Registration Document

TiZir Limited

12 January 2018

Prepared according to Commission Regulation (EC) No 809/2004 - Annex IV.

Important notice

This Registration Document is valid for a period of up to 12 months following its approval by the Financial Supervisory Authority of Norway (the “Norwegian FSA”) (*Finanstilsynet)*. This Registration Document was approved by the Norwegian FSA on 12 January 2018. The Prospectus for issuance of new bonds or other securities may for a period of up to 12 months from the date of the approval consist of this Registration Document and a Securities Note and summary applicable to each issue and subject to a separate approval.

The Registration Document is based on sources such as annual reports and publicly available information and forward-looking information based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for the Company and Guarantor’s lines of business.

A prospective investor should consider carefully the factors set forth in chapter 1 Risk factors, and elsewhere in the Prospectus, and should consult his or her own expert advisers as to the suitability of an investment in bonds, including any legal requirements, exchange control regulations and tax consequences within the country of residence and domicile for the acquisition, holding and disposal of bonds relevant to such prospective investor.

The manager and/or affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Registration Document, and may perform or seek to perform financial advisory or banking services related to such instruments. The managers corporate finance department may act as manager or co-manager for this Company and/or Guarantor in private and/or public placement and/or resale not publicly available or commonly known. Copies of this Registration Document are not being mailed or otherwise distributed or sent in or into or made available in the United States. Persons receiving this document (including custodians, nominees and trustees) must not distribute or send such documents or any related documents in or into the United States.

Other than in compliance with applicable United States securities laws, no solicitations are being made or will be made, directly or indirectly, in the United States. Securities will not be registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

The distribution of the Registration Document may be limited by law also in other jurisdictions, for example in Canada, Japan, Australia and in the United Kingdom. Verification and approval of the Registration Document by the Norwegian FSA implies that the Registration Document may be used in any EEA country. No other measures have been taken to obtain authorisation to distribute the Registration Document in any jurisdiction where such action is required, and any information contained herein or in any other sales document relating to bonds does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.

The Norwegian FSA has controlled and approved the Registration Document pursuant to the Norwegian Securities Trading Act, § 7-7. The Norwegian FSA has not controlled and approved the accuracy or completeness of the information given in the Registration Document. The control and approval performed by the Norwegian FSA relates solely to descriptions included by the Company according to a pre-defined list of content requirements. The Norwegian FSA has not undertaken any kind of control or approval of corporate matters described in or otherwise covered by the Registration Document.

The content of the Prospectus does not constitute legal, financial or tax advice and potential investors should seek legal, financial and/or tax advice.

Unless otherwise stated, the Prospectus is subject to Norwegian law. In the event of any dispute regarding the Prospectus, Norwegian law will apply.

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1. Risk factors

Investing in bonds involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out in the Registration Document before making an investment decision.

A prospective investor should carefully consider all the risks related to the TiZir Limited ("Company") and should consult his or her own expert advisors as to the suitability of an investment in securities of the Company. An investment in securities of the Company entails significant risks and is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of the investment. Against this background, an investor should thus make a careful assessment of the Company and its prospects before deciding to invest, including but not limited to the cost structure for both the Company and the investors, as well as the investors' current and future tax position. The risk factors for the Company and its controlled entities ("the Group") are deemed to be equivalent for the purpose of this Registration Document unless otherwise stated.

GENERAL RISK

General economic climate
Factors such as inflation, currency fluctuations, interest rates, legislative changes, political decisions and industrial disruptions have an impact on operating costs. The Company's future income and asset values can be affected by these factors and, in particular, by the market price for any product or services that the Company may acquire or sell.

Government policy changes
Any material adverse changes in government policies or legislation of any countries in which the Company may operate may affect the viability and profitability of TiZir.

Foreign currency and exchange rate fluctuations
Revenue, expenditure, interest, dividend and loan receipts of the Company may be domiciled in currencies other than US Dollars and, as such, expose the Company to foreign exchange movements, which may have positive or negative influence on the US Dollar. The Company will appropriately monitor and assess such risks and may from time to time implement measures, such as foreign exchange currency hedging, to assist managing these risks. However, the implementation of such measures may not eliminate all such risks and the measures themselves may expose the Company to related risks.

Taxation
Future changes in tax law in the jurisdictions where we operate, including changes in interpretation or applications of law by the courts or relevant authorities, may impact the future tax liabilities of the Company.

Speculative nature of investment
The above list of risk factors ought not to be taken as an exhaustive list or the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect financial performance of the Company and the value of any investment in the Company. Potential investors should consider that any investment in the Company is speculative and should consult their professional advisors before deciding whether to invest in any of the Company's securities.

RISKS ASSOCIATED WITH THE COMPANY'S BUSINESS/ASSETS

Current and future funding arrangements

The Company's operations involve capital investment and financial risk. Continuance of mining and mineral processing activities depend on the ability to obtain funding as and when required, whether through internal positive cash flows, debt financing, equity funding or other financing means. No assurance can be given that any financing arrangements will be available or available on terms acceptable to the Company. If such alternatives are not available, TiZir may have to temporarily or permanently reduce or close down parts or all of the Company's operations or deliver all or parts of the assets to the Company's lenders as satisfaction of any outstanding amounts due.

General market risk in relation to products

Commodity price risk

The prices for titanium feedstocks, zircon and pig iron fluctuate widely and are affected by numerous factors beyond the control of the Company including, but not limited to, supply/demand balances, strategies of major producers, worldwide inflation and deflation, interests and currency exchange rates, price and availability of substitutes, actions taken by governments and global economic and political developments. Future production from the Company's processing assets is primarily dependent upon the prices for titanium feedstocks, zircon and pig iron being adequate to make these operations economic. There is no assurance that, even if commercial quantities of titanium feedstocks, zircon and pig iron are produced, a profitable market will exist for them.

Demand fluctuations

The Company is reliant on demand for its products. Changes in demand due to economic downturn or customers sourcing alternative suppliers, amongst other factors, could adversely impact financial performance.

Uncertainty of resource and reserve estimates

Mineral resource and reserve estimates are estimates only, and no assurance can be given that: anticipated tonnages and grades will be achieved; the indicated level of recovery will be realised; or reserves can be mined and processed profitably. Assumptions informing reserve estimates may change over time, resulting in revisions to their economic viability and a consequent need to restate.

Operational risks

The operations of both TiZir Titanium & Iron AS (“TTI”) and Grande Côte Operations SA (“GCO”) are reliant on critical equipment, such as the smelting furnace and pre-reduction kiln at TTI as well as the mineral sands dredge, wet concentrator plant, mineral separation plant and power plant at GCO. Equipment may incur downtime as a result of unanticipated failures or other events, such as fire, loss of power supply and the unavailability of spare parts. Any downtime, delays or difficulties in mining, processing and production, even whether covered in whole or in part by insurance, may adversely impact product delivery and production optimisation, thereby impacting the financial performance of the Company.

The Company's operations are also vulnerable to a wide range of difficulties and interruptions, including:

- natural events such as storm, flood, drought, earthquake, fire and the possible effects of climate change;
- restricted access to key transportation networks (reliable roads, rail, ports), power generation and transmission, and water supplies;
- limitations or interruptions in transport, power or water infrastructure;
- extended failure or damage to critical information technology infrastructure or systems;
- a loss of control process that could lead to a release of hazardous materials; and
- supply chain failures.

Such events and their consequences, even whether covered in whole or in part by insurance, may be detrimental to the Company's activities and profitability.

At the date of this Prospectus, production at TTI is currently in a ramp up phase following an operational incident that occurred in August 2016 and the subsequent completion of furnace repairs and reline between August 2016 and early January 2017. There are inherent operational risks related to ramp up, that differ from risks during steady-state production and a return to steady-state production may be delayed should any of these risks materialise. Such risks may have an adverse impact on the financial position of the Company. Further, no assurances can be given that an incident of a similar nature will not reoccur in the future.

Dependence on key personnel

TiZir and its subsidiaries are reliant on key personnel (either employed or engaged), the loss of whom could have a material adverse impact on operational and financial performance of all the Company's entities. Failure to recruit and retain high-performing personnel in the Company's operations may impact the Company's performance.

Employment and labor relations

The Company's employees may be affected by changes in labor laws and regulations which may be introduced by governments in jurisdictions of operations. Such changes may adversely affect business activities. The Company may experience difficulties in employing and retaining suitably qualified personnel, particularly given the location of current operations. Malaria and other infectious diseases represent a threat and an ongoing healthcare challenge to maintaining skilled work force in West Africa. Pandemics may also impact on operations and the ability to maintain sufficient numbers of skilled workforce. Labor disputes, resulting in strike action or work stoppages, may result in decreased production and increased costs. Labor agreement renegotiations may also result in elevated operating costs.

Inadequate insurance coverage

The Company is exposed to a number of business risks and insurance may not be sought, obtainable or adequate for all risks. In addition, insurance coverage may not be sufficient to cover business interruption losses or liability. The manifestation of an inadequately insured risk could adversely impact the Company's business.

Some of the Company's assets, especially in Senegal, are located in countries where political risks are potentially higher than in more developed regions. The Company has considered the benefits and cost of political risk insurance and has determined that, at this time, the Company will not maintain political risk insurance on its investments in Senegal or any of its other assets or interests.

Input costs, inflation and foreign exchange rates

Changes to input costs, inflation and foreign exchange rates could increase the Company's operating and capital costs. While in some cases such cost increases may be controlled or offset by increased selling prices, there is no assurance that this will occur. Operating margins and necessary capital costs may be adversely impacted by a failure to contain unanticipated cost increases.

Repatriation of earnings

There is no assurance that Senegal, Norway, United Kingdom or any other foreign country wherein the Company has interests will not impose restrictions on the repatriation of earnings to foreign entities.

Licenses and permits

The Company's exploration, mining and processing activities are dependent upon the granting, maintenance and renewal of appropriate licenses, concessions, leases, permits and regulatory consents which may be withdrawn, not granted or made subject to limitations or new conditions. Risks regarding licenses and permits may have a material adverse effect on the Company.

Health, safety, environment and community

The Company's sustainable development policies and activities, covering health, safety, security, environment and community issues, are subject to government laws, regulations and standards as well as stakeholder expectations. These regulatory frameworks and expectations may change over time and may have a material adverse effect on the Company's operations and reputation.

Failure to comply with applicable health, safety, security, environment and community laws, regulations and permitting requirements may result in enforcement actions including fines, penalties, compensation claims, corrective measures requiring capital expenditure, or the ceasing of operations, amongst others.

Environmental hazards may exist on the Company's properties which are currently unknown and which could have been caused by previous owners or operators. It is possible that the Company would be required to remedy such hazards or that such hazards may affect the Company's future operations.

Closure, reclamation and rehabilitation costs

While currently expected closure, reclamation and rehabilitation works necessary to return operating sites to local communities are budgeted for, changes over time to legislation, standards and techniques or the introduction of new legislation, standards and techniques may result in unanticipated or higher than expected costs. Over time, events may arise or changes occur that vary the life of an operation and, consequently, the timing of expenditure with respect to the closure, reclamation and rehabilitation of operating sites may also change.

Political and foreign operations risks

The Company's operations are currently conducted in Senegal and Norway and, as such, are exposed to various levels of political, economic and other natural and man-made risks and uncertainties over which the Company has limited or no control.

These risks and uncertainties may include, but are not limited to: economic, social or political instability; terrorism; hostage taking; military repression; labor unrest; community disputes; the risks of war or other forms of civil unrest; expropriation and nationalization; renegotiation, nullification or adaptation of new laws or regulations concerning existing concessions, licenses, permits and/or contracts; high rates of inflation; changes in taxation policies; restrictions on foreign exchange and repatriation; validity of export rights and payment of duties; changing political conditions; currency controls; customs regulations policies; changes or adaptation of new laws affecting foreign ownership; government participation or control of working conditions; changes to regulations associated with greenhouse gas emissions and the introduction of carbon pricing mechanisms; and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in the loss, reduction or expropriation of entitlements. The occurrence of these various factors and uncertainties cannot be accurately predicted and, even whether covered in whole or part by insurance, could have an adverse effect on the Company's operations or profitability.

Joint venture risks

The Company is a joint venture equally owned by two shareholders and is governed by a board of directors and a shareholders' agreement. A breakdown in the joint venture relationship may have an adverse effect on the operations and profitability of the Company (notwithstanding provisions in the shareholders' agreement to protect the Company against any such breakdown).

Litigation risks

The Company may be subject to complaints or litigation by its customers, suppliers, employees or officers, shareholders, government agencies, regulatory authorities and other third parties. Changes in laws and regulations can heighten litigation risk. Litigation and other proceedings may be taken against the Company that could divert management's attention from the business and materially adversely affect the business or financial performance or condition of the Company. If such proceedings were brought against the Company, considerable time and cost may be incurred to defend those proceedings (even if successful), with the potential for damages and costs awarded against the Company if unsuccessful.

Constraints on company growth

TiZir's ability to grow its existing capacity and extend the life of its operations is dependent on a number of factors which may or may not materialize as expected or planned. Additionally, the Company competes with other companies for future business opportunities.

Strategic investments, acquisitions or divestitures

No assurance can be given that the Company's current or possible future investments, acquisitions or divestitures can or will be completed successfully or favorably. The Company may be liable for past acts as well as unanticipated liabilities procured through the Company's acquisitions or investment activities.

2. Persons responsible

Persons responsible for the information

Persons responsible for the information given in the Registration Document are as follows:
TiZir Limited, 3 More London Riverside, London, SE1 2AQ, United Kingdom.

