

16 August 2016

## OPERATIONAL INCIDENT AT TIZIR TITANIUM & IRON

*TiZir Limited owns 90% of the Grande Côte Mineral Sands Project in Senegal, West Africa and 100% of the ilmenite upgrading facility TiZir Titanium & Iron, in Tyssedal, Norway.*

An operational incident took place at the TiZir Titanium and Iron ilmenite upgrading facility ('TTI') in Tyssedal, Norway on 15<sup>th</sup> August, resulting in damage to the surrounds of the furnace.

TiZir Limited is pleased to report there have been no injuries to TTI personnel as a result of the incident.

While investigations are continuing, an early prognosis is that the furnace will be off-line for a period of 4 to 5 weeks. TiZir Limited's current view is that there is no connection between the incident and the recent project to expand furnace capacity at TTI, nor the transition from sulphate to chloride slag production.

A preliminary estimate of the costs to repair is approximately US\$5 million however, the final number will be dependent on the result of continuing investigations.

TiZir Limited has insurance cover against these risks and will be making a claim on its insurers for losses incurred as a result of the incident.