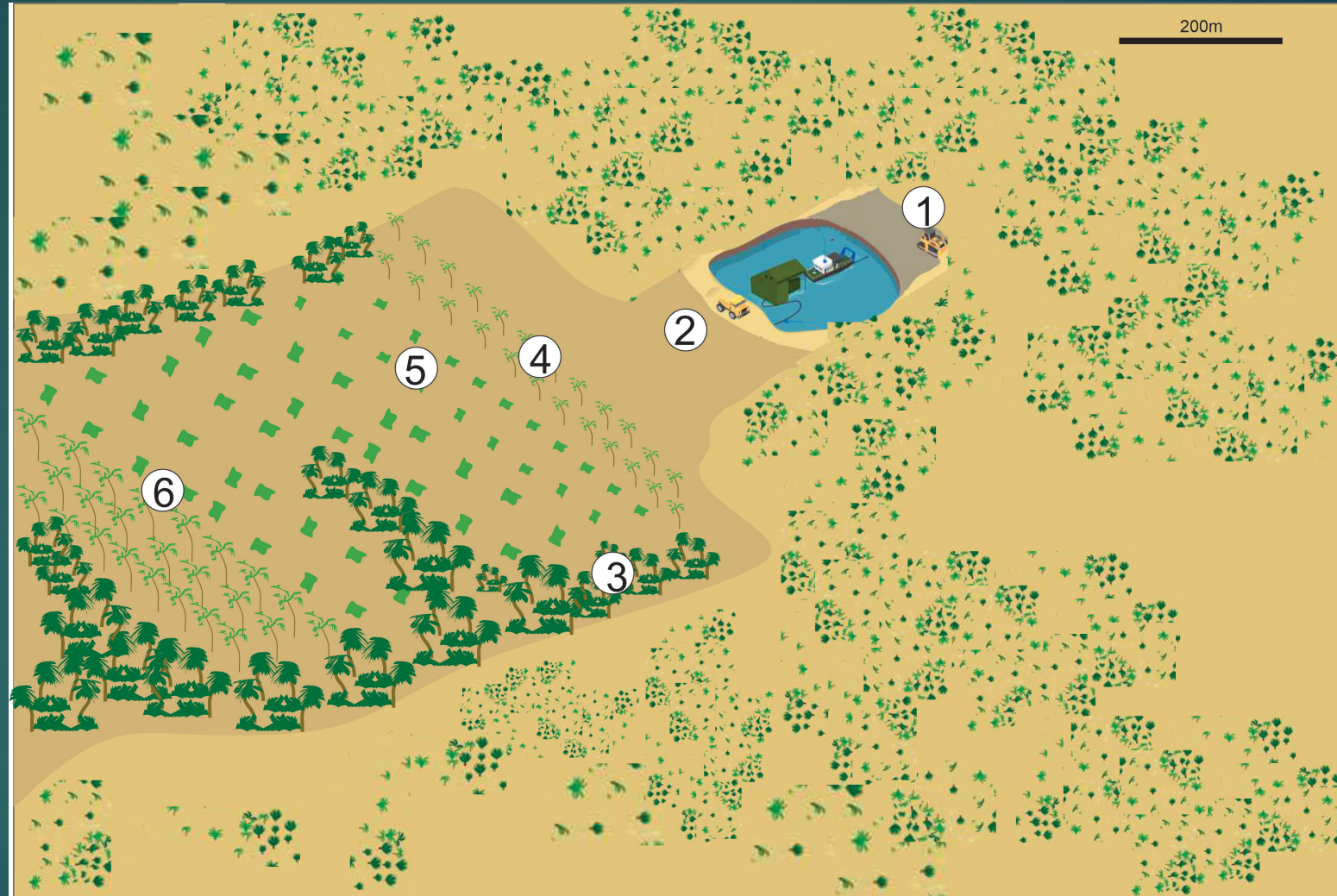
**CONCEPTS OF REHABILITATION,
ENVIRONMENTAL CONSERVATION
AND SUSTAINABLE PLANTATION
AGRICULTURE DEVELOPMENT**



titaniumsands
LTD

SECONDARY VALUE ADD PROPOSITION - AGRICULTURE REDEVELOPMENT

Schematic representation of rehabilitation and commercial agricultural development to follow each stage of production, creating industry and revenue for land owners, for generations to come.



Mining License Application

To follow on EIA and BOI approvals, draft application in progress.



Board of Investment

Initial presentations completed, submission pending.



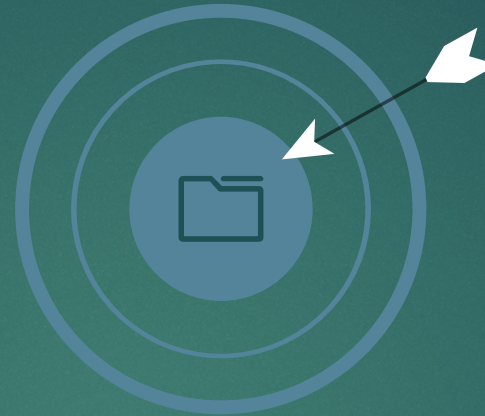
Environmental Impact Assessment (EIA)

Professional consultants appointed, process underway



Scoping Study Presentation

Completion of scoping study has identified a robust and significant project.



Milestones To follow

Proposed milestones to be achieved in 2023 commencing with conclusion, announcement and presentation of the scoping study.



PROJECT PARTNERS

 **titanium**sands
LTD
Australian Stock Exchange listed public company with 889 shareholders mainly in Australia and Europe

Investments \$

Investments \$

Srinel Ltd
An investment company incorporated in Mauritius and wholly owned by Titanium Sands Ltd

Bright Angel Ltd
An investment company incorporated in Mauritius and wholly owned by Titanium Sands Ltd

Investments \$

Investments \$

PROJECT PROPONENT
Kilsythe Investments (Pvt) Ltd
An investment company incorporated in Sri Lanka and will act as parent for Orion, Kilsythe Exploration and Sanur.

Kilsythe Exploration (Pvt) Ltd

 **Sanur Minerals (pvt) Ltd**

 **ORION MINERALS (PRIVATE) LIMITED**



REGISTERED OFFICE
Level 8, 216 St Georges Terrace
Perth
Western Australia 6000



www.titaniumsands.com.au

James Searle
MANAGING
DIRECTOR



james.searle@titaniumsands.com.au



+61 (08) 9481 0389



titaniumsands
LTD