

22 January 2025

Barbara Lim
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By email: barbara.lim@asx.com.au; ListingsCompliancePerth@asx.com.au

Dear Barbara,

RE: Titanium Sands Limited ('TSL'): ASX Query

We refer to your letter of 15 January 2025.

Defined terms used in this letter have the same meaning as in your letter unless expressed otherwise.

We respond to each of the requests for information in your letter as follows:

- 1. Having regard to TSL's disclosure in its Annual Report, September Quarterly Report and 31 October Announcement it appears that the validity periods have lapsed for exploration licences EL 351, EL 425, EL 423 and EL 424 ('Orion Exploration Licences'). What is the current status of each Orion Exploration Licence, and what steps TSL has taken to extend its validity?***

The status of the Orion Exploration Licences were correct as disclosed on page 12 of TSL's Annual Report, September Quarterly Report and 31 October Announcement as at the date of each publication. TSL notes the Schedule of Exploration Tenements included on page 48 of the Annual Report inadvertently included an error with respect to the status of the Orion Exploration Licences. The table on page 12 of the Annual Report is correct, which is consistent with the status of the Orion Exploration Licences as disclosed in the subsequent September Quarterly Report and 31 October Announcement.

The status of the Orion Exploration Licences remains unchanged. That is, TSL submitted retention applications on time for each of the expired Orion Exploration Licences (ie, before their expiry dates). As noted in the 31 October Announcement, the GSMB have confirmed these applications are being processed.

From recent discussions with the GSMB, TSL understands that processing of retention applications paused over the Christmas and New Year period, which has delayed the granting of retention applications. TSL has been verbally advised by GSMB that the retention applications have been approved, however formal confirmation remains pending.

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Most recently, TSL's Managing Director, Dr James Searle, met with the GSMB in Colombo on 16 January 2025. In that meeting the GSMB again verbally confirmed that TSL's retention applications in respect of the Orion Exploration Licences have been approved and the retention licences will be issued. The GSMB also advised that there were delays to the processing of all licence renewals and retentions in Sri Lanka caused by internal matters unrelated to TSL or TSL's tenure. Subsequent to the meeting on 17 January 2025, TSL received a letter from the GSMB confirming the representations at that meeting. Formal grant of the retention licences remains pending.

By way of further background, TSL notes that the new Sri Lankan President, Anura Dissanayake was appointed 23 September 2024. This meant a change in ministry and operational positions within many of the government departments and a general election was held in November 2024 where new ministerial candidates were appointed. For context, this will be the sixth Minister of Environment TSL has dealt with in relation to the Mannar Island Project. Each change of government or operational head naturally causes delays and work in re-engaging with new ministers.

Further, given the state of the economy in Sri Lanka and the involvement of the World Bank and International Monetary Fund (IMF), TSL understands that the most recent change of government will result in positive action to progress the Mannar Island Project. As noted above, Dr James Searle has recently been in Colombo and has met with various officials and stakeholders including the GSMB Chairman and Director General, the new CEA Chairman and Director General, the Australian High Commission, the new Board of Investment (BOI) Chairman and team, along with other government departments and officials.

2. *What factors lead TSL to believe that any lapsed Orion Exploration Licences will be renewed?*

Refer to response 1 above.

3. *Having regard to TSL's disclosure in its Resource Estimate, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing renewal process for exploration licences EL 180/R/3, EL 182/R/3, EL 371 and EL 372 ('Peripheral Exploration Licences'), what factors lead TSL to believe that these will be renewed?*

The status of the Orion Exploration Licence renewals remains unchanged from TSL's disclosure in the above announcements.

TSL has had discussions with the GSMB with respect to the status of the Peripheral Exploration Licence renewals. These licences do not make up the priority high-grade zone of the Mannar Island Project and their coastal location makes these areas particularly environmentally sensitive. Accordingly, TSL has not prioritised the progression of these renewals and is assessing its options with respect to these areas. Notwithstanding this, TSL maintains a good relationship with the GSMB and continues to engage with the GSMB regarding TSL's environmentally friendly initiatives as part of the broader Mannar Island Project.

TSL will not make any decisions regarding the Peripheral Exploration Licence renewals until after receipt of formal confirmation that the Orion Exploration Licences retention licences have been granted.

