

Titanium Sands Limited

ACN 009 131 533

Supplementary Prospectus

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 29 March 2018 (**Prospectus**), issued by Titanium Sands Limited ACN 009 131 533 (**Company**) in respect of the offer of up to 300,000,000 Shares at an issue price of \$0.02 each to raise up to \$6,000,000 before costs (**Public Offer** or **Offer**). In addition, the Company is offering up to 80,595,239 Shares to the Seller (and/or its nominees) under the Seller Offer and approximately 5,034,057 Shares to the Creditors under the Creditor Offer.

This Supplementary Prospectus is dated 21 June 2018 and was lodged with ASIC on that date. Neither ASIC nor ASX take any responsibility as to the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than the changes set out in this Supplementary Prospectus, all other details in relation to the Prospectus remain unchanged. To the extent of any inconsistency between this Supplementary Prospectus and the Prospectus, the provisions of this Supplementary Prospectus will prevail. Unless otherwise indicated, terms defined and used in the Prospectus have the same meaning in this Supplementary Prospectus.

The Company has issued a printed and electronic version of this Supplementary Prospectus and the Prospectus. Any person may obtain an electronic version of this Supplementary Prospectus and the Prospectus from the Company's website at www.titaniumsands.com.au or a hard copy of these documents free of charge by contacting the Company on +61 8 6211 5099.

This Supplementary Prospectus and the Prospectus are important documents that should be read in their entirety. If you are in any doubt as to the contents of this Supplementary Prospectus or the Prospectus, you should consult your stockbroker, lawyer, accountant or other professional adviser without delay.

1. BACKGROUND

This Supplementary Prospectus is a 'refresh document' for the purposes of ASIC Corporations (Minimum Subscription and Quotation Conditions) Instrument 2016/70 (**LI 2016/70**) and, accordingly, has been prepared to:

- extend the period for admission to quotation of Shares offered under the Prospectus from 3 months from the date of the Prospectus to 3 months from the date of this Supplementary Prospectus (**Quotation Condition**); and
- extend the period for the Minimum Subscription to be satisfied from 4 months from the date of the Prospectus to 4 months from the date of this Supplementary Prospectus (**Minimum Subscription Condition**).

2. APPLICATIONS

2.1 Withdrawal rights

In accordance with the Corporations Act, the Company will allow applicants who have lodged Application Forms prior to the date of this Supplementary Prospectus a period of 1 month to withdraw their applications and obtain a refund of their Application Monies (without interest), if they do not wish to proceed with their applications. The Offers will remain open for the duration of the withdrawal period.

Any applicant who wishes to withdraw its application and obtain a refund of its Application Monies, should submit a written request to the Company at the following address by 5:00 pm WST on 21 July 2018:

Titanium Sands Limited
c/- Trident Capital
PO Box Z5183
St Georges Terrace
Perth WA 6000

If you do not wish to withdraw your application then you do not need to take any action.

2.2 New applications

Investors who wish to apply for Shares under the Offers must complete and return the respective Supplementary Application Forms which are attached to this Supplementary Prospectus – regardless of whether or not the investor has previously returned an Application Form and Application Monies to the Company. In all other respects, the procedure for applying for securities under the Offer is set out in section 1.2 of the Prospectus.

Investors who wish to apply for Shares under an Offer and have not yet completed the relevant Application Form must complete and return the relevant Supplementary Application Form which is attached to this Supplementary Prospectus.

Supplementary Application Forms must be received by 5:00 pm WST on 31 July 2018 and must be completed in accordance with the relevant instructions in the Prospectus and the relevant Supplementary Application Form.

New applications **must not** be made on an Application Form attached to or accompanying the Prospectus.

2.3 Applications received

As at the date of this Supplementary Prospectus, the Company has received applications for 26,650,000 Shares.

The Company notes, however, that no applications have been processed as at the date of this Supplementary Prospectus.

3. REFRESH DOCUMENT

Under the Corporation Act, if a company offers securities under a prospectus which states that a minimum subscription amount must be raised before the securities will be issued, then the minimum subscription must be satisfied within 4 months after the date of the prospectus, otherwise any amounts received must be returned to applicants or applicants must be given 1 month to withdraw their applications.