Declaration by persons responsible

TiZir Limited confirms that, having taken all reasonable care to ensure that such is the case, the information contained in the Registration Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

London, 12 January 2018

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TiZir Limited

3. Definitions

"ASX"	-	Australian Securities Exchange.
"AUD"	-	Australian Dollars.
"Company" / "Issuer"	-	TiZir Limited - with registration number 07727671.
"GCO"	-	Grande Côte Operations SA.
"GDP"	-	Gross domestic product.
"Group"	-	The Company and its controlled entities.
"Guarantors"	-	Means: o TiZir Mauritius Limited – with registration number 26281/6477/CI/GBL, and o TiZir Titanium & Iron AS - with registration number 934 505 557.
"HM"	-	Heavy minerals.
"HPPI"	-	High purity pig iron.
"Joint Operating Committee"	-	The managing committee of TiZir and the Group.
"Ktpa"	-	A thousand tonnes per annum.
"m"	-	Meter (unit of length).
"MDL"		Mineral Deposits Limited.
"MSP"	-	Mineral separation plant.
"Mt"	-	Million tonnes.
"Mtpa"	-	A million tonnes per annum.
"NOK"		Norwegian Krone
"NSW"	-	New South Wales, Australia
"NUES"	-	Norwegian Corporate Governance Board ("Norsk utvalg for eierstyring og selskapsledelse").
"Prospectus"	-	The Registration Document together with the Securities Note and the Summary.
"Registration Document"	-	This registration document dated 12 January 2018.
"RoS"	-	The Government of the Republic of Senegal.
"Securities Note"	-	Document to be prepared for each new issue of bonds under the Prospectus.
"Summary"	-	Document to be prepared for each new issue of bonds under the Prospectus.
"TiO_2"	-	Titanium Dioxide.
"TiZir Joint Venture"	-	The joint venture between Eramet and MDL.

"TML"	-	TiZir Mauritius Limited.
"Tpa"	-	Tonnes per annum.
"TTI"	-	TiZir Titanium & Iron AS.
"US Dollars" / "USD" / "UD$"	-	United States Dollars.
"WCP"	-	Wet concentrator plant.

4. Statutory auditors

ISSUER:

The Company's independent auditor is Constantin, Statutory Auditor, with registration number C008411414, and business address at 25 Hosier Lane, London EC1A 9LQ.

Constantin is a member of the Institute of Chartered Accountants in England & Wales.

GUARANTORS:

The independent auditor for TiZir Mauritius Limited is Deloitte, with registration number P10019073, and business address at 7th floor, Standard Chartered Tower, 19-21 Bank Street, Cybercity, Ebene 72201, Mauritius.

Deloitte is a member of the Mauritius Institute of Professional Accountants.

The independent auditor for TiZir Titanium & Iron AS is Deloitte AS, with registration number 980 211 282, and business address at Rambergveien 1, Pb 24, NO-3119 Tønsberg.

Deloitte AS is a member of the Norwegian Auditors Association.

5. Information about the Issuer and the Guarantors

ISSUER

TiZir Limited

TiZir Limited is a private company limited by shares, incorporated under the laws of England and Wales and the Companies Act of 2006. The commercial and legal name of the Company is TiZir Limited. The Company, with registration number 07727671, was registered in the Registrar of Companies for England and Wales on 3 August 2011.

TiZir Limited is a vertically integrated zircon and titanium business. The purpose of the Issuer is to own and manage the titanium and iron ilmenite upgrading facility in Norway and the Grande Côte mineral sands operation in Senegal (GCO), in which the Senegalese state holds a 10% stake.

The parent entities of the Issuer are Eralloys Holding AS, a subsidiary of Eramet SA, and MDL (Mining) Limited, a subsidiary of Mineral Deposits Limited (MDL). MDL and Eramet jointly own the Issuer 50/50. TiZir benefits from Eramet's broad expertise in mining, metallurgy, logistics, R&D and marketing, and from MDL's development expertise and mineral sands mining experience.

Registered address:	3 More London Riverside, London SE1 2AQ, United Kingdom.
Principal place of business:	Nova south, 9th Floor, 160 Victoria Street, London SW1E 5LB, United Kingdom.
Telephone:	+44 (0) 20 3907 1155
Website:	www.tizir.co.uk

GUARANTORS

TiZir Mauritius Limited ("TML")

TiZir Mauritius Limited is a private limited company, incorporated 14 February 2001, holding a Category 1 Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. The company is registered in the Mauritius Registrar of Companies with registration number is 26281/6477/CI/GBL. The commercial and legal name of the company is TiZir Mauritius Limited.

TiZir Mauritius Limited is a 100% owned subsidiary of the Issuer. The purpose of the company is to hold an investment in the Republic of Senegal, West Africa, with a focus on the mining sector.

Address:	St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius.
Telephone:	+230 203 1100
Website:	www.tizir.co.uk

TiZir Titanium & Iron AS ("TTI")

TiZir Titanium & Iron AS is a Norwegian limited liability company incorporated on 21 December 1983, and regulated by the Norwegian Limited Liability Companies Act and supplementing Norwegian laws and regulations. The company is registered in the Norwegian Companies Registry with registration number 934 505 557. The commercial and legal name of the company is TiZir Titanium & Iron AS.

TiZir Titanium & Iron AS is a 100% owned subsidiary of the Issuer. The principal activity of the company is to produce titanium slag for the pigment industry and high-quality pig iron for the foundry industry. According to the Company's Articles of Association paragraph § 3, the purpose of the Company is to run the ilmenite upgrading facility smelter in Tyssedal and all that relates to it.

Address:	Naustbakken 1, 5770 Tyssedal, Norway.
Telephone:	+47 5365 2500
Website:	www.tizir.co.uk

HISTORY

30 year operational track record in TTI with vertical integration from 2014

1986: Ilmenite smelter in Tyssedal, Norway, was built in 1986 and acquired by TTI from the Norwegian State as part of a restructuring in 1998.

2006: Nameplate capacity reached for TTI.

2008: Eramet acquires TTI through acquisition of most of Tinfos AS (owned by Holta family).

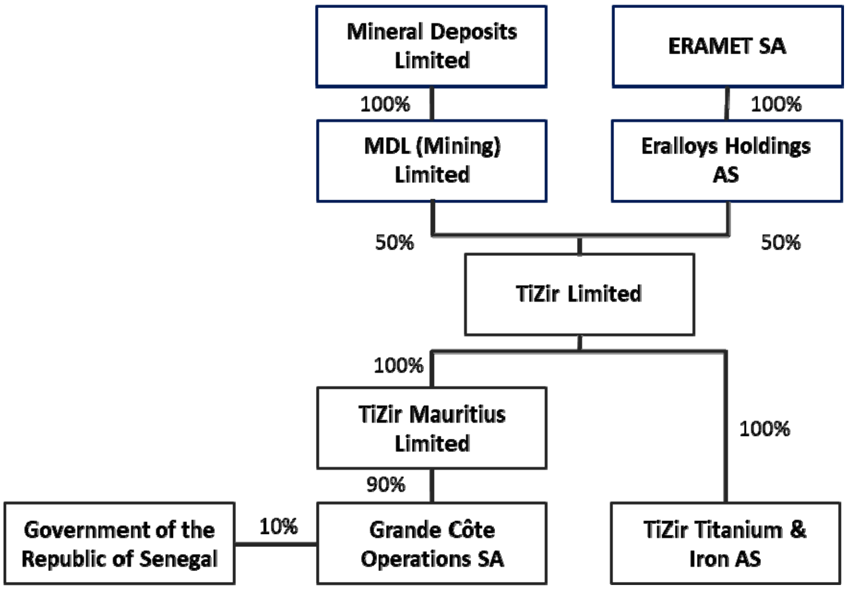
2011: TiZir was founded in 2011 as a 50/50 joint venture between Eramet and MDL, with the parties contributing TTI and GCO respectively.

2012: USD 150 million senior secured bond issue in September 2012 (TIZ01).

2014: USD 125 million tap issue of TIZ01 in May 2014.
GCO in Senegal made its first shipment of 27,000 tonnes of ilmenite to TTI facility in Norway.

2015: Enova grants NOK 122 million to TTI as R&D support to proprietary technology that may reduce emissions by up to 90% if successful and implemented.
TTI completes furnace reline and capacity expansion project, representing the final step in the integration of GCO and TTI. At a cost of USD70 million, the project increases output capacity from 200ktpa to 230ktpa of titanium slag whilst also changing the production profile of the smelter to utilize the ilmenite from GCO to produce a chloride slag rather than the sulphate slag it previously produced. TTI retains the flexibility to produce a sulphate slag depending on market dynamics.

ORGANIZATIONAL STRUCTURE



The Issuer is a holding company for the Group's operations. The principal activity of the Issuer is to hold investments in subsidiary operations. The Issuer and TML (a Guarantor) receive Group contributions from their subsidiaries to cover costs and debt payments, and are therefore dependent on the operating entities of the Group. The Group is managed through a Joint Operating Committee made up of one representative from Eramet and one from MDL.

Investments

Since the construction of the GCO between 2011 and 2014 (approximately USD 650 million) and the upgrade of the TTI facility in 2015 (approximately USD 70 million), there has been no other significant investments. No principal investments have been made in the Group since the date of the last published financial statements (H1 2017). As at the date of this Prospectus, no commitments have been made for any future investments, beyond those required to operate the business in its current state, nor is any further funding beyond the current operational requirements of the business anticipated.

6. Business overview

GRANDE CÔTE OPERATIONS – MINERAL SANDS MINE & PROCESSING PLANT

The Grande Côte mineral sands operation is located on the coast of Senegal, covering a project area of 445.7 square kilometers. The mineralised dune system averages four kilometers in width and contains largely unvegetated sand masses.

In September 2004, MDL was selected by the Government of the Republic of Senegal ('RoS') to explore and develop the Grande Côte mineral sands project. A presidential decree was granted in 2007, providing MDL a mining concession of 25 years.

Key terms of the Mining Concession granted by the RoS for GCO are:

- a 25 year mine lease, with the potential for renewal for a further period. The Mining Concession cannot be suspended or withdrawn by the RoS without just cause and within the conditions stipulated by Article 32 of the 2003 Senegalese Mining Code (please see the cross reference list in section 12 to this Registration Document for reference to the 2003 Senegalese Mining Code);
- a 5 per cent gross production royalty on revenue will be payable to the RoS;
- the RoS is entitled to a 10 per cent production share of output based on a cost-plus formula;
- no taxation is payable for the first 15 years from grant of the Mining Concession, plus a 4 year investment period;
- once the project's capital costs and associated shareholder loans have been recovered/repaid, dividends will be paid to GCO's owners based on their ownership interests;
- no import duties shall be levied on GCO-owned or rented equipment or project related goods and services;
- GCO will invest USD 500,000 during the pre-production phase and USD 400,000 per annum during the production phase in social development of the local communities in the Grande Côte region;
- USD 50,000 per annum will also be spent supporting the training/equipment needs of the Department of Mines and Geology of Senegal during the period in which mining operations are on-going; and
- best practices in environmental protection of the Grande Côte region will be applied to the mining operations.

Ownership of GCO was transferred to TiZir as part of the MDL/ERAMET joint venture in late-2011. Construction of Grande Côte began in 2011 and was completed in March 2014.

An environmental and social impact study was approved in 2008 for this project and updated in 2016. The environmental and social management plan takes into account the impacts of the project. Rehabilitation measures, social and economic development, and resettlement and compensation of people affected by the project are considered.

Mining commenced in H1 2014 with production ramp up beginning thereafter. The operation mines heavy mineral sands to extract zircon, rutile, leucoxene and ilmenite. Zircon and ilmenite are the main heavy minerals (HM) of interest.

GCO was constructed with the capacity to mine up to 55mtpa of ore and has mineral separation plant capacity to produce 85ktpa of zircon and 575ktpa of ilmenite. The mine life of the project is 25 years with potential for longer. GCO construction cost was approximately USD 650 million.

Mineral Resource Estimate

The GCO Mineral Resource is a total of 26.7 Mt of HM (Measured and Indicated and Inferred). The main HM deposits identified to date are Diogo, Fass Boye, Lompoul, Mboro, Mboro Hotel, Yodi and Noto. Other deposits within the mining concession have been partially explored and there is potential to identify additional deposits beyond the limits of present drilling. Both the dunes and the underlying marine sands contain HM, principally ilmenite, zircon, rutile and leucoxene.

100% basis

Resource Category	Ore Mt	In Situ HM Mt	HM %	Ilmenite %	Zircon %	Leucoxene %	Rutile %
Measured	1,509	21.8	1.4	72.0	10.7	3.2	2.5
Indicated	350	4.8	1.4	72.0	10.7	3.2	2.5
Inferred	41	0.5	1.2	72.0	10.7	3.2	2.5
Total	1,900	27.1	1.4	72.0	10.7	3.2	2.5

Note:

1) Quantities and grades were derived by accumulating the grades to six meters below the natural water table except for the Mboro Hotel and Yodi deposits, where the accumulation is to the natural water table.
2) A cut-off grade of 1.0% HM was applied to the accumulated grades.
3) Tonnes were rounded to the nearest 1,000,000.
4) Grades were rounded to one decimal place.
5) The mineral assemblage (ilmenite, zircon, rutile and leucoxene) is reported as a percentage of HM.
6) All Mineral Resources are inclusive of Ore Reserves.

