

1 March 2018

Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY NSW 2000

GRANT OF TWO FURTHER EXPLORATION LICENSES, MANNAR ISLAND PROJECT

Titanium Sands Ltd is pleased to announce that the Sri Lankan Geological and Mines Bureau has granted two further exploration licenses, EL371 and EL372, covering 53 km² adjoining the existing tenure at the Mannar Island Heavy Mineral Sands Project (Figures 1 and 2) to Hammersmith Ceylon (Pvt) Ltd. Hammersmith Ceylon is a wholly owned subsidiary of Srinel Holdings Ltd. The tenure is for an initial period of two years and is renewable subject to demonstration of satisfactory progress.

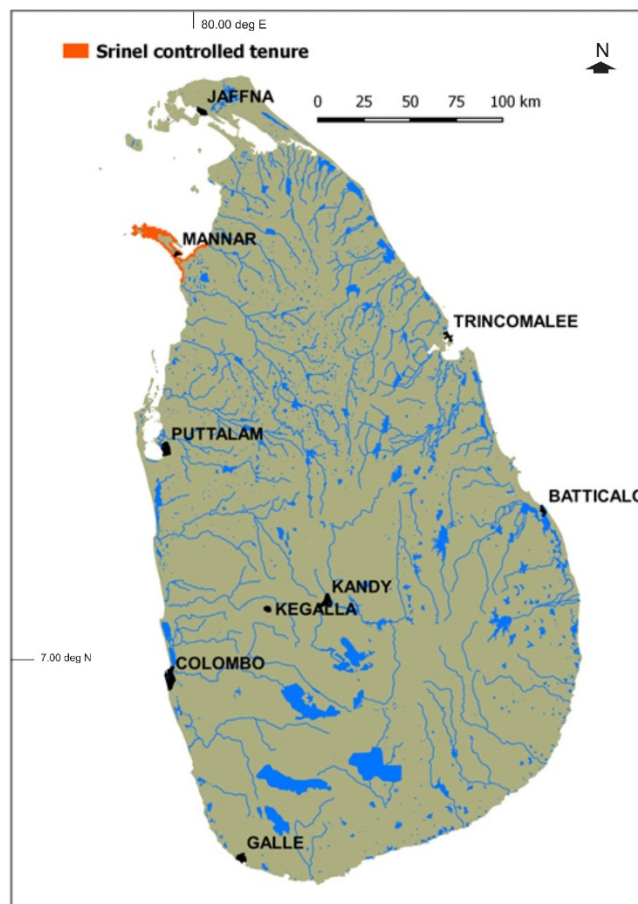


Figure 1 Location of the Mannar Island Project in Sri Lanka

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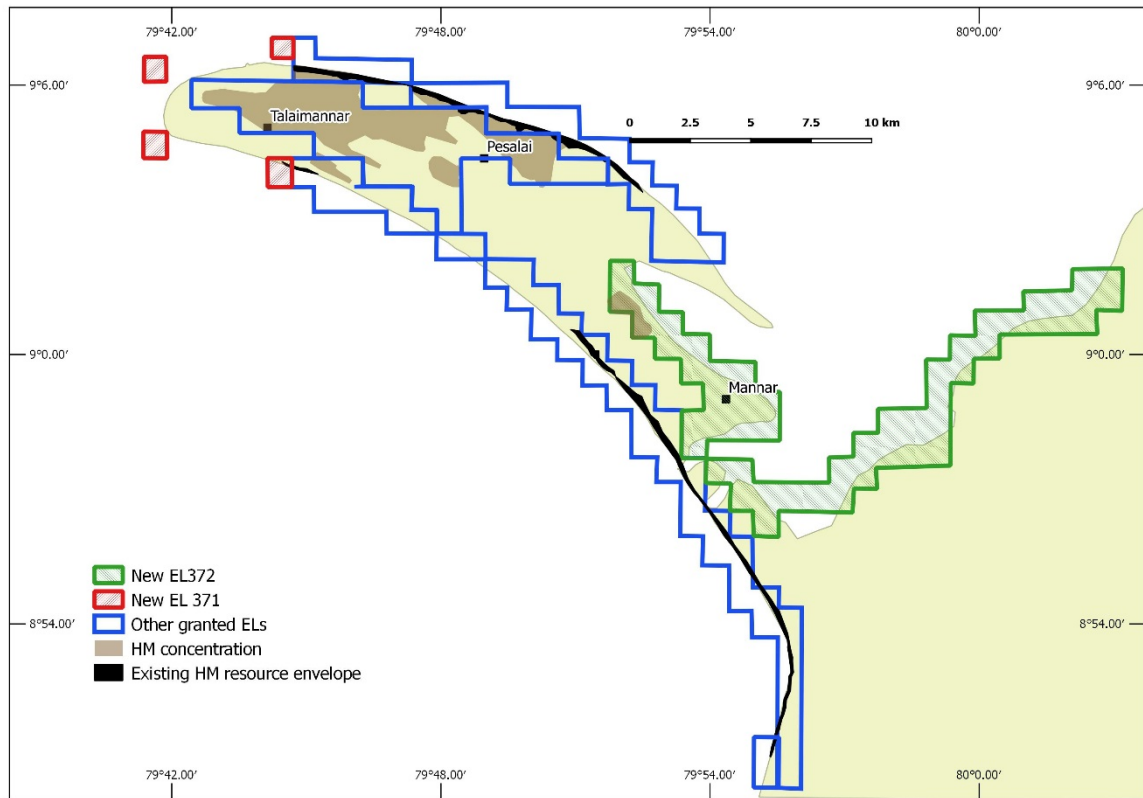


Figure 2 Recently granted exploration licenses EL371 and EL372, and other Srinel Holdings tenure. The existing resource envelope refers to the previously reported JORC standard heavy mineral sand resource *. The HM concentration area is based on drilling and is expected to be modelled as part of an updated resource statement to be prepared in due course.

Shareholders of Titanium Sands Ltd approved the acquisition of Srinel Holdings Ltd on the 24th of January 2018 (Announcement to the ASX 24th January 2018). Srinel Holdings through its wholly owned subsidiaries now holds five exploration licences covering 164 km² #. The Company is required to re-comply with Chapters 1 and 2 of the ASX Listing Rules to seek readmission to the official list of ASX.

Priorities for the Mannar Island Project are now to complete the work necessary for an updated mineral resource statement and then to progress with evaluating the major exploration potential of the project both adjacent to the known mineralisation and immediately underlying beneath the water table.

**An initial JORC inferred mineral resource of 10.3 Mt with total heavy mineral (THM) of 11.7% compiled by independent consultants was reported in full to the Australian Securities Exchange on the 22 April 2015. This resource was based on a historical drill hole data base of 785 auger drill holes and from the 115 holes drilled in early 2015. The drilling and the defined resource envelope was largely confined to within 150m of the Mannar Island shoreline. The Company confirms that this resource statement remains current in regards to the areas covered by the drilling used in the resource model.*

Except where indicated, exploration results above have been reviewed and compiled by James Searle BSc (hons), PhD, a Member of the Australian Institute of Mining and Metallurgy, with over 34 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.

The area granted for EL371 was 49km² as compared to the 50km² applied for.