Further, under the Corporation Act, if a company offers securities under a prospectus which states or implies that the securities are to be quoted on a financial market such as the ASX, and the securities are not admitted to quotation within 3 months after the date of the prospectus, then any amounts received must be returned to applicants and any issue of securities is void.

Subject to certain disclosure requirements, LI 2016/70 enables a company to refresh the time periods in which the company must satisfy the Minimum Subscription Condition and the Quotation Condition so that they effectively recommence from the date of a refresh document such as this Supplementary Prospectus. The disclosures in this section 3 are made for the purposes of satisfying the disclosure requirements of LI 2016/70.

3.1 Minimum Subscription Condition

The Company makes the following statements regarding the Minimum Subscription Condition for the purposes of LI 2016/70:

- as at the date of this Supplementary Prospectus, the number of Shares for which the Company has received applications is set out in section 2.3; and
- the date by which the Minimum Subscription Condition must be satisfied is extended to the date that is 4 months after the date of this Supplementary Prospects, being 21 October 2018.

3.2 Quotation Condition

The Company makes the following statements regarding the Quotation Condition for the purposes of LI 2016/70:

- an application for admission to quotation of the Shares offered under the Prospectus was made within 7 days after the date of the Prospectus;
- the Shares offered under the Prospectus have not been admitted to quotation as at the date of this Supplementary Prospectus;
- ASX has not indicated that the Shares offered under the Prospectus will not be admitted to quotation, or that the Shares will be admitted to quotation subject to certain conditions being satisfied;
- the Quotation Condition is unchanged except that the date by which it must be satisfied is extended as set out below;
- the date by which the Quotation Condition must be satisfied is extended to the date that is 3 months after the date of this Supplementary Prospects, being 21 September 2018; and
- as at the date of this Supplementary Prospectus, the number of Shares for which the Company has received applications is set out in section 2.3.

4. AMENDMENTS TO THE PROSPECTUS

The indicative timetable set out under the 'Key Details of the Offer' and 'Investment Overview' sections is deleted and replaced with the following:

Important dates	
Annual General Meeting to approve the Resolutions	24 January 2018
Prospectus lodged with ASIC	29 March 2018
Public Offer opens	13 April 2018
Public Offer closes	31 July 2018
Completion of the Proposed Acquisition Issue of Shares under the Offers	10 August 2018
Holding statements sent to Shareholders	13 August 2018
Trading re-commences	17 August 2018

5. ASX WAIVERS

Section 10.13 of the Prospectus confirmed that ASX has granted the Company waivers from ASX Listing Rules 1.1 (Condition 12), 2.1 (Condition 2) and 14.7 (**Waivers**). The Waivers were granted on the condition that the Proposed Acquisition would be completed before 27 June 2018. The Company confirms it has made an application to ASX seeking an extension of time for the Waivers. The Directors have no reason to believe that an extension will not be granted.

6. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. The Directors believe that the Prospectus when read together with this Supplementary Prospectus contains all the information that would be required by sections 710 and 711 of the Corporations Act and does not contain any material statement that is misleading or deceptive.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgment of this Supplementary Prospectus with ASIC and has not withdrawn that consent prior to lodgment.

Signed for and on behalf of the Company on 21 June 2018

A handwritten signature in black ink, appearing to be 'Lee Christensen', written over a horizontal line.

Lee Christensen
Chairman

Guide to the Supplementary Public Offer Application Form

YOU SHOULD READ THE PROSPECTUS AND THE SUPPLEMENTARY PROSPECTUS CAREFULLY BEFORE COMPLETING THIS SUPPLEMENTARY APPLICATION FORM.

Please complete all relevant sections of the appropriate Supplementary Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Supplementary Application Form.

Instructions

- A. If applying for Shares insert the number of Shares for which you wish to subscribe at Item A (not less than 100,000). Multiply by \$0.02 to calculate the total for Shares and enter the dollar amount at B.
- B. Write your full name. Initials are not acceptable for first names.
- C. Enter your postal address for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered.
- D. If you are sponsored in CHESS by a stockbroker or other CHESS participant, you may enter your CHESS HIN if you would like the allocation to be directed to your HIN.
- E. Enter your Australian tax file number (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN /ABN of each joint applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Application Form.
- F. Complete cheque details as requested. Make your cheque payable to "Titanium Sands Limited – Subscription Account", cross it and mark it "Not negotiable". Cheques must be made in Australian currency, and cheques must be drawn on an Australian Bank.
- G. Enter your contact details so we may contact you regarding your Supplementary Application Form or Application Monies.
- H. Enter your email address so we may contact you regarding your Supplementary Application Form or Application Monies or other correspondence.