Ore Reserve Estimate

The mine path and schedule have been optimised in relation to path design and schedule. The mine path now advances north towards Lompoul (previously south) after mining the Diogo area. The mine path has been widened in areas and designed to be straighter with pond floor and water level adjusted relative to the upper aquifer water surface. Dozer push (dry mining) of high-grade material adjacent to the mine path (within 100m) in specific areas has also been included in probable reserves.

The GCO deposit continues to the north and south of the Mining Concession beyond these Ore Reserves. Additional mine life will depend on the success of additional drilling and the future economics of GCO.

100% basis

Classification	Ore Mt	HM Mt	HM %	Ilmenite %	Zircon %	Leucoxene %	Rutile %
Proved	1,122	16.6	1.5	72.0	10.7	3.2	2.5
Probable	343	5.1	1.5	72.0	10.7	3.2	2.5
Proved and Probable	1,465	21.7	1.5	72.0	10.7	3.2	2.5

Note:

1) The Ore Reserve estimate is based on Indicated and Measured Mineral Resource contained within the mine design.
2) A cut-off grade of 1.3% HM was applied for the first five years, with 1.0% HM thereafter.
3) The Ore Reserve estimate is the part of the Mineral Resource contained within the dredge path design and dozer push dry mining areas. It is inclusive of mining dilution and is based on the project's economics.
4) Ore tonnes were rounded to the nearest 1,000,000.
5) Grades were rounded to one decimal place.
6) The mineral assemblage (ilmenite, zircon, rutile and leucoxene) is reported as a percentage of HM.
7) All Mineral Resources are inclusive of Ore Reserves.

Mining & Processing

GCO comprises a dredge, a wet concentrator plant (WCP), a mineral separation plant (MSP), rail and port facilities, and a power station.

The simplicity of the orebody allows for conventional dredging and processing. The dunes contain no overburden, minor vegetation, free flowing sands and minimal slimes, providing for an uncomplicated mining operation.

The dredge itself travels through the dunes and utilises the area's shallow water table. It mines sand from the front of the dredge pond and pumps slurry to the floating concentrator. Sand is then washed through spirals, separating the HM concentrate from lighter quartz sand, which is then returned to the dunes and subjected to further rehabilitation thereby restoring the landscape.

The valuable HM are then transferred to the MSP where magnetic, electrostatic and gravity processes separate the HM concentrate into various minerals – zircon, ilmenite, rutile and leucoxene. No chemicals are used in any of the separating processes on site.

The operation takes advantage of existing and refurbished rail using GCO owned locomotives and wagons, a 25-year lease over port facilities allowing for bulk storage and ship loading, and a 36 megawatt power station located on site which provides the security of a continued power supply.

Production and distribution

Mineral	*Annual production capacity*	*Description & target markets*
Ilmenite	575ktpa	• Feedstock for TTI plant and TiO_2 pigment production.
Zircon	85ktpa	• Premium quality – low in key impurities. • Suitable for full spectrum of zircon consumers. • Container shipments provide logistics benefits for customers.
Rutile	4ktpa	• Premium grade and fine grain size – ideal for welding sector.
Leucoxene	8ktpa	• Suitable for welding sector.

Historical production to 30 September 2017

100% basis		**FY 2014**	**FY 2015**	**FY 2016**	**9 mths 2017**
Mining					
Ore mined	(kt)	14,263	34,759	39,203	34,689
HMC produced	(kt)	184.1	632.9	613.7	541.0
Finished goods production					
Ilmenite	(kt)	100.6	427.7	416.3	366.1
Zircon	(kt)	9.0	45.2	52.6	45.2
Medium grade zircon sands	(kt)	-	-	-	15.3
Rutile & leucoxene	(kt)	0.7	5.3	9.7	7.6

Expected progress of mineral exploration

The Issuer has no plans for any large scale exploration in the short term. There is, however, the potential for possible extension of the mineralization to new parts in the project area which will be considered during the life of mine, and is dependent on project economics.

Future exploration to upgrade and extend the inferred resources of deposits in the south and north of the project area is possible and is dependent on project economics. However, due to the constraints of land occupation for farming and habitation by sedentary local communities, and the low topography close to the natural water table, the exploration area in some parts of the deposits are limited for drilling.

For more in-depth information about the GCO project, please refer to the competent person's report (GCO Resource and Reserve Estimate) listed under the cross reference list in section 12 to this Registration Document.

TTI ILMENITE UPGRADING FACILITY

The TTI Ilmenite Upgrading facility is located by the Hardangerfjord on the west coast of Norway, and has been in operation since 1986. It is the only smelter of its type in Europe and one of six of its type in the world. TTI upgrades ilmenite to produce a high-value titanium slag, primarily sold to pigment producers, and a high-purity pig iron (HPPI) (a valuable co-product) which is sold to ductile iron foundries.

Through a process of pre-reduction, metallization and smelting, TTI upgrades ilmenite to titanium slag and HPPI. Nameplate capacity is 230ktpa of titanium slag & 100ktpa of HPPI. GCO ilmenite is the key raw material used in the production of titanium slag, allowing generation of synergies from the integration of GCO and TTI. The use of GCO ilmenite allows TTI to produce a higher grade chloride slag for the pigment industry. However, it retains the flexibility to revert to the production of sulphate slag depending upon market dynamics. Power is sourced from a close-by hydroelectric power plant, with approximately two-thirds of its power secured by long-term contract. Titanium slag operations require considerable intellectual property and operating experience such that the industry is highly concentrated, with six facilities operating globally.

MARKET OVERVIEW

The mineral sands sector comprises two product streams: titanium minerals (comprising ilmenite, leucoxene and rutile) and zircon.

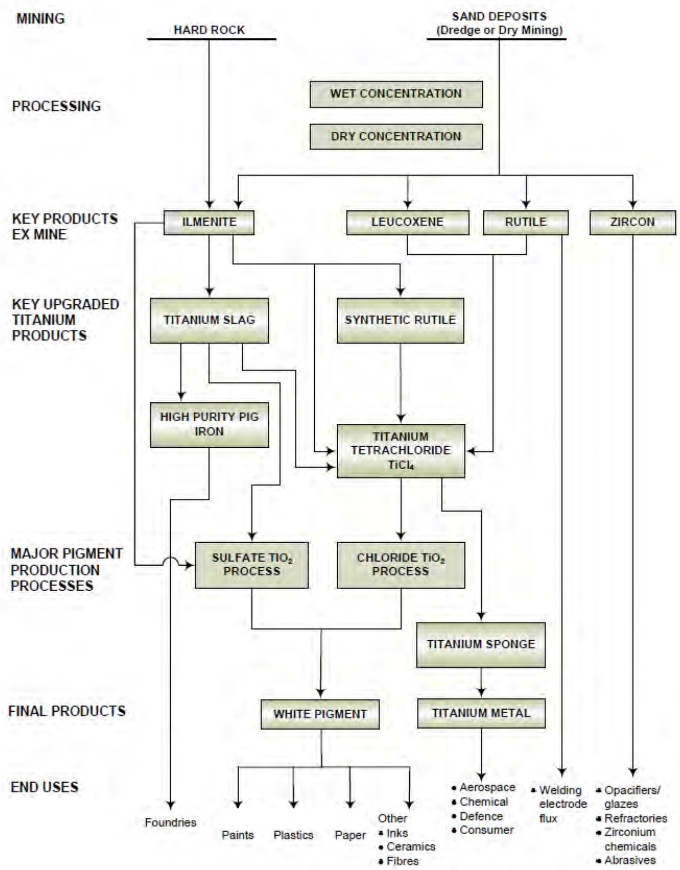
Mining and Processing

Mineral sands are predominantly mined from alluvial resources in close proximity to coastlines, but the industry also includes ilmenite extracted from several hard rock deposits. Mining is generally conducted either “wet” by dredging, or “dry” using earth moving equipment to excavate sand. Dredging is generally the favoured mining method, provided the ground conditions are suitable and water is readily available. In situations involving hard ground, discontinuous ore bodies, small tonnage or very high grades, dry mining techniques are generally preferred.

Processing methods to initially produce a mineral concentrate vary substantially depending on the mineral suite in the specific deposit, the characteristics of those minerals, the presence and nature of non-valuable heavy minerals and the extent and nature of grain surface coatings.

The concentration of heavy minerals from the mined sand is universally achieved by wet gravity separation techniques such as spirals. The heavy mineral concentrate (HMC) produced from the wet concentration process typically contains 90-96 per cent heavy mineral content. This material is transported to a mineral separation plant where it is scrubbed, dried and separated into the various mineral products by repeated stages of magnetic, electrostatic and gravity separation. The final products produced in the mineral separation plant include zircon and the titanium mineral products – ilmenite, rutile and leucoxene.

The figure is a general flow sheet of the mineral sands industry, showing the major steps from mining to major end-uses. The key mineral products (ilmenite, rutile and leucoxene) and upgraded products (titanium slag and synthetic rutile) collectively known as titanium feedstocks together with the other key mineral, zircon.



Titanium Feedstocks

Titanium minerals are in demand for their titanium dioxide (TiO_2) content. Ilmenite is the most abundant titanium bearing mineral, generally containing 45 per cent to 60 per cent TiO_2. Rutile is at the other end of the spectrum, being scarce and containing 92 per cent to 96 per cent TiO_2.

Main producers

Total production of titanium feedstocks in 2016 was 6.6 million TiO_2 units. Major producers include:

- Rio Tinto operates an ilmenite mine and titanium slag facility in Canada, Richards Bay Minerals (74%) in South Africa (comprising a mine and titanium slag facility) and a large ilmenite mine in Madagascar which also supplies feedstock for the smelting complex in Canada.
- Tronox operates the Namakwa Sands and KZN Sands operations in South Africa, and Tiwest in Western Australia (which includes a synthetic rutile facility and a pigment plant).
- Iluka with operations based in Australia.

These three producers accounted for 35% of titanium feedstock production in 2016.

Other significant producers in the titanium feedstock sector include Kenmare Resources, Base Resources and Cristal Mining Australia.

Uses

Approximately 90 per cent of titanium dioxide is used in the production of TiO_2 pigment, with around 6 per cent used to produce titanium metal and the remainder used in welding rods and other minor end uses. TiO_2 pigment imparts brilliant whiteness, brightness and opacity – approximately 57 per cent is used to make paint, with the balance mainly used in plastics (25 per cent) and paper (8 per cent).

Titanium dioxide pigment

There are two alternative process technologies for the production of titanium dioxide pigment: the sulphate process, involving digestion of the feedstock in sulphuric acid; and the chloride process, which is based on chlorination in fluidised bed reactors. The sulphate process can produce either the rutile or the anatase form of TiO_2 pigment, while the chloride process will result in only rutile grade pigment.

The sulphate pigment segment uses two feedstocks: ilmenite and sulphate grade slag. The chloride pigment segment primarily uses “high grade” feedstocks, comprising mainly chloride grade slag, rutile and synthetic rutile, as well as some ilmenite (containing higher grades of TiO_2).

Two distinct processes produce TiO_2 pigment

	Chloride	Sulphate
% of capacity	49%	51%
Location	USA, Europe, Asia-Pacific, Middle East	China, Europe
Feedstock	Chloride slag, rutile, synthetic rutile	Ilmenite, sulphate slag
Process agent	Chlorine gas used to liberate titanium	Sulphuric acid used to dissolve titanium
By-product / TiO_2	≈ 1:1	≈ 4:1

Global TiO_2 pigment production capacity is approximately 7.2 million tonnes, which is dominated by six producers: Chemours, Cristal, Venator, Kronos, Tronox and Lomon Billions. These producers accounted for 61% of global pigment capacity in 2016. With significant growth in capacity over the past decade, China now accounts for approximately 36 per cent of global capacity.

Upgrading ilmenite

Ilmenite (with a TiO_2 content averaging around 50 per cent) accounts for nearly 90 per cent of total titanium ore mined. To meet the requirements of pigment producers for higher grade feedstock, more than 50 per cent of ilmenite is first upgraded to titanium slag (with a TiO_2 content of 80 per cent to 87 per cent) or synthetic rutile (85 per cent to 95 per cent TiO_2). This process largely involves the separation and extraction of iron from the ilmenite.

Ownership of the smelters that produce titanium slag for TiO_2 (which accounts for nearly 40 per cent of total feedstock for pigment producers) is highly concentrated, with six facilities owned by four parties – Rio Tinto, Tronox, Lomon Billions and TiZir.

Zircon

Unlike titanium minerals, zircon is a relatively uniform product, its quality specifications are largely determined by the relative ability to opacify and by minor impurity levels.

Zircon Value Chain

The value chain for zircon can be classified into three distinct steps: (1) mining and separation; (2) processing to a form usable by the end-user; and (3) end-users. Each step of the chain is populated by a separate group of companies, as there are only few instances where a single company is engaged in multiple steps.

Zircon is usually produced as a by-product of the titanium minerals mining process. The separation techniques employed to produce the titanium minerals will also produce zircon sand.

Processing of the zircon sand can involve either:
- grinding the sand into fine, specifically sized products known as either flour or the even finer opacifier. Zircon in this form is used extensively in ceramics and castings; or
- transformation of the zircon sand into zirconia or to zirconium chemicals. Some of the chemical production is further processed to zirconium metal. Zirconia and zirconium chemicals are then used in a wide variety of applications, including ceramic pigments, refractories, surface coatings of all kinds and electronics.

The third group in the value chain is the end-users of the zircon sand and its processed derivatives. These companies include tile manufacturers, refractory manufacturers, foundries, specialty chemicals plants and instrumentation companies.