4. **Having regard to TSL's disclosure in its Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing renewal process for the Peripheral Exploration Licences, what date does TSL expect the Peripheral Exploration Licences to be renewed by? In answering this question, please advise the basis for TSL's expectation the Peripheral Exploration Licences will be renewed by the date TSL has nominated.**

Refer to response 3 above.

5. **What date was the last communication received by TSL from the relevant Sri Lankan government authority in relation to renewal of each of the lapsed Orion Exploration Licences and Peripheral Exploration Licences?**

Refer to responses 1 and 3 above.

6. **Is TSL presently able to physically access the Orion Exploration Licences and Peripheral Exploration Licences to conduct exploration work? In answering this question, please provide details of any exploration work that has been undertaken at each exploration licence since 30 September 2024 until the date of this letter, including details of the expenditure incurred on those works.**

TSL is able to access the licence areas notwithstanding their passed validity dates and pending renewals or applications. This is because TSL has land access agreements in place with the relevant land holders. TSL's Mannar office remains open and operational with local staff employed to manage operations at the Mannar Island Project.

TSL notes that it submitted the final exploration reports to the GSMB in September 2022 and GSMB advised the CEA on 20 June 2023 that "*the Bureau has identified this project as economically viable for mining*", that it "*recommends the project for EIA for consideration of the issuance of a mining licence*" and for CEA to "*issue the environmental clearance for mining and processing on completion of the EIA*". Refer to TSL's announcement dated 18 July 2023. Since that time TSL has focused on progressing with the regulatory and approvals process required for completion of the EIA approval and obtaining an IML for the Mannar Island Project.

TSL's activities have most recently been focused on community liaison, project planning (including processing facility design and planning), on site-project management and environmental studies. TSL has undertaken significant previous exploration work on the Mannar Island Project as previously announced including in TSL's Resource Estimate and Scoping Study. Accordingly, the focus of TSL's recent activities has been on finalising the environmental approvals processes and proceeding towards TSL obtaining an IML for the Mannar Island Project. On ground activities required to progress these approvals are not inhibited by the current status of the Orion Exploration Licences or Peripheral Exploration Licenses.

An itemisation of the expenditure incurred on the above activities is set out in Annexure 1.

7. **Having regard to TSL's disclosure in its Scoping Study, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing regulatory process for TSL obtaining Environmental Impact Assessment approval ('EIA'), what date does TSL expect the EIA approval will be granted by? In answering this question, please advise the basis for TSL's expectation the EIA will be approved by the date TSL has nominated.**

As previously announced by TSL, completion of the EIA can only take place once the Terms of Reference (TOR) are issued by the CEA to address the queries raised by stakeholders. To clarify, the TOR refers to the Central Environment Agency requirements for matters to be addressed in the Project's Environmental Impact Assessment. TSL has received a comprehensive draft of the proposed TOR, but as yet has not received the formal document.

For example, refer to TSL's Annual Report and September Quarterly Report. The status of EIA activities was most recently announced by TSL on 21 October 2024, where TSL confirmed the status of key activities including completion of key stakeholder presentation and site visit, timing for the issue of TOR and steps to completion of the EIA. The status of these activities remains unchanged. TSL continues to liaise with key officials and stakeholders to progress the EIA, including most recently Dr Searle's meetings in Colombo noted above. The CEA has not advised TSL of any expected timing for the approval, however TSL continues to work closely with the BOI and CEA to progress the required approvals. TSL remains hopeful and confident that completion of the EIA and issue of the IML will be finalised this year.

8. ***Having regard to TSL's disclosure in its Scoping Study, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing regulatory process for TSL obtaining an Industrial Mining Licence ('IML') in respect of the Orion Exploration Licences, what date does TSL expect the IML will be granted by? In answering this question, please advise the basis for TSL's expectation the IML will be granted by the date TSL has nominated.***

The IML process will be completed once the environmental studies have been approved by the CEA and the recommendation for the Mannar Island Project to proceed is sent from the CEA to the GSMB. As per response 7 above, the issue of the TOR is key to the timing for the EIA approval to be finalised and CEA's recommendation to be provided to the GSMB. Refer to response 7 above regarding timing.

9. ***Having regard to TSL's disclosure in its Annual Report of payments for exploration expenditure of \$1,026,357 and in its September Quarterly Report of cash outflows for the quarter relating to exploration and evaluation expenditure of \$226,000, please provide details of the type of exploration and evaluation work undertaken by TSL for each relevant period captured by the Annual Report and September Quarterly Report (e.g. soil sampling, geophysical surveys etc.).***

Exploration and evaluation activities undertaken in FY24 (as included in exploration and evaluation expenditure in the Annual Report) comprised land management activities, scoping meetings, community liaison, project planning (dredge design and layout, mapping), processing facility planning, transportation and shipping options, rehabilitation planning and tests, general on site project management, license retentions and environmental studies and other associated ground work. An itemisation of the expenditure incurred on such activities is set out in Annexure 1.

Exploration and evaluation activities undertaken in the September Quarter (as included in exploration and evaluation expenditure in the September Quarterly Report) comprised the continuation of the above activities together with scoping studies on expanded production scenarios utilising existing mineral resources outside the high grade zone considered in the initial project scoping study.

An itemisation of the expenditure incurred on such activities is also included in Annexure 1.

10. Having regard to TSL's disclosure in its September Quarterly Report that it had an estimated 1.15 remaining quarters funded, please confirm whether TSL has taken any steps to raise further cash to fund its operations. If so, what are those steps and how likely does TSL believe that they will be successful?

As outlined in TSL's email to the ASX on 8 January 2025, TSL will be completing a placement in January with full support of the major shareholders and TSL's corporate advisor.

The terms of that placement are yet to be finalised, however TSL anticipates this process to be concluded shortly and confidential discussions with brokers and potential investors remain ongoing.

TSL has also had discussions with its major shareholder regarding potential funding via a debt or hybrid facility, which can be made available on short notice if required in a manner consistent with similar funding arrangements provided to TSL previously.

TSL expects to be in a position to complete the placement quickly once the terms are finalised utilising our existing placement capacity under ASX Listing Rules 7.1 and 7.1A. Should the placement be delayed for any reason, TSL is confident in its ability to secure interim funding from its major shareholder as set out above on short notice if required.

11. Having regard to the fact that TSL's retention licences in respect of the Orion Exploration Licences have lapsed and are subject to re-application and the Peripheral Exploration Licences are lapsed pending renewal, does TSL consider that its level of operations is sufficient to warrant the continued quotation of its securities on ASX under Listing Rule 12.1? In answering this question, please explain the basis for TSL's conclusion and comment on the current status of the regulatory approvals pending in relation to the Orion Exploration Licences and Peripheral Exploration Licences.

Yes. As outlined in responses 1, 3, 6, 7 and 8 above, the delay in processing the Orion Exploration Licence retention applications is considered an administrative process of the GSMB and has not inhibited TSL's activities. As noted above, the GSMB has confirmed in writing that such applications will be formally approved once internal administration issues have been resolved. Through the various correspondence with GSMB as detailed above, these licences are still considered held by TSL and active in our correspondence with the GSMB, despite not having received formal correspondence of renewal at this time.

TSL's current business activities therefore remain unchanged and continue to be identical to what they would be if the licences had been formally renewed. Further, the status of the Peripheral Exploration Licence renewals is not considered material to TSL's Mannar Island Project activities as they are outside the priority high-grade zone of the Project, as noted above.

TSL continues to make progress towards successful EIA approval and granting of an IML at the Mannar Island Project with key official and stakeholder support in Sri Lanka and by TSL carrying out the exploration and evaluation activities detailed above, which will continue.

TSL has a clearly defined strategic direction, as outlined through TSL's announcements including the Scoping Study, to continue to develop the Mannar Island Project towards successful EIA approval and granting of an IML.

In light of this, TSL considers its operations are sufficient and appropriate to warrant the continued quotation of its securities on ASX for the purposes of Listing Rules 12.1 and 12.5.

12. ***Does TSL consider that its structure and operations is appropriate for a listed entity? In answering this question, please explain the basis for TSL's conclusion including commenting on the fact TSL is awaiting licence approvals as to both the lapsed Orion Exploration Licences and the lapsed Peripheral Exploration Licences.***

Yes. Refer to responses 1, 3, 6, 7, 8 and 11 above.

13. ***Please confirm that TSL is complying with the Listing Rules and in particular, Listing Rule 3.1.***

Confirmed.

14. ***14. Please confirm that TSL's responses to the above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of TSL with delegated authority from the board to respond to ASX on disclosure matters.***

Confirmed.

We trust our responses above address any concerns ASX has regarding the above matters.

Please contact me if you require any further information or wish to discuss these matters further.

Regards,

Alan Armstrong
Company Secretary
Titanium Sands Limited

Annexure A - Detailed Exploration & Evaluation Expenditure

2024 September Quarterly Report

	Total in AUD
Travel & Accommodation	73,161
Geological & Environmental Consulting	82,725
Sri Lankan Staff Expenses	13,040
Scoping Study & Associated Site Expenses	50,745
Office, Licence & Registration Expenses	4,461
FX Gain/Loss	1,656
Total	225,788

2024 Annual Report

	Total in AUD
Travel & Accommodation	160,241
Geological & Environmental Consulting	125,915
Sri Lankan Staff Expenses	29,039
Resource Drilling & Land Access Expenses	657,624
Scoping Study & Associated Site Expenses	51,213
Office, Licence & Registration Expenses	32,839
FX Gain/Loss	- 30,514
Total	1,026,357

October Expenditure to Date

	Total in AUD
Travel & Accommodation	83,250
Geological & Environmental Consulting	94,133
Sri Lankan Staff Expenses	14,839
Scoping Study & Associated Site Expenses	57,743
Office, Licence & Registration Expenses	5,076
FX Gain/Loss	1,885
Total	256,925

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15 January 2025

Reference: 105088

Mr Alan Armstrong
Company Secretary
Titanium Sands Limited

By email

Dear Mr Armstrong

Titanium Sands Limited ('TSL'): ASX Query

ASX refers to the following:

- A. TSL's announcement entitled 'Updated Resource Estimate - Mannar Heavy Mineral Project' released on the ASX Market Announcements Platform ('MAP') on 15 March 2023 ('Resource Estimate') which disclosed, amongst other matters, at page 28, the following table:

Table 1: Exploration Licences, their reporting and tenure status.

Exploration Licence	Holder	EL	Validity	Area (km ²)	Status
EL 370	Kilsythe Exploration (PVT) LTD	4/05/2021	3/05/2023	31	Current
EL 351	Sanur Minerals (PVT) LTD	13/12/2021	12/12/2023	15	Current
EL 425	Sanur Minerals (PVT) LTD	19/11/2021	18/11/2023	10	Current
EL 423	Orion Minerals (PVT) LTD	15/11/2021	14/11/2023	5	Current
EL 424	Orion Minerals (PVT) LTD	15/11/2021	14/11/2023	8	Current
EL 180/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	45	Renewal Pending
EL 182/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	26	Renewal Pending
EL 371	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	4	Renewal Pending
EL 372	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	51	Renewal Pending

- B. TSL's announcement entitled "Scoping Study - Mannar Heavy Mineral Project" released on MAP on 12 May 2023 ('Scoping Study') which disclosed, amongst other matters, at page 23 the following:

"Regulatory approval for the project will require the submission of a comprehensive Environmental Impact Assessment (EIA)... An experienced and very well qualified Sri Lankan consultancy group have commenced the EIA process on behalf of Titanium Sands and will conduct or supervise the component environmental, economic and social impact studies. It is currently estimated that the EIA and related submissions for the project will be completed by late 2023".

- C. TSL's Annual Report for the period ending 30 June 2024 released on MAP on 27 September 2024 ('Annual Report') which disclosed, amongst other matters, the following:

1. At page 9:

"ENVIRONMENTAL IMPACT ASSESSMENT (EIA)

As part of the Environmental Impact Assessment (EIA) and the regulatory process leading to a mining license and other regulatory approvals land access agreement have been secured with affected landowners for priority zone 1 of the Mannar Heavy Mineral Project (ASX:TSL 6/11/2023)³. The Company representatives have been meeting with affected landowners to explain the proposed project

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(Figures 4) and the plans for the progressive development of sustainable commercial plantation agriculture as an integral part of the operation.

Included within the priority 1 zone are the areas allocated for mining part of the 82mt high-grade zone outlined in the Company's scoping study (ASX:TSL 12/5/23)¹ as well as housing the Company's initial processing plant and operations. (Figure 5 and 6)

The Central Environment Authority ("CEA") has initiated environmental clearance for the project (ASX TSL 27/7/23)⁴ and also recently completed their initial site visit in conjunction with the Environmental Impact Assessment consultants ("EIA") (ASX:TSL 24/10/23)⁵...

2. At pages 11 to 12:

"REGULATORY PROCESSES

The continued protraction of the regulatory processes has led Titanium Sands to further initiate discussions and assistance at senior government levels as well as continue to consult with local and regional authorities and community groups. As previously reported (ASX:TSL 29/7/24)⁶ this has resulted in positive developments Including :

- Titanium Sands Ltd Australian Directors and local management team were pleased to be invited to a meeting at the Presidential Secretariat in Colombo to discuss the co-ordination of Government Departments involved in the project regulatory approval processes.
- Board of Investment (BOI) has assumed the role of co-ordinating the Governmental Departments and Agencies responsible for the regulatory processes concerning the Mannar Heavy Mineral Project
- As part of the Environmental Impact Assessment process, Titanium Sands' local and Australian management have been engaging extensively with local government and communities.
- A meeting of Landowners covering the area of the project EIA held at the TSL site office have expressed their strong support for the project and the need for it to progress through the regulatory processes as soon as possible.

While all of the above are indicative of increasing momentum for the regulatory processes the Company will continue to engage with the Sri Lankan Government at senior levels and with relevant regulators and stakeholders to ensure this is sustained.

TENURE

The Geological Survey and Mines Bureau (GSMB) has approved the Company's applications for the change of status for a further 4 exploration licenses into retention status pending the completion of the mining lease application process. TSL's five most important exploration licences covering the core resources of the project will now be held as retention licences...

OPERATIONAL OUTLOOK

The operational outlook for the next 6 months will remain focussed on the regulatory approval processes for the Mannar Heavy Mineral Project. Completion of the Environmental Impact Assessment is a major step in the application process for an Industrial Mining License..."

3. At page 39, Note 22 which states the following:

Exploration Expenditure

The Group's Sri Lankan tenements are subject to annual minimum expenditure commitments based on the area of land holding which the minimum expenditure commitment doubling on each renewal. For those tenements where the GSMB has accepted exploration has been satisfactorily completed, the tenements have been converted to retention status and are subject to annual retention payments. The current exploration commitment are:

	2024	2023
	\$	\$
Within 12 months	210,561	210,840
Greater than 12 months but less than 5 years	922,280	1,198,141
	1,132,841	1,408,981

4. At page 48 the following table.

Exploration License	Holder	EL	Validity	Area	Status
EL 370	Kilsythe Exploration (PVT) LTD	4/05/2021	16/05/2024	31km ²	Current retention
EL 351	Sanur Minerals (PVT) LTD	13/12/2019	12/12/2023	15km ²	Current
EL 345	Sanur Minerals (PVT) LTD	29/10/2021	28/10/2023	10km ²	Current
EL 343	Orion Minerals (PVT) LTD	29/10/2021	28/10/2023	5km ²	Current
EL 344	Orion Minerals (PVT) LTD	29/10/2021	28/10/2023	8km ²	Current
EL 180/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	45km ²	Renewal Pending
EL 182/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	26km ²	Renewal Pending
EL 371	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	4km ²	Renewal Pending
EL 372	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	51km ²	Renewal Pending
			Total	195km ²	

* Tenure renewals on the other 4 peripheral exploration licences remain pending. All necessary applications and submissions for the renewal of tenure have been lodged and are expected to be renewed in due course.

D. TSL's Quarterly Activities and Appendix 5B Cash Flow Report for the quarter ending 30 September 2024 ('September Quarterly Report'), released on MAP on 30 October 2024 which disclosed, amongst other matters the following:

- At pages 1 to 2 – "The Environmental Impact Assessment (EIA) is significantly completed with individual project specifics to be focused upon once the TOR is received, such as the hydrology of the project area, and once completed the EIA can be signed off and lodged with the CEA for approval and then an IML recommendation. The IML process is continuing, with each of the above actions delivering forward momentum and allowing the Company's team to focus on the required deliverables to enable the CEA to issue the IML for the Project".
- At page 3, the following table:

Table 1 Mannar Island Project tenure

Exploration Licence	Holder	EL	Validity	Area	Status
EL 370	Kilsythe Exploration (PVT) LTD	18/05/2024	17/05/2025	31km ²	Current - retention
EL 351	Sanur Minerals (PVT) LTD	13/12/2023	12/12/2024	15km ²	Current - retention
EL 425	Sanur Minerals (PVT) LTD	19/11/2023	18/11/2024	10km ²	Current - retention
EL 423	Orion Minerals (PVT) LTD	15/11/2023	14/11/2024	5km ²	Current - retention
EL 424	Orion Minerals (PVT) LTD	15/11/2023	14/11/2024	8km ²	Current - retention
EL 180/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	45km ²	Renewal Pending
EL 182/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	26km ²	Renewal Pending
EL 371	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	4km ²	Renewal Pending
EL 372	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	51km ²	Renewal Pending
			Total	195km ²	

3. At section 2.1(d), cash outflows for the quarter relating to exploration and evaluation expenditure of \$226,000.
4. At section 8, the following:

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(319)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(226)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(545)
8.4	Cash and cash equivalents at quarter end (item 4.6)	628
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	628
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.15
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Yes, the Company will be required to raise further cash and is considering its options. The Company has always been well supported in its capital raising initiatives and believes it would be successful in raising sufficient funds to continue with the planned level of operations.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes, for the reasons noted in 8.8.2 above.	

- E. TSL's announcement entitled 'Sri Lankan Government Approves Consolidation of TSL Licenses' released on MAP on 31 October 2024 ('31 October Announcement') which disclosed, amongst other matters, the following:

1. At pages 1 to 2 – “...the Company has submitted retention applications on Orion licenses and the GSMB have confirmed these are being processed now. Further to the Central Environment Authority stakeholder presentations (ASX:TSL 21/10/24), the environmental process is now underway and proceeding towards the Company applying for and obtaining the IML for the Project”.
2. At page 2, the following table which disclosed Orion Minerals (PVT) LTD as the registered holder of certain exploration licences:

Exploration Licence	Holder	EL	Validity	Area	Status
EL 370	Kilsyth Exploration (PVT) LTD Orion Minerals (PVT) LTD	18/05/2024	17/05/2025	31km ²	Current - retention
EL 351	Sanur Minerals (PVT) LTD Orion Minerals (PVT) LTD	13/12/2023	12/12/2024	15km ²	Current - retention
EL 425	Sanur Minerals (PVT) LTD Orion Minerals (PVT) LTD	19/11/2023	18/11/2024	10km ²	Current - retention
EL 423	Orion Minerals (PVT) LTD	15/11/2023	14/11/2024	5km ²	Current - retention
EL 424	Orion Minerals (PVT) LTD	15/11/2023	14/11/2024	8km ²	Current - retention
EL 180/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	45km ²	Renewal Pending
EL 182/R/3	Applex Ceylon (PVT) LTD	5/03/2019	4/03/2021	26km ²	Renewal Pending
EL 371	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	4km ²	Renewal Pending
EL 372	Hammersmith Ceylon (PVT) LTD	26/02/2018	25/02/2020	51km ²	Renewal Pending
			Total	195km ²	

Table 1: TSL Minerals Sands Tenure Status, Sri Lanka.

- F. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity’s securities.
- G. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:
- “an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity” and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information.”*
- H. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.
- 3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:**
- 3.1A.1 One or more of the following applies:**
- *It would be a breach of a law to disclose the information;*
 - *The information concerns an incomplete proposal or negotiation;*
 - *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
 - *The information is generated for the internal management purposes of the entity; or*
 - *The information is a trade secret; and*
- 3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and**
- 3.1A.3 A reasonable person would not expect the information to be disclosed.”**
- I. Listing Rule 12.1 which states:

The level of an entity's operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the entity's securities and its continued listing.

J. Listing Rule 12.5 which states:

An entity's structure and operations must be appropriate for a listed entity.

Request for information

Having regard to the above, ASX asks TSL to respond separately to each of the following questions and requests for information:

1. Having regard to TSL's disclosure in its Annual Report, September Quarterly Report and 31 October Announcement it appears that the validity periods have lapsed for exploration licences EL 351, EL 425, EL 423 and EL 424 ('Orion Exploration Licences'). What is the current status of each Orion Exploration Licence, and what steps TSL has taken to extend its validity?
2. What factors lead TSL to believe that any lapsed Orion Exploration Licences will be renewed?
3. Having regard to TSL's disclosure in its Resource Estimate, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing renewal process for exploration licences EL 180/R/3, EL 182/R/3, EL 371 and EL 372 ('Peripheral Exploration Licences'), what factors lead TSL to believe that these will be renewed?
4. Having regard to TSL's disclosure in its Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing renewal process for the Peripheral Exploration Licences, what date does TSL expect the Peripheral Exploration Licences to be renewed by? In answering this question, please advise the basis for TSL's expectation the Peripheral Exploration Licences will be renewed by the date TSL has nominated.
5. What date was the last communication received by TSL from the relevant Sri Lankan government authority in relation to renewal of each of the lapsed Orion Exploration Licences and Peripheral Exploration Licences?
6. Is TSL presently able to physically access the Orion Exploration Licences and Peripheral Exploration Licences to conduct exploration work? In answering this question, please provide details of any exploration work that has been undertaken at each exploration licence since 30 September 2024 until the date of this letter, including details of the expenditure incurred on those works.
7. Having regard to TSL's disclosure in its Scoping Study, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing regulatory process for TSL obtaining Environmental Impact Assessment approval ('EIA'), what date does TSL expect the EIA approval will be granted by? In answering this question, please advise the basis for TSL's expectation the EIA will be approved by the date TSL has nominated.
8. Having regard to TSL's disclosure in its Scoping Study, Annual Report, September Quarterly Report and 31 October Announcement regarding the ongoing regulatory process for TSL obtaining an Industrial Mining Licence ('IML') in respect of the Orion Exploration Licences, what date does TSL expect the IML will be granted by? In answering this question, please advise the basis for TSL's expectation the IML will be granted by the date TSL has nominated.
9. Having regard to TSL's disclosure in its Annual Report of payments for exploration expenditure of \$1,026,357 and in its September Quarterly Report of cash outflows for the quarter relating to exploration and evaluation expenditure of \$226,000, please provide details of the type of exploration and evaluation work undertaken by TSL for each relevant period captured by the Annual Report and September Quarterly Report (e.g. soil sampling, geophysical surveys etc.).

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10. Having regard to TSL's disclosure in its September Quarterly Report that it had an estimated 1.15 remaining quarters funded, please confirm whether TSL has taken any steps to raise further cash to fund its operations. If so, what are those steps and how likely does TSL believe that they will be successful?
 11. Having regard to the fact that TSL's retention licences in respect of the Orion Exploration Licences have lapsed and are subject to re-application and the Peripheral Exploration Licences are lapsed pending renewal, does TSL consider that its level of operations is sufficient to warrant the continued quotation of its securities on ASX under Listing Rule 12.1? In answering this question, please explain the basis for TSL's conclusion and comment on the current status of the regulatory approvals pending in relation to the Orion Exploration Licences and Peripheral Exploration Licences.
 12. Does TSL consider that its structure and operations is appropriate for a listed entity? In answering this question, please explain the basis for TSL's conclusion including commenting on the fact TSL is awaiting licence approvals as to both the lapsed Orion Exploration Licences and the lapsed Peripheral Exploration Licences.
 13. Please confirm that TSL is complying with the Listing Rules and in particular, Listing Rule 3.1.
 14. Please confirm that TSL's responses to the above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of TSL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **11:45 AM AWST Monday, 20 January 2025**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, TSL's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require TSL to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in TSL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to TSL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that TSL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A. The usual course is for the correspondence to be released to the market.

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Yours sincerely

ASX Compliance