NB: Your registration details provided must match your CHESS account exactly.

Correct form of Registrable Title

Note that ONLY legal entities can hold Shares. The application must be in the name of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and surname is required for each natural person.

Examples of the correct form of registrable title are set out below:

Type of Investor	Correct form of Registrable Title	Incorrect form of Registrable Title
Individual	Mr John David Smith	J D Smith
Company	ABC Pty Ltd	ABC P/L or ABC Co
Joint Holdings	Mr John David Smith & Mrs Mary Jane Smith	John David & Mary Jane Smith
Trusts	Mr John David Smith	John Smith Family Trust
Deceased Estates	<J D Smith Family A/C>	John Smith (deceased)
Partnerships	Mr Michael Peter Smith	John Smith & Son
Clubs/Unincorporated Bodies	<Est Lte John Smith A/C>	Smith Investment Club
Superannuation Funds	Mr John David Smith & Mr Ian Lee Smith	John Smith Superannuation Fund

Lodgement

Post your completed Supplementary Application Form with cheque(s) attached to the following address:

Titanium Sands Limited
c/- Trident Capital
P.O. Box Z5183
St Georges Terrace
PERTH WA 6831

It is not necessary to sign or otherwise execute the Supplementary Application Form. For questions on how to complete the Supplementary Application Form, please contact the Company on +61 8 6211 5099.

Privacy Statement

Chapter 2C of the *Corporations Act 2001* (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting Computershare Investor Services Pty Limited on +61 8 9323 2000. Our privacy policy is available online at <http://titaniumsands.com.au/>.

Guide to the Supplementary Seller Offer Application Form

YOU SHOULD READ THE PROSPECTUS AND THE SUPPLEMENTARY PROSPECTUS CAREFULLY BEFORE COMPLETING THIS SUPPLEMENTARY SELLER OFFER APPLICATION FORM.

Please complete all relevant sections of the appropriate Supplementary Application Form using BLOCK LETTERS. These instructions are cross-referenced to each section of the Supplementary Application Form.

Instructions

- A. If applying for Shares insert the number of Shares for which you wish to subscribe at Item A (not less than 100,000). Multiply by \$0.02 to calculate the total for Shares and enter the dollar amount at B.
- B. Write your full name. Initials are not acceptable for first names.
- C. Enter your postal address for all correspondence. All communications to you from the Company will be mailed to the person(s) and address as shown. For joint applicants, only one address can be entered.
- D. If you are sponsored in CHESS by a stockbroker or other CHESS participant, you may enter your CHESS HIN if you would like the allocation to be directed to your HIN.
- E. Enter your Australian tax file number (TFN) or ABN or exemption category, if you are an Australian resident. Where applicable, please enter the TFN /ABN of each joint applicant. Collection of TFN's is authorised by taxation laws. Quotation of your TFN is not compulsory and will not affect your Supplementary Application Form.
- F. Complete cheque details as requested. Make your cheque payable to "Titanium Sands Limited – Subscription Account", cross it and mark it "Not negotiable". Cheques must be made in Australian currency, and cheques must be drawn on an Australian Bank.
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Trusts	Mr John David Smith	John Smith Family Trust
Deceased Estates	<J D Smith Family A/C>	John Smith (deceased)
Partnerships	Mr Michael Peter Smith	John Smith & Son
Clubs/Unincorporated Bodies	<Est Lte John Smith A/C>	Smith Investment Club
Superannuation Funds	Mr John David Smith & Mr Ian Lee Smith	John Smith Superannuation Fund

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Guide to the Supplementary Creditor Offer Application Form

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Instructions

- A. If applying for Shares insert the number of Shares for which you wish to subscribe at Item A (not less than 100,000). Multiply by \$0.02 to calculate the total for Shares and enter the dollar amount at B.
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