Main producers

Global zircon sand production was approximately 1.2 million tonnes in 2016. Three producers (Iluka, Tronox and Rio Tinto) control more than 60 per cent of the supply of zircon:
- Iluka produced approximately 350,000 tonnes in 2016 from Jacinth-Ambrosia in the Eucla Basin of South Australia, the Murray Basin in Victoria and the Perth Basin in Western Australia.
- Tronox produced nearly 220,000 tonnes through the Namakwa Sands and KZN Sands operations in South Africa, and Tiwest in Western Australia.
- Rio Tinto, through its 74 per cent ownership of Richards Bay Minerals in South Africa, produces over 200,000 tonnes annually.

Uses

The main end-use segments for zircon can be broadly categorised as ceramics, specialty chemicals and materials, refractories and foundry casting.

Ceramics: Ceramics (mostly tiles and sanitary “white-ware”) is the major end-use segment accounting for approximately 55 per cent of global zircon consumption. In ceramics, zircon is primarily used to enhance the appearance of the surface finish. Zircon is a very effective opacifier, and is used to mask the less decorative minerals and clays which often can comprise the bulk of the body of the tile. It is also used to impart brilliant whites and colours to the glaze of a tile. Within the ceramics sector, growth in zircon consumption will be determined by the rate of urbanisation in the industrialising nations.

Specialty chemicals and materials: Specialty chemicals and materials is the fastest growing of all the zircon end-use sectors, accounting for approximately 18 per cent of total global zircon demand in 2016. This strong growth has been generated by the rapid development of new products which has been driven in part due to the versatility of the end-use. The demand outlook for zircon sand in the specialty chemicals and materials is anticipated to continue to exhibit a strong growth trend, driven by demand growth of zirconium metal for the nuclear industry and chemical zirconia for automotive catalysts and the various technology-driven applications exploiting the unique properties of zirconia.

Refractories: Accounting for approximately 14 per cent of global zircon consumption, zircon is used as a specialised refractory raw material where its unique properties (very high melting point, extremely refractory and chemical inertness) are utilised. In the steel mill, zircon is used as an ingredient in general purpose refractory bricks and is also used, in the form of zirconia, as the principal ingredient in specialised applications at the continuous casting section of the plant. In the glass plant, zircon is used as a primary ingredient in the specialised refractory bricks which are capable of withstanding contact with the highly corrosive molten glass.

Foundry casting: Accounting for approximately 10 per cent of global zircon consumption, the main advantage of zircon as foundry sand is its refractoriness and resistance to metal penetration. Zircon's low thermal expansion rate, its high thermal conductivity and its "non-wetability" by molten metal make it an ideal material for use in precision casting, especially for alloy metals which must be cast at a high temperature.

The main underlying driver of zircon consumption has been, and will continue to be, the construction activity in the industrialising nations of Asia, South America, Eastern Europe and the Middle East. It is the construction sector which consumes the bulk of the ceramics, steel and glass which account for most of the zircon demand. A further driver is the global demand for electronics and high performance metals, end-uses which consume a large share of the zircon-based performance materials.

Pricing

The pricing of minerals sands products is opaque. There are neither prevailing benchmarks nor readily sourced representative traded prices for any of the major products. Pricing is typically conducted on a contract by contract basis between producers and their customers.

Prior to 2010, the titanium feedstock market was dominated by long-term contracts with annual price negotiation based on a base price determined at the start of the contract that was escalated in line with inflation.

However, the supply/demand dynamics of the sector changed considerably in 2010 and 2011 due to a number of factors:

- Lack of new project development due to lower investor interest and poor profitability driven by rising operating costs and capped revenue growth;
- The global financial crisis resulted in a curtailment of global production to match the fall in demand resulted in inventory drawdown and elimination of inventory buffers within the supply chain;
- The emergence of China as a major destination for feedstock favouring short term or spot contracts with frequent price adjustments; and
- Increase in demand for feedstock exceeding expectations of most industry participants.

This led to structural changes in the contracting regime including reduction in contract durations and the introduction of more frequent price negotiation. Generally, feedstock producers don't publicly disclose adjustments to pricing for individual customers or across ranges of products.

Unlike the market for titanium feedstocks, the customer base for zircon is more diversified. Zircon contracts have traditionally been based on annual tonnage commitment with quarterly price negotiation. Suppliers that typically target niche end users are often successful in achieving price premiums over larger consumers.

In 2015, Iluka introduced a Zircon Reference Price Framework as a benchmark which all Iluka products are priced. The reference price is based on its most commonly sold tonnage combination The reference price is adjusted on a quarterly basis. In April 2016, Iluka announced the reduction of its reference price to US$950 per tonne in response to a reduction of US$100 per tonne by a major producer. However in May 2017, it announced an increase in the reference price to US$1,100 per tonne with a further increase to US$1,230 announced in September 2017. These recent price increases reflect balancing the needs of their customers and downstream industries for pricing which enables sustainable operations and generates satisfactory returns to shareholders.

SHAREHOLDERS

Eramet

ERAMET is a global producer of:

- alloying metals, particularly manganese and nickel, used to improve the properties of steel;

ERAMET

- high-performance special steels and alloys used in industries such as aerospace, power generation and tooling;

ERAMET is also developing activities with high growth potential, such as lithium and base metals recycling.

The Group employs approximately 13,000 people in 20 countries and is listed on Euronext Paris Compartment A.

The creation of the Tizir Joint Venture allowed ERAMET to reinforce its position in the mineral sands business by combining the Tyssedal plant acquired in 2008 with the Grande Cote mineral sands project owned by MDL.

Mineral Deposits

Mineral Deposits Limited (MDL) has been a participant in the mineral sands industry since the mid-1990s, following its acquisition of the Hawks Nest mineral sands operation in NSW, Australia. In September 2004, MDL was selected by the Government of the Republic of Senegal to develop the Grande Côte mineral sands project. The creation of the TiZir Joint Venture in 2011 and the subsequent development of GCO has allowed MDL to realise its strategy of becoming an integrated mineral sands producer.

7. Administrative, management and supervisory bodies

ISSUER

Board of Directors:

Name	Position	Businesss adress
Nic Limb	Chairman	Level 17 530 Collins Street, Melbourne VIC 3000, Australia
Philippe Vecten	Director	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Martin Ackland	Director	Level 17 530 Collins Street, Melbourne VIC 3000, Australia
Charles Nouel	Director	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Robert Sennitt	Director	Level 17 530 Collins Street, Melbourne VIC 3000, Australia
Thomas Devedijan	Director	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Jean-Michel Fourcade	Director	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Jozsef Patarica	Director	Level 17 530 Collins Street, Melbourne VIC 3000, Australia

Management:

As of 1 November 2017, TiZir is managed by a committee of the TiZir Board. The Joint Operating Committee (JOC), as it is known, is comprised of one representative from each of the shareholders, being Robert Sennitt (MDL) and Charles Nouel (Eramet).

A search for a new CFO is currently underway with Greg Bell (current CFO of MDL) serving as TiZir CFO in conjunction with Bruno Faour (Deputy CFO of Eramet Mining Divisions) until a new appointment is made.

GUARANTORS

TiZir Mauritius Limited

Board of Directors:

Name	Position	Businesss adress
Georges Magon	Director	St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius
Reshma Ghoorah	Director	St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius

Management:

Name	Position	Businesss adress
Charles Nouel	General manager	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Robert Sennitt	General manager	Level 17 530 Collins Street, Melbourne VIC 3000, Australia
Rogers Capital	Management Company	St Louis Business Centre, Cnr Desroches & St Louis Streets, Port Louis, Mauritius

TiZir Titanium & Iron AS

Board of Directors:

Name	Position	Businesss adress
Ludvig Egeland	Chairman	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Charles Nouel	Director	Tour Maine Montparnasse 33, avenue du Maine, 75755 Paris Cedex 15, France
Einar Freng	Director	Naustbakken 1, 5770 Tyssedal
Ørjan Andersson	Director	Naustbakken 1, 5770 Tyssedal
Bjørn Kolbjørnsen	Director	Rolighetsv 11, 3901 Porsgrunn
Ulf Knudsen	Director	Naustbakken 1, 5770 Tyssedal
Sven Ove Bauge	Director	Naustbakken 1, 5770 Tyssedal
Robert Sennitt	Director	Level 17 530 Collins Street, Melbourne VIC 3000, Australia
Jozsef Patarica	Director	Level 17 530 Collins Street, Melbourne VIC 3000, Australia

Management:

Name	Position	Businesss adress
Per Øyvind Sævartveit	CEO	Naustbakken 1, 5770 Tyssedal

Set out below are brief biographies of the members of the Board of Directors and Management of the Issuer and Guarantors in alphabetical order:

Bjørn Kolbjørnsen

Bjørn Kolbjørnsen became CEO of Eramet Norway in 2011, a manganese alloy producer with 3 plants in Norway located in Porsgrunn, Sauda and Kvinesdal. Prior to this position he was plant manager in Porsgrunn for 5 years, and manager of a maintenance improvement for the two plants Porsgrunn and Sauda prior to this. He has inn all in all been a part of Eramet Norway in various positions since the takeover from Elkem in 1999. He stated out as a maintenance trainee in Elkem in 1995.

Bjørn is Master of Science engineering from NTNU in Trondheim (1995). In 2001-2002 and in 2011-2012 he was a part of management development program, first NHH "Solstand-programmet for yngre ledere" and secondly Duke University "Executive Development Program."

Bjørn brings extensive experience from operation and management of melting plants including safety and continuous improvement, delivering steady increases in profitability through technical improvements and cost cutting.

Charles Nouel

Charles qualified as a geoscientist more than twenty five years ago. His various assignments in geology, mining engineering, project development and marketing has given him a wide and global view of the mining business. He has worked in France, Australia and New Caledonia for commodities such as Gold, Nickel and Manganese.

For the last seven years, Charles has been at Eramet's HQ in Paris, where he was Deputy VP Industrial of the Nickel division, then VP Ore Market of the Manganese division. More recently, he was appointed VP Mineral Sands.

Einar Freng

Einar Freng is a Chemical Engineer by profession holding a master in Chemical Engineering from The Technical University at Trondheim, Norway.

He has more than 40 years of experience from project work as well as operative and management positions inside the chemical industry involving the fertilizer business, the light metal (Mg) business, the petrochemical (VCM/Ethylen) business, and the electrochemical (FeMn/TiO_2) business. Engagements have included 38 years within Norsk Hydro/Yara and 3 years within Tinfos AS before retirement.

Positions in Norsk Hydro have included seven years R&D Engineer at the Research Center, Porsgrunn; five years as Operational Manager NH3 Plant, Qatar; five years Mg Plant Operational Manager, Porsgrunn; five years Project Completion/Start Up and Production Manager of the greenfield Becancour Mg Plant, Quebec; five years as the VCM/Etylen Production Manager at Rafnes, Norway; five years as Plant Manager of the Montoir Fertilizer Plant, Bretagne, France; and 6 years in Vice President position in Norsk Hydro/Yara within Strategy/Development and as Technical Process Owner for NPK/AN fertilizers.

Within Tinfos he held the position as Strategy and Development Manager including organizing the due diligence process which led to the sale of major production facilities to Eramet.

Einar Freng has been a board member of Tinfos NIZI, Luxembourg, and has continued as a TTI board member since 2006.

Georges Magon
Georges holds a Bachelor of Science in Law & Management from the University of Mauritius. He is currently pursing ICSA studies at Professional level (Institute of Chartered Secretaries and Administrators). Georges has over 14 years of progressive experience within the Global Business sector in Mauritius with expertise in corporate administration, client-portfolio management and team leadership.

Jean-Michel Fourcade
Prior to becoming the CEO of TiZir Limited in April 2013, Jean-Michel joined Eramet in 2002 as VP Operations of the Manganese Division and then moved to the position of VP of R&D, Innovation, Engineering and Purchasing at the corporate level.

Jean-Michel is a graduate of the Paris School of Mines and of the Advanced Management Program in INSEAD. He has solid experience in plant management and International project development. He has held various operational positions at Société Le Nickel in New Caledonia and Arcelor Mittal in France.

Jean-Michel brings extensive experience as an executive. His former responsibilities include Board Member positions at Eramet China, Eramet Marietta and Eramet Norway and he has been Chairman of TTI since 2008.

Jozsef Patarica
Prior to joining MDL as its Chief Operating Officer, Jozsef spent eight years as a Director of ASX listed Bassari Resources Limited focused on discovering and developing multimillion ounce gold deposits in the Birimian Gold Belt, Senegal, West Africa. He is a mining professional with a strong track record in the mining industry spanning 24 years. He has been involved in management, project evaluation and operational roles throughout his career in a number of mining centres across Australia and Senegal. He was involved in the development and operational management of the Fosterville Gold Mine (BIOX) in Victoria where he successfully transitioned the operation from open pit to underground mining. Prior to Fosterville, Jozsef was part of Placer Dome's Corporate and Project Development Group based in Australia. He was part of the team for Newcrest involved in the construction and commissioning of Cadia Hill Gold Mine in NSW and, whilst in Western Australia, he was part of the team which successfully constructed and commissioned the "stage 3" expansion of the Fimiston Plant for Kalgoorlie Consolidated Gold Mines.

Jozsef has a Bachelor of Engineering (Mechanical), Master in Business Administration (Technology Management) and is a member of the Australian Institute of Company Directors and Australasian Institute of Mining and Metallurgy.

Ludvig Egeland

Ludvig has an MBA from the Norwegian Business School in Oslo. He spent five years with Norsk Hydro ASA in Oslo and London, before joining the Tinfos Group in 1981. He held various positions within the group, and was the CFO when Tinfos was acquired by ERAMET SA in 2008. Ludvig is Chairman of ERAMET Norway AS, a manganese alloying company with three alloying plants in Norway, and was a director of TTI from 1988 to 2016 before being re-appointed as Chairman of TTI in December 2017.

Martin Ackland

Martin is a qualified metallurgist who has spent over 40 years in the resources industry in a variety of roles that involved the creation of major resource groups from small capital bases. He has served as a director of a number of listed mining companies involved in gold, uranium and base metal production. From 1987 to 1995, Martin was an executive director of Ticor Limited (formerly Minproc Holdings Limited) where he was responsible for the successful implementation of the Tiwest Project – the world's only integrated mineral sands mine, synthetic rutile and TiO_2 pigment operation.

He brings to TiZir a very strong background in project development. His experience embraces a range from project development through financing and capital raising in both the project and corporate areas.

Nic Limb

Nic has professional qualifications as a geoscientist and worked in the mineral exploration sector for 10 years. In 1983 he joined a stockbroking firm as a corporate financier in the natural resources finance division and subsequently joined a major international investment bank as an executive director, again working in resources finance.

In 1993 he became Managing Director of a small listed gold explorer which grew to a substantial gold producer prior to being taken over in 2000. In 1994 he formed Mineral Deposits and has acted as Chairman since that time. During his tenure as Chairman, MDL discovered and subsequently developed the large Sabodala Gold Project in Senegal and has progressed the Grande Côte mineral sands project to its current production status.

Nic has been a non-executive director of a number of public companies over the last 20 years and currently holds a non-executive Chair position at FAR Limited.

Per Øyvind Sævartveit

Before starting as CEO of TTI in November 2017, Per Øyvind was CEO of SØRAL from 2008 to 2017. SØRAL – a 200,000 tpa primary aluminium / extrusion ingot plant – was until 2014 a 50/50 joint venture between Hydro and Rio Tinto Alcan, and is now a 100% Hydro plant. Between 2003 and 2008, he was responsible for finance, HR and procurement at TTI. Between 1993 and 2003, he worked for Odda Smelteverk AS (a part of Linde) as CFO and later CEO.

Per Øyvind holds an MBA from the Norwegian School of Economics in Bergen (1989). He has long experience in plant management and finance.

Per Øyvind brings extensive experience as an executive. His former responsibilities include CEO and CFO positions in process industry. He also has long and relevant experience working in a Governance structure.

Philippe Vecten

Philippe is a mining engineer who has held various senior positions within the Eramet Group since 1999. These include Managing Director of Société Le Nickel in New Caledonia, Vice President Strategy and Acquisitions and, since June 2007, Eramet Delegate CEO and Manganese Division Managing Director.

Prior to joining Eramet, he spent 25 years in the mining sector, mainly in potash mines (15 years in France, Brazil and Canada) and iron mines (eight years in France).

Philippe also has an MBA from the University of Paris.

Reshma Ghoorah

Reshma is a Fellow of the Association of Chartered Certified Accountants (FCCA). She holds the post of Associate Manager at Rogers Capital Accounting Services and has over 14 years of progressive responsible experience on departmental management and planning of a diversified portfolio of clients.

Robert Sennitt

Rob has spent almost 25 years in the investment banking industry where his focus was advising companies in the natural resources sector on financial and strategic transactions.

During this period, Rob was a Managing Director at RBC Capital Markets, an Executive Director at Macquarie Capital and also worked with J.P. Morgan in Australia. Rob was appointed Managing Director of MDL in 2016 after serving as CEO from June 2015 following an initial period working with the Company on strategic and business development initiatives.

He has a Bachelor of Economics from the University of Sydney and is a member of the Chartered Accountants of Australia and New Zealand.

Sven Ove Bauge

Sven Ove joined TTI in 1996 as an operator. In recent years he has served as Union Safety Delegate (elected role). Sven Ove is a certified electrochemical process operator and he has comprehensive management training from the Armed Forces.

Thomas Devedijan

Thomas, aged 44, is a graduate of the Paris Institute of Political Studies (IEP), the Ecole des Hautes Etudes Commerciales (HEC), and an alumnus of the Ecole Nationale d'Administration (ENA) He had various assignments in the French Civil Service, where he was a technical advisor to a number of Finance Ministers. After being Deputy Director of Investments with EURAZEO, he joined the French Strategic Investment Fund (FSI) in 2009, the company later integrated with Bpifrance, and Thomas continued with the firm as Director and Member of the Executive Committee. In February 2014, he was appointed Investment Director of YAM Invest and CEO of Time for Growth.

Thomas joined the Eramet Group in September 2015 and was appointed CFO on 1 January 2016.

Ulf Knudsen

Ulf is a certified electrochemical processes operator and is trained in World class maintenance. Ulf has held different technical and managerial positions at the furnace for more than 20 years, and he is currently Department manager of the Furnace. Ulf has been employed at TTI since 1986.

Ørjan Andersson

Ørjan is educated from the University of Bergen Ex. Phil – 1983, Telemark District High School Primary and Secondary Education - 1984/1986 and Telemark District School Economics & Administration - 1986/1990.

After several years as a teacher at high school (Bø and Odda), and two years as general manager at Odda Fitness Center, he started as a process operator at Odda Smelteverk in 1997. Ørjan became a certified electrochemical operator in 2002. He started as a temporary worker at the furnace at TTI in June 2003, and became a permanent employee of TTI in 2006. From March 2013, he has headed the Electrochemical Workers' Union avd. 44

There are currently no potential conflicts of interests between any duties to the issuing entity of the persons referred to in this section and their private interests or other duties.

BOARD PRACTICES

The Company is not publicly listed in the United Kingdom (its country of incorporation) and therefore is not required to comply with the United Kingdom's Corporate Governance Code. However, the joint venture is structured broadly to ensure that strong corporate governance is sustained throughout the Group.

The Company is governed by a shareholders' agreement between its two owners, Eramet and MDL. This agreement sets out the regulations by which the Company is governed including (but not limited to) the composition of the board, powers and authority of management, funding and financial contributions, dispute resolution mechanism and dividend policy.

The Board has established four separate committees, composed of shareholder representatives with an appropriate balance of skills, experience and knowledge of the Group, to provide effective leadership of the Company, oversight of operations and accountability to its shareholders. These committees also ensure that there are clear divisions of responsibility and no one individual person has unfettered decision-making powers.

Below is a summary of the respective Board Committees:

Joint Operating Committee
The primary objective of the Joint Operating Committee (JOC) is to provide clear leadership to both GCO and TTI while co-ordinating a joint position from the shareholders for communication to the respective operations.

The JOC has been empowered by the Board to make decisions (within the limits of their delegated authority) regarding operations, sales and marketing, performance management, human resources, safety, information technology and sustainability.

Audit Committee
The Board of Directors has established an audit committee composed of 2 directors. The current members of the audit committee are Nic Limb (MDL) and Thomas Devedijan (Eramet).

The objectives of the Audit Committee are to:

- Ensure the integrity of the TiZir's financial reporting.
- Oversee the Company audit and review the Company's accounting policies and financial statements and provide recommendations to the Board.
- Ensure that controls are established and maintained to safeguard the Company's financial and physical resources.

The Audit Committee reports and makes recommendations to the Board of Directors on a regular basis which contain all matters relevant to the Audit Committee's role and responsibilities. However, the Board of Directors retains responsibility for implementing such recommendations.

Finance Committee

The primary functions of the Finance Committee are:

- Identifying critical financial issues and providing early warning reporting to the Board.
- Managing major financial projects as they arise providing recommendations to the Board for approval.
- Approving key elements of financial statements.

Strategy & Risk Committee

The primary functions of the Strategy & Risk Committee are:

- Identifying and driving growth opportunities.
- Developing investment criteria.
- Developing and initiating strategic plans.
- Maintaining and updating risk registers.

Guarantors

Neither of the Guarantors are publicly listed in their jurisdiction and, as with the Issuer, are not required by the prevailing legislation to comply with their jurisdiction's Corporate Governance Code.

Neither of the Guarantors have audit committees.

For TTI the corporate governance policy is based on the Norwegian Code of Practice for Corporate Governance. Corporate governance policies and practice are based on the Norwegian Accounting Act, and they endeavor to follow the recommendations from NUES where possible.

TML is a holder of a Category 1 Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007 and complies with the underlying requirements of these legislations.

8. Major shareholders

ISSUER

TiZir's share capital is comprised of 329,500 ordinary shares distributed equally between Eralloys Holding AS and MDL (Mining) Limited. Fully paid ordinary shares have a par value of USD 1.00, carry one vote per share and carry a right to dividends. The Issuer's constitution does not disclose an authorised capital amount as this concept was abolished in the Companies Act 2006. As such, the authorised capital of the Issuer is equal to the amount of shares allotted to date.

As at the date of this Registration Document, there are no arrangements known to the Issuer which may at a subsequent date result in a change in control of the Issuer.

GUARANTORS

TiZir Mauritius Limited's share capital is AUD 737,296,692 divided into 7,372,966,920 shares with each share having a face value of AUD 0.10. Fully paid ordinary shares carry one vote per share and carry rights to dividends. TML is owned 100% by the Issuer.

TiZir Titanium & Iron AS's share capital is NOK 300,000,000 divided into 300,000 shares with each share having a face value of NOK 1,000. Fully paid ordinary shares carry one vote per share and carry rights to dividends. TTI is owned 100% by the Issuer.

9. Financial information

ISSUER

The consolidated annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union. The interim financial statements are prepared in accordance with IAS 34 Interim Financial Reporting.

The financial information set out below is derived from the above mentioned reports, and incorporated by reference to TiZir's financial reports. Please see the cross reference list in section 12 to this Registration Document.

TiZir Ltd *(consolidated)*	**31 Dec 2016** audited	**31 Dec 2015** audited	**H1 2017** unaudited	**H1 2016** unaudited
INCOME STATEMENT USD - in thousands				
Sales	160,594	168,951	93,492	83,236
EBITDA	24,139	(6,694)	28,361	1,750
Operating profit/loss	(19,704)	(53,788)	7,668	(16,669)
Loss for the period	(66,551)	(84,435)	(17,743)	(40,790)
Total comprehensive loss for the period	**(57,901)**	**(97,154)**	**(15,421)**	**(32,054)**
BALANCE SHEET USD - in thousands				
Total non-current assets	849,171	869,523	833,713	
Total current assets	83,960	99,987	122,027	
Total Assets	**933,131**	**969,510**	**955,740**	
Total equity	340,237	400,410	325,269	
Total non-current liabilities	169,853	443,691	220,599	
Total current liabilities	423,041	125,409	409,872	
Total equity and liabilities	**933,131**	**969,510**	**955,740**	
CASH FLOW STATEMENT USD - in thousands				
Net cash flow from operations	18,467	(38,494)	(31,132)	(24,185)
Net cash flow from investing activities	(20,155)	(51,781)	(3,346)	(10,241)
Net cash flow from financing activities	10,164	80,608	39,235	39,158
Net change in cash and cash equivalents	7,758	(5,748)	5,400	2,472
Closing cash and cash equivalents	**10,411**	**2,653**	**15,811**	**5,125**

GUARANTORS

TiZir Mauritius Limited

The annual financial statements of TML represent the separate financial statements of TiZir Mauritius Limited. These reports, and the interim financial statements included as appendices, have been prepared in accordance with International Reporting Standards (IFRS). The financial information set out below is derived from these reports.

The financial reports for TML are attached to this Registration Document. Please see the cross reference list in section 12 in this Registration Document.

TiZir Mauritius Limited	**31 Dec 2016** audited	**31 Dec 2015** audited	**H1 2017** unaudited	**H1 2016** unaudited-
INCOME STATEMENT				
USD				
Profit/(Loss) before tax	181,892	(34,509)	(89,330)	(90,389)
Profit/(Loss) for the period	177,470	(34,509)	(89,330)	(90,389)
Total comprehensive income/loss for the period	**177,470**	**(34,509)**	**(89,330)**	**(90,389)**
BALANCE SHEET				
USD				
Total non-current assets	745,897,144	748,176,838	742,655,508	
Total current assets	1,372,547	976,379	541,083	
Total Assets	**747,269,691**	**749,153,217**	**743,196,591**	
Total equity	689,706,514	689,529,044	689,617,184	
Total non-current liabilities	56,651,221	58,851,221	52,651,221	
Total current liabilities	911,956	772,952	928,186	
Total equity and liabilities	**747,269,691**	**749,153,217**	**743,196,591**	
CASH FLOW STATEMENT				
USD				
Net cash flow from operations	(10,596,495)	(13,217,938)	(4,635,847)	(5,223,040)
Net cash flow from investing activities	12,956,413	6,070,000	8,304,564	4,606,413
Net cash flow from financing activities	(2,200,000)	7,030,000	(4,000,000)	500,000
Net change in cash and cash equivalents	159,918	(117,938)	(331,283)	(116,627)
Effect of exchange rate changes on cash held in foreign currencies	(3,503)	(2,057)	(1,889)	(1,376)
Closing cash and cash equivalents	**686,641**	**530,226**	**353,469**	**412,223**

TiZir Titanium & Iron AS

Both the annual- and interim financial statements for TTI are drawn up in accordance with the 1998 Norwegian Accounting Act and generally accepted accounting principles in Norway. The financial information set out below is derived from these reports.

The financial reports for TTI are attached to this Registration Document. Please see the cross reference list in section 12 in this Registration Document.

TiZir Titanium & Iron AS	**31 Dec 2016** audited	**31 Dec 2015** audited	**H1 2017** unaudited	**H1 2016** unaudited
INCOME STATEMENT NOK 000's				
Operating revenue	883,661	715,891	431,018	428,438
Operating expenses	(782,350)	(703,519)	(386,938)	(400,794)
Profit/Loss before taxation	50,402	(53,889)	46,526	23,520
Profit/loss for the period	**38,035**	**(40,181)**	**35,360**	**17,640**
BALANCE SHEET NOK 000's				
Total non-current assets	559,852	592,536	537,453	
Total current assets	334,430	640,724	632,763	
Total Assets	**894,282**	**1,233,260**	**1,170,216**	
Total equity	612,547	539,108	652,324	
Total non-current liabilities	0	347,312	16,562	
Total current liabilities	281,735	694,152	501,330	
Total equity and liabilities	**894,282**	**1,233,260**	**1,170,216**	
CASH FLOW STATEMENT NOK 000's				
Net cash flow from operations	278,693	141,955	(238,281)	(130,470)
Net cash flow from investing activities	(102,378)	(489,912)	(14,604)	(53,528)
Net cash flow from financing activities	(177,435)	320,167	251,748	179,670
Net change in cash and cash equivalents	(1,120)	(27,791)	(1,137)	(4,328)
Closing cash and cash equivalents	**5,632**	**6,752**	**4,495**	**2,424**

OTHER STATEMENTS FOR THE GROUP

The Group's historical annual financial statements for 2016 and 2015 have all been audited. None of the Group's historical interim financial statements for H1 2017 and H1 2016 have been audited.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Guarantors is aware of), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or Group's financial position or profitability.

The auditor's opinion of the financial statements of the Issuer for the year ended 31 December 2016 includes an emphasis of matter in relation to the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. This uncertainty related to the US$275 million senior secured bonds maturing in September 2017. At the date of the financial statements, the Issuer had not refinanced these bonds. However, on 19 July 2017, the Issuer successfully refinanced these bonds by issuing a 9.50% senior secured callable bond of US$300 million maturing in July 2022. As such, the conditions that led to the material uncertainty referred to by the auditors are no longer in existence and the Issuer expects that the audit opinion for the year ending 31 December 2017 will not be modified for these conditions.

Other than the information under "Investments" in chapter 5 ("*Information about the Issuer and the Guarantors*") and the above mentioned there is no significant change in the financial or trading position of the Group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published. Furthermore, there has been no material adverse change in the prospects of the Issuer or Guarantors since the date of their last published audited financial statements, and there are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's or any Guarantor's prospects.

The Issuer affirms that no material changes have occurred since the date of the competent person's report.

There are no recent events particular to the issuer that are to a material extent relevant to the evaluation of the Issuer's solvency.

There are no material contracts that are not entered into in the ordinary course of the Issuer's or Guarantors' business, which could result in any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to security holders in respect of the securities being issued.

10. Third party information and statement by experts and declarations of any interest

Competent Persons Report – GCO Resource and Reserve Estimate

Information contained in the GCO Resource and Reserve Estimate (shown in Appendix 1) that relates to Ore Reserve and Mineral Resource estimates is based on information compiled by Mr Djibril SOW, M.Eng Geology, a competent person who is a member of AusIMM (The Australasian Institute of Mining and Metallurgy) and a full-time employee of the GCO/Tizir group. Mr D SOW has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity, being undertaken to qualify as a competent person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr D SOW consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

11. Documents on display

For the life of the Registration Document the following documents (or copies thereof) may be inspected:

- The Company's and the Guarantors' articles of association.
- The audited 2016 and 2015 consolidated annual financial statements of the Issuer (IFRS).
- The audited 2016 and 2015 annual financial statements of the Guarantors (IFRS and NGAAP).
- The unaudited H1 2017 and H1 2016 consolidated interim financial statements of the Issuer (IFRS).
- The unaudited H1 2017 and H1 2016 interim financial statements of the Guarantors (IFRS/NGAAP).
- The guarantees made by the Guarantors to the benefit of Nordic Trustee ASA.
- The GCO Resource and Reserve Estimate.

The documents are either attached to this Registration Document or may be inspected at the Company's registered office, 3 More London Riverside, London SE1 2AQ, United Kingdom, during normal business hours from Monday to Friday each week (except public holidays).

12. Cross reference list

In section 6 of the Registration Document, there is given reference to the Article 32 of the 2003 Senegalese Mining Code. The complete mining code is available at:

http://www.droit-afrique.com/upload/doc/senegal/Senegal-Code-2003-minier-MAJ-2012.pdf

(This information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.)

In section 6 of the Registration Document, the information referred to in the Grand Côte Operations is attached to this Registration Document as attachment no. 1 – *GCO Resource and Reserve Estimate*.

In section 9 in the Registration Document, the Issuer's financial information is incorporated by reference as follows:

Information concerning the Issuer’s 2016 annual figures is incorporated by reference to the Issuer’s annual financial statements 2016.
Information concerning the Issuer’s 2015 annual figures is incorporated by reference to the Issuer’s annual financial statements 2015.
Information concerning the Issuer’s 2017 interim figures is incorporated by reference to the Issuer’s interim financial statements H1 2017.
Information concerning the Issuer’s 2016 interim figures is incorporated by reference to the Issuer’s interim financial statements H1 2016.

The financial reports are available at:

2017 H1:	**http://www.tizir.co.uk/wp-content/uploads/2017/07/2017-1H-Half-Year-Report-Final.pdf**
2016:	**http://www.tizir.co.uk/wp-content/uploads/2017/06/Tizir-Ltd-Annual-Report-2016-FINAL.pdf**
2016 H1:	**http://www.tizir.co.uk/wp-content/uploads/2016/07/2016-1H-Half-Year-Report-Final.pdf**
2015:	**http://www.tizir.co.uk/wp-content/uploads/2016/04/Tizir-Ltd-Annual-Report-2015.pdf**

In section 9 of the Registration Document, the financial information referred to in the Guarantors' financial statements are attached to this Registration Document as follows:

Financial Information	**2017 H1**	**2016**	**2015**
Company		**Attachment No**	
TiZir Mauritius Ltd	2	3	4
TiZir Titanium & Iron AS	5	6	7

13. Attachments

1. GCO Resource and Reserve Estimate
2. TiZir Mauritius Ltd - Interim report 2017 H1
3. TiZir Mauritius Ltd - Annual report 2016
4. TiZir Mauritius Ltd - Annual report 2015
5. TiZir Titanium & Iron AS - Interim report 2017 H1
6. TiZir Titanium & Iron AS - Annual report 2016
7. TiZir Titanium & Iron AS - Annual report 2015

Attachment 1

GRANDE CÔTE MINERAL RESOURCES AND ORE RESERVES

The following Mineral Resource and Ore Reserve estimates are provided in relation to the Grande Côte mineral sands operation ('GCO') in Senegal, West Africa. The Mineral Resource and Ore Reserve estimates as at 31 July 2017, together with supporting statements and appropriate disclosures shown in Appendices A and B were prepared by GCO Competent Persons in accordance with the 2012 edition of the JORC Code[1].

Explanatory information in relation to the Mineral Resource and Ore Reserve estimates is included in Appendix A and B.

MINERAL RESOURCE ESTIMATE

The GCO Mineral Resource is a total of 26.6 Mt of heavy mineral (Measured and Indicated and Inferred). The main heavy mineral ('HM') deposits identified to date are Diogo, Fass Boye, Lompoul, Mboro, Mboro Hotel, Yodi and Noto. Both the dunes and the underlying marine sands contain HM, principally ilmenite, zircon, rutile and leucoxene. Zircon and ilmenite are the main HM of interest.

Based on the drilling undertaken and allowing for mining depletion, the Mineral Resource estimate for the identified deposits is as follows:

Mineral Resource Estimate

100% basis

Resource Category	Ore Mt	In Situ HM Mt	HM %	Ilmenite %	Zircon %	Leucoxene %	Rutile %
Measured	1,480	21.3	1.4	72.0	10.7	3.2	2.5
Indicated	350	4.8	1.4	72.0	10.7	3.2	2.5
Inferred	41	0.5	1.2	72.0	10.7	3.2	2.5
Total	**1,871**	**26.6**	**1.4**	**72.0**	**10.7**	**3.2**	**2.5**

Note:

1. Quantities and grades were derived by accumulating the grades to six metres below the natural water table except for the Mboro Hotel and Yodi deposits, where the accumulation is to the natural water table.
2. A cut-off grade of 1.0% HM was applied to the accumulated grades.
3. Tonnes were rounded to the nearest 1,000,000.
4. Grades were rounded to one decimal place.
5. The mineral assemblage (ilmenite, zircon, rutile and leucoxene) is reported as a percentage of HM.
6. All Mineral Resources are inclusive of Ore Reserves.

Information in this report that relates to Mineral Resource estimates is based on information compiled by Mr Djibril Sow, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Grande Côte Operations SA. Mr Sow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Other deposits within the Mining Concession have been partially explored and there is potential to identify additional deposits beyond the limits of present drilling.

[1] *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition, sets out minimum standards, recommendations and guidelines for public reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves, authored by the Joint Ore Reserves Committee of The Australian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia.*

ORE RESERVE ESTIMATE

In late 2016, the mine path and schedule were optimised. The mine path now advances north towards Lompoul (previously south) after mining the Diogo area. The mine path has been widened in areas and designed to be straighter with pond floor and water level adjusted relative to the upper aquifer water surface. Dozer push (dry mining) of high-grade material adjacent to the mine path (within 100m) in specific areas has also been included in Probable Reserves.

Based on the 2017 depleted Mineral Resource and life of mine plan, the Ore Reserve estimate is as follows:

Ore Reserve Estimate

100% basis

Classification	Ore Mt	HM Mt	HM %	Ilmenite %	Zircon %	Leucoxene %	Rutile %
Proved	1,094	16.2	1.5	72.0	10.7	3.2	2.5
Probable	343	5.1	1.5	72.0	10.7	3.2	2.5
Proved and Probable	1,437	21.3	1.5	72.0	10.7	3.2	2.5

Note:

1. The Ore Reserve estimate is based on Indicated and Measured Mineral Resource contained within the mine design.
2. A cut-off grade of 1.3% HM was applied for the first five years, with 1.0% HM thereafter.
3. The Ore Reserve estimate is the part of the Mineral Resource contained within the dredge path design and dozer push dry mining areas. It is inclusive of mining dilution and is based on the project's economics.
4. Ore tonnes were rounded to the nearest 1,000,000.
5. Grades were rounded to one decimal place.
6. The mineral assemblage (ilmenite, zircon, rutile and leucoxene) is reported as a percentage of HM.
7. All Mineral Resources are inclusive of Ore Reserves.

Information in this report that relates to Ore Reserve estimates is based on information compiled by Mr Djibril Sow, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy and a full-time employee of Grande Côte Operations SA. Mr Sow has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Sow consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The GCO deposit continues to the north and south of the Mining Concession beyond these Ore Reserves. Additional mine life will depend on the success of additional drilling and the future economics of GCO.

SUPPORTING STATEMENT MINERAL RESOURCE AND ORE RESERVE REPORTING

In September 2004, Mineral Deposits Limited (MDL) was selected by the Government of the Republic of Senegal ('RoS') to explore and develop the Grande Côte mineral sands project. A Presidential Decree was granted in 2007, providing MDL a Mining Concession of 25 years. Ownership of GCO was transferred to TiZir as part of the MDL/ERAMET joint venture in late-2011. The RoS is a valued project partner, holding a 10% interest. Construction began in 2011 and was completed in March 2014.

GCO is the biggest single-dredge mineral sands operation in the world with operations managed by an experienced team. Grande Côte is located on a coastal, mobile dune system starting approximately 50 kilometres north–east of Dakar, and extends northwards along the coast for more than 100 kilometres. The mineralised dune system averages four kilometres in width and contains largely unvegetated sand masses. The project area is 445.7 square kilometres. Dredging operations commenced in March 2014, with processing operations shortly thereafter in June. Since that time, GCO has gradually increased production.

Geological description

The extensive Senegal-Mauritanian Basin covers most of Senegal and is composed of Mid-Jurassic to Recent, poorly cemented marine sands, marls, limestones and shales overlain by continental lacustrine and marine sediments.

The GCO project is within the belt of coastal dunes that lie along the current shoreline. The dunes, recent in age, are mobile or semi-fixed, pale yellow in colour and overlie older Late Quaternary white marine sands. The dunes range between 5m and 35m in height and the mineralised zones, which are essentially flat-lying, average around 15m in thickness.

The GCO deposit comprises a linear series of Aeolian sand dunes containing an HM assemblage concentrated by wind action. The Aeolian or mobile dunes overlie a substratum of former beach sands representing a recessive littoral environment. These sands also contain a lesser HM concentration. The natural water table generally occurs close to the interface between the mobile dune and littoral sand together with occasional peaty materials preferentially located at the dune-littoral sand interface.

Geological figures, including drillhole location plan and schematic cross section of drillholes and block model are included in Appendix A.

Resource estimation

Geological data was used to define the top and bottom of the mineralised unit. A wireframe of the water table from piezometer readings was constructed. Parent block sizes were 20mE x 100mN x 1mRL, based on a general drillhole spacing of 40mE x 200mN. The Inferred Resources defined in the area south of Mboro called Noto is based on an estimation using parent block sizes of 80mE x 800mN x 1mRL, from RC drill spacing of 160mE x 1600mN for three lines. The total extent of the mineralisation is 3.2km.

Hand auger and reverse circulation drilling were used in the estimation. All samples were either sampled or composited to 1m. No by-products or deleterious elements were considered.

The deposit was divided into three zones with top-capping applied to two of the zones. No assumptions on correlation between variables were used as only HM % was estimated. All input data was rotated 35° toward north so the deposit is orthogonal. Ordinary Kriging was used to estimate block grades. The maximum search distance was 750m north, 300m east and 9mRL.

Tonnages are estimated using dry bulk density, 1.7 t/m³. A cut-off of 1.0% HM was applied to the accumulated grade. Adjustments were made based on where peat exists.

Swath plots and visual comparisons between the block model and drillhole data was used to check the block grade estimates. The area is currently being mined and previous Mineral Resource estimates by AMC Consultants Pty Ltd in 2010 and 2015 gave similar results. These reports are available on the MDL website.

The Resource was classified mainly on the drillhole spacing due to the uncomplicated geology, continuity of mineralisation and confidence in the drillhole data. Blocks where the drilling was spaced 200mN x 40mE were classified as Measured and the remaining areas as Indicated (200mN x 100mE) and Inferred (1600mN x 160mE).

APPENDIX A: GEOLOGICAL DIAGRAMS

Figure 1: Grande Côte drillhole location plan

Figure 2: Schematic cross section of drillholes and block model

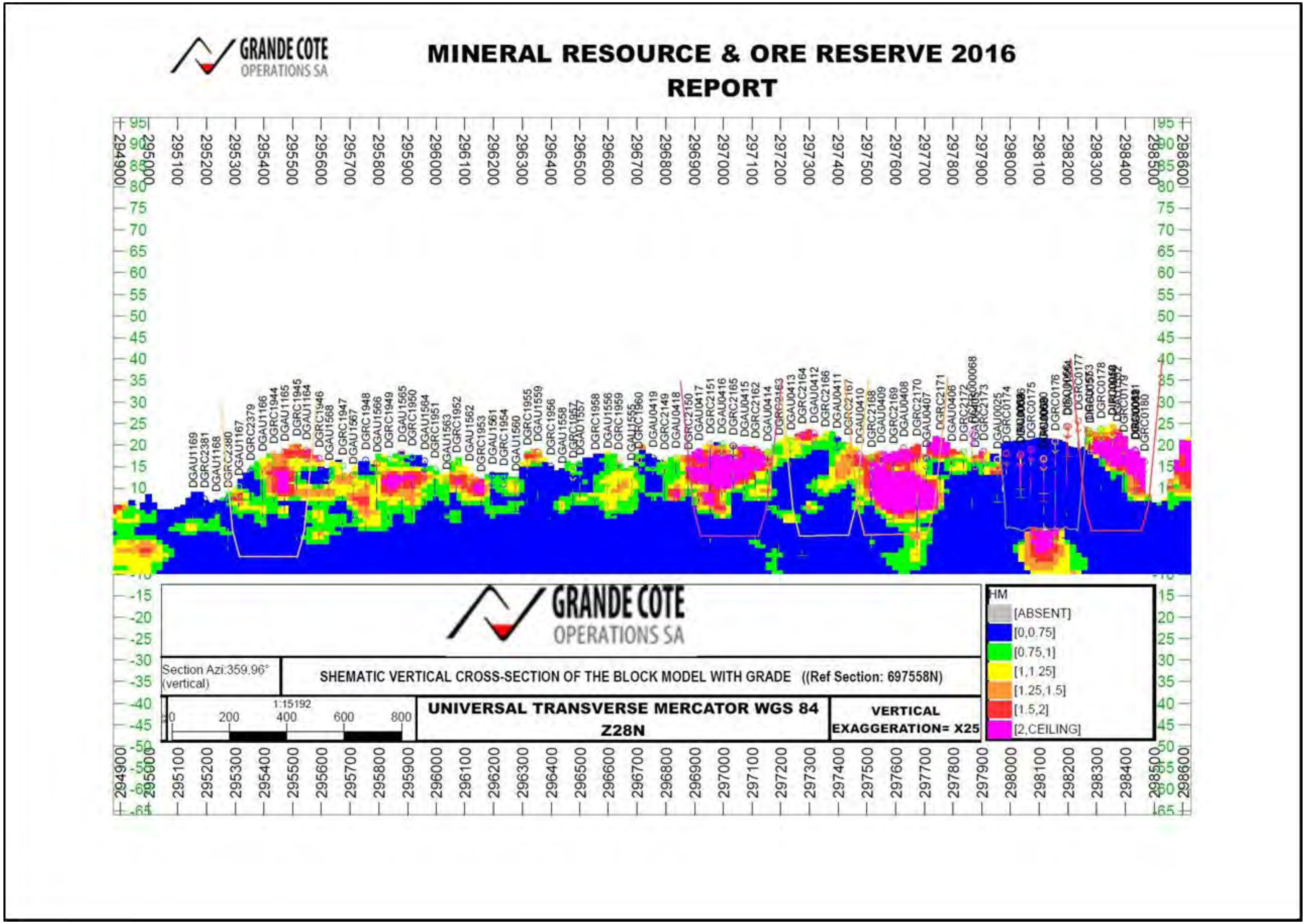


Figure 3: Schematic cross section of geology block model

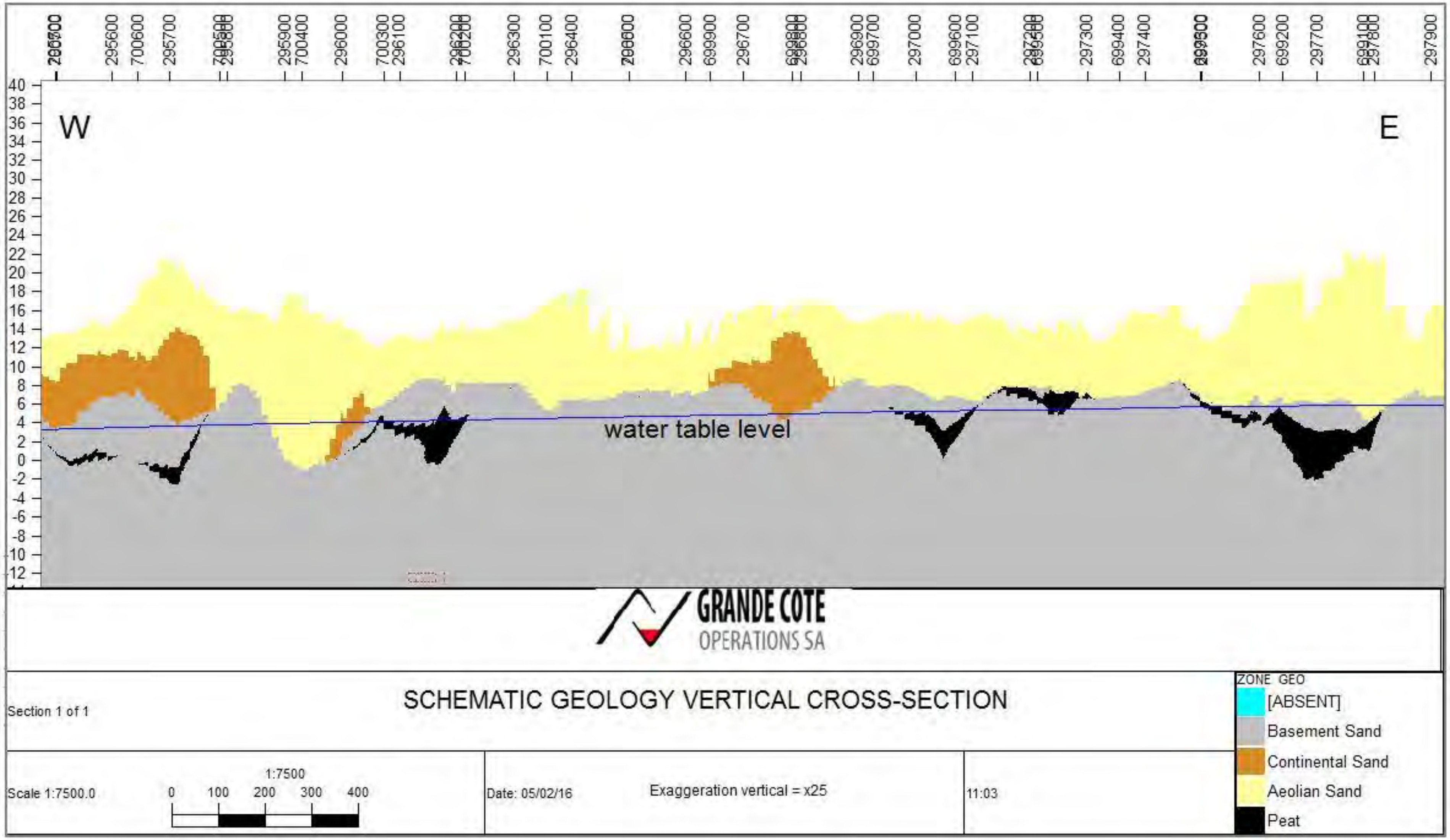
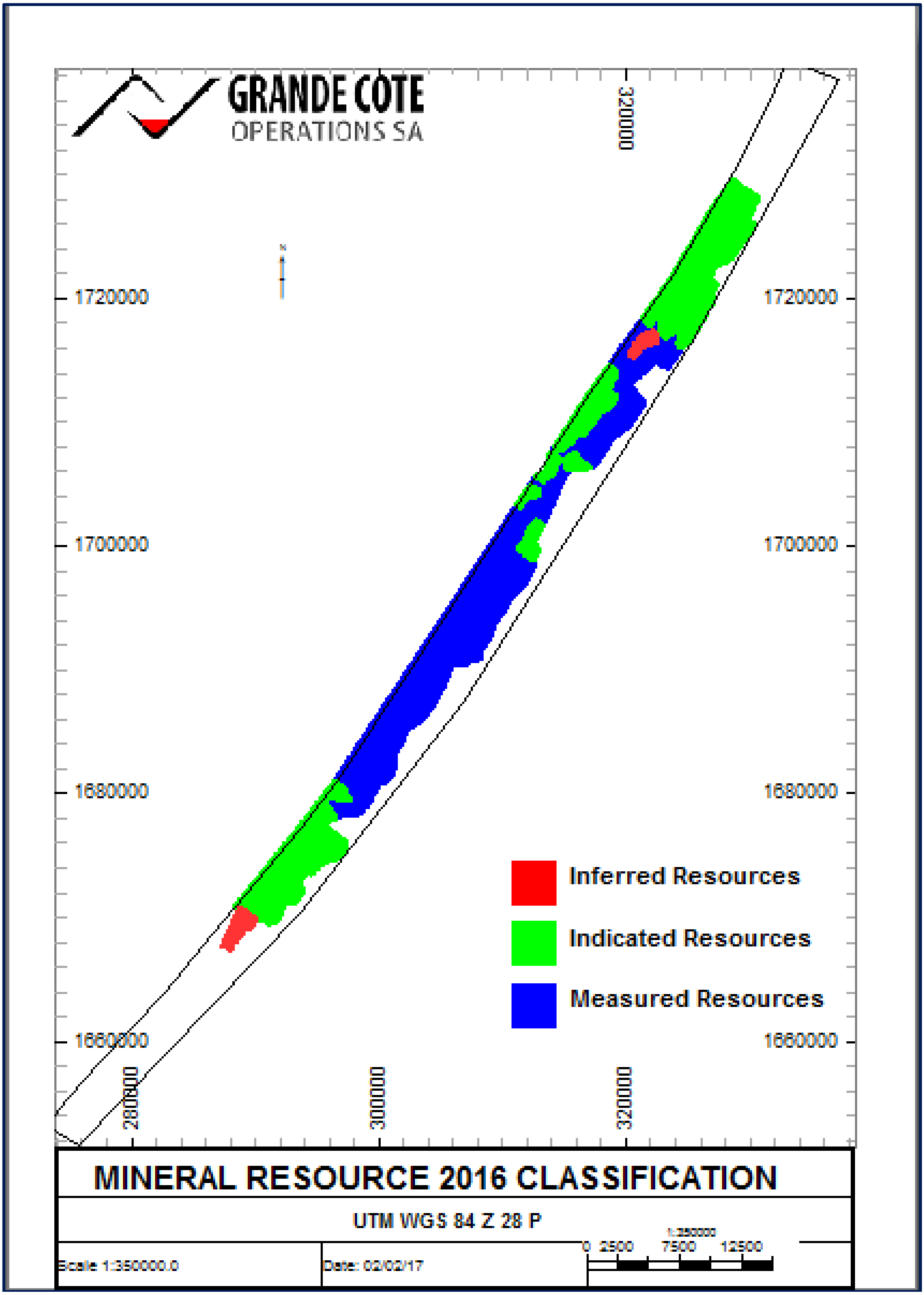


Figure 4: Schematic Mineral Resource classification



APPENDIX B: THE JORC CODE, 2012 EDITION, TABLE 1 SECTIONS 1 TO 4

SECTION 1 – SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• All holes were drilled vertically. • All holes were sampled in 1m intervals honouring lithological contacts. • EI du Pont de Nemours and Company Inc. ('DuPont') sample collection procedure was virtually identical to that of MDL. The only material difference was DuPont used water injection in its reverse circulation ('RC') drilling whereas MDL used air and minimised water injected into the dry sand to reduce losses. • DuPont: - Hand auger drilling stopped at or above the water table. - RC drilling was undertaken by Victor Drilling of Florida, USA. - RC samples were collected by use of a pressure pump to force water down the inside of the inner rod and back up though the gap between the two rods, raising the suspended cuttings which were recovered as the sample. • MDL/GCO: - RC rigs were set up to collect the complete sample with a basic cyclone separation by means of a swivel outlet feeding two alternate sample bags. Sample splitting was not done on site. - For hand auger samples the sand was wetted to provide for a collar. Auger shell was filled with sample within two to three rotations. The auger was then withdrawn from the hole and the sample poured/pushed directly into a labelled sample bag. A 75mm PVC collar was placed by hand and the hole re-entered. This procedure was repeated until a 1m representative sample was collected per sample bag. - In 2007, shaft samples were collected to gather accurate geological information down the sand profile and to perform a comparative analysis of HM percentages from RC and hand auger drilling results. - The shaft samples were generally taken at 0.2m intervals and the sample location was surveyed.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by*	• All drillholes are vertical. • DuPont used water injection RC and hand auger drilling methods.

Criteria	JORC Code explanation	Commentary
	what method, etc.).	• MDL/GCO used in-house aircore/RC rigs mounted on Bombardier Muskeg tracked carriers. • RC drillhole diameter is AQWL 44.6mm diameter, fitted with a proprietary inner tube with a face discharge drill bit, using 3m long rods. • Hand auger is a conventional 50mm diameter Dormer brand shell auger, with 1.5m long extension aluminium coarse thread drill rods. • DuPont's sample collection procedure was virtually identical to that of MDL/GCO. The only material difference was DuPont used water injection in its RC drilling whereas MDL/GCO used air and minimised water injected into the dry sand to reduce losses**.**
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC rig theoretical sample weight is 1.8kg/m. • RC rigs used face discharge drill bits and low air pressure (15 – 20 psi) together with low rotation speed (50 – 60 rpm) that provided the most representative sample return. • For hand auger holes, every time the rod is withdrawn from the hole, the depth downhole is marked on the rod. If the rod sits high when it is returned down the hole, the equivalent volume of material is discarded from the top of the sample prior to it being placed in the sample bag. This material is assumed to be over break. • There is no correlation between sample recovery and grade resulting in no sample bias.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• All the samples were weighed and geologically logged by site geologists for colour, lithotype, grain size, clays, humic/peat content and slimes content. • A handful of the RC sample is taken and manually panned by hand to estimate the HM content for inclusion in the logging sheet. • Depth of the standing water table is estimated.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material*	• All samples were sent to the MDL/GCO laboratory at Tivaouane, which is the same laboratory used by DuPont. • DuPont HM determinations were undertaken by Magstream, which uses ferro-fluids and magnetic and centrifugal forces to produce precise split points over a range of specific gravities. Once separation was completed the ferro-fluids were reclaimed by filtration. • MDL/GCO used heavy liquid separation utilising aqueous, non-toxic lithium sodium tri-polytungstate ('LST').

Criteria	JORC Code explanation	Commentary
	collected, including for instance results for field duplicate/second-half sampling. • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All samples were: - dried, weighted - screened at 2mm – oversize - attrition filtered at 45 micron and weighted if clay or peat is present - riffle split if sample is <2mm - 50g and duplicated 50g samples collected - washed and screened to 45 micron – attrition all samples filtered and dried and slimes recorded - screened to 1mm –oversize discarded - LST for heavy media separation – HM % - peat / humus content removed for 24 hour treatment with 10% sodium hydroxide - weight of slimes and peat was recorded Quality control procedures included assaying of a random duplicate from each drillhole by an Australian umpire laboratory.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• The assaying method was AS 4350.2 – 999 Australian Standard 'Heavy mineral sand concentrates – Physical testing Part 2: Determination of heavy minerals and free quartz – Heavy liquid separation method' was used for particle heavy mineral separation by heavy liquid (LST). • Quality control procedures included: - standards - replicate testing by individual laboratories - checks between different laboratories - external analyses of one sample from each drillhole or as requested by the chief geologist or senior geologist • During 2007, MDL/GCO assessed RC and auger sampling accuracy using shaft bulk sampling. A comparison with 1m sample assays showed that the RC drilling underestimated the HM grade by an average of 7% and that the auger results were more accurate and comparable to the shafts samples results. • In May 2009, AMC conducted a study to assess the impact the DuPont drilling and MDL/GCO drilling was having on the resource estimate. The review showed the MDL/GCO RC drilling had lower HM % grades than the DuPont drilling but the hand auger results were comparable.

Criteria	JORC Code explanation	Commentary
		• During 2011, the ERAMET due diligence program included mineralogical analyses of heavy mineral composited samples (composited by sand types and levels). The samples were obtained from drillholes and shafts and assayed using MLA, X-ray microanalysis system, XRF, grain counting techniques. • All drilling samples post the ERAMET due diligence program were assayed using MLA, X-ray microanalysis system, XRF, grain counting techniques.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Validation and updating of the main Access database was conducted on a weekly basis by a GIS and Database specialist. • DuPont tested the reliability of its sampling by randomly redrilling a hole at or very near to the location of a previous hole. The difference between the geological description and the HM determination of the samples from the two holes was generally found to be statistically negligible. • The DuPont data were provided during 2004 as hardcopy map and report, electronic Word document and Excel and Access databases. All the data was analysed and audited by AMC Consultants Pty Ltd. • The assay data was compared on a daily basis with the geology log of panned HM grades for out of range assays, gaps and overlapping intervals by site geologists. Replicate assaying was also carried out. • MDL/GCO also conducted a twin drilling program during 2007 of 55 RC holes and 55 auger holes. • During 2011, ERAMET undertook a resource and reserve due diligence program by twinning some MDL/GCO drill holes. ERAMET auditors concluded that "*We consider that drilling operations are well conducted. The work carried out during due diligence confirm the seriousness of the drilling campaigns done by MDL*".
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collars for drilling by DuPont were surveyed based on a local grid. A number of key points from the DuPont grid were preserved in concrete. Based on these key points the collar locations were translated to the international Universal Transverse Mercator ('UTM') grid. • All MDL/GCO drill collars were surveyed by Topcon Differential GPS using the UTM WGS84 Zone 28 northern hemisphere grid. • A detailed digital terrain model ('DTM') was produced by MAPS Geosystems of Dubai, a division of Fugro. This DTM was based on detailed aerial photography flown by MAPS in early 2008. • The aerial photography was taken at 1:12,000 with GPS location bases, surveyed on ground as control points.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• DuPont hand auger drilling was conducted on a grid spacing of 400m north–south by 80m east–west, generally stopping at the water table. The RC drilling did not follow a regular grid. • MDL/GCO auger infill drilling was undertaken on lines at 200m spacing north–south and with holes at 40m interval east–west between two auger holes and 40m spacing between previous DuPont auger and MDL/GCO RC holes. • There were no samples composited, more than 98% of the drillhole intervals were sampled on 1m intervals. • All drilling samples post the initial DFS drilling campaign were sampled on 1m intervals.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralized structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• All drillholes are vertical. • Drill lines are perpendicular to mineralised sand dune trends.
Sample security	• *The measures taken to ensure sample security.*	• All samples were placed into calico bags and grouped in rice bags by drillhole. • The samples bags were labelled with drillhole number and sample depth by both marker and aluminium tags. • The samples were delivered to the laboratory on a daily basis with a shipment form.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Drilling methods validation programs were conducted by MDL/GCO in 2007 and reviewed by AMC. • A Mineral Resource and Ore Reserve due diligence program was undertaken by ERAMET in 2011. • These programs showed the sampling techniques and resulting data to be appropriate.

SECTION 2 – REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• A Mining Concession was granted to MDL on 2 November 2007 for a period of 25 years. The concession is renewable. • In July 2008, the concession and operation was transferred to Grande Côte Operations SA ('GCO'), which comprised 90% MDL and 10% Senegalese Government ownership. The State royalty is 5% and the company tax rate is 25% commencing 15 years after signing of the Mining Concession. • On 1 October 2011 the GCO 90% holding (being MDL's holding) was transferred to UK-based TiZir Limited ('TiZir'). TiZir is a 50/50 joint venture between MDL and French company ERAMET SA. • The concession allows for development, extraction, processing, transport and marketing of zircon, ilmenite, rutile, leucoxene and related minerals. • Agreements and licences are in place for groundwater pumping for the duration of the Mining Concession. • A 25 year licence for vegetation clearing is updated every five years.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The deposit was first recognised in 1945 by the Direction Federale des Mines de L'AOF ('DFMG'). • Undocumented work was subsequently undertaken by the DFMG. • The DFMG completed photogeological, geomorphological and a geological survey in 1957, classifying the dunes. • The DFMG also completed 20 drill sections 5km apart for 666 holes drilling a total of 3,138m. There was no sampling below the water table. • The lease was acquired by DuPont in 1989, and relinquished in 1992 in favour of other potentially more prospective ground. • DuPont drilled 39,062.7m along the 50km of strike length during that time. • MDL acquired the Exploration Permit in 2004. • MDL drilled a total of 198,868m from 2005 to 16 April 2010.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The extensive Senegal-Mauritanian Basin covers most of Senegal and is composed of Mid-Jurassic to Recent (Holocene, 4,000 to 2,000 years before present), poorly cemented marine sands, marls, limestones and shales overlain by continental lacustrine and marine sediments. • The project is within the belt of coastal dunes that lie along the current shoreline. The dunes are Recent in age, mobile or semi-fixed, pale yellow in colour and overlie

Criteria	JORC Code explanation	Commentary
		older Late Quaternary white marine sands. The dunes range between 5m and 35m in height and the mineralised zones, which are essentially flat-lying, average around 15m in thickness. • The deposits include: Mboro, Lompoul, Diogo, Fass Boye, Yodi, Mboro Hotel and Noto. The deposits extend over a length of about 70km. There is potential for additional deposits beyond the limits of present drilling, both to the south–west and north–east for a total strike length drilled of 75km. • The deposit comprises a linear series of Aeolian sand dunes containing a HM assemblage concentrated by wind action. The Aeolian or mobile dunes overlie a substratum of former beach sands representing a recessive littoral environment. These sands also contain a lesser HM concentration. The natural water table generally occurs close to the interface between the mobile dune and littoral sand together with occasional peaty materials preferentially located at the dune-littoral sand interface.
Drillhole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* – *easting and northing of the drill hole collar* – *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* – *dip and azimuth of the hole* – *down hole length and interception depth* – *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• DuPont drilled: - 535 RC holes for 10,210.5m; and - 7,893 hand auger holes for 28,852.2m. • Up to 16 April 2010, MDL drilled: - 7,750 RC holes for 150,665m; and - 4,569 hand auger holes for 45,203m. • GCO drilled: - 16 holes for 310m (scope drilling) in 2015 (Noto). • All holes were drilled vertically. • RC holes average 19.6m long and hand auger holes averaged 5.6m long. • See drillhole location plan in Appendix A, Figure 1.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high-grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• A top cut of 20% was applied and any minimum grade was designated. • No metal equivalent values were used. • No aggregating of short length samples was required as samples were consistently assayed on 1m intervals.
Relationship between	• *These relationships are particularly important in the reporting of Exploration Results.*	• The deposit is flat and intersected by vertical drill holes.

Criteria	JORC Code explanation	Commentary
mineralisation widths and intercept lengths	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• The mineralised zones average 15m thickness.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Drillhole location plan and resource extensions, see Appendix A, Figure 1. • Geological cross section references, see Appendix A, Figures 2 and 3. • Plan of Mineral Resources, see Appendix A, Figure 4.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high-grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Quantities and grades have been derived by accumulating the grades to six metres below the natural water table except for the Mboro Hotel and Yodi deposits, where the accumulation is to the natural water table. A cut-off grade of 1.0% HM has been applied to the accumulated grades.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• No exploration drilling was completed during the seven months to 31 July 2017. • The description of the peat material was reported in the block model from previous exploration and infill drilling results. • Bulk samples were collected.
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work will consist of RC infill drilling on a 200m by 40m grid with the aim of upgrading the classification of the Inferred and Indicated Mineral Resource. Also, exploration for extension of the mineralisation to the north and south is planned; see Figure 1. • Future exploration is proposed to upgrade and extend the Inferred Resources of the Noto deposit which is south of the Mboro Hotel and further exploration to the north of Yodi. Therefore, a Resource definition grid of 200mE x 40mN will be used where Inferred and Indicated Resources are located. However, due to the constraints of land occupation for farming and habitation by sedentary local communities and the low topography close to the natural water table, the exploration area in the south of the deposits is limited for drilling. This area is estimated at 10km along strike in the north direction and approximately 1km in the east–west direction.

SECTION 3 – ESTIMATION AND REPORTING OF MINERAL RESOURCES

(Criteria listed in Appendix B – Section 1 and, where relevant, in Appendix B – Section 2 also apply to this section)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• MDL/GCO validated the DuPont data using both automated and manual methods. MDL/GCO has access to the original DuPont drill logs, survey records, sample and assay sheets, and plans. • Data review included: - automatic testing of hole-spacing consistency for adjacent line-hole numbers. Observed potential errors were validated using hardcopy original data; - assay from/to sequences and HM % calculations from Magstream feed and product weights were checked and found to be mostly free from errors. Errors detected were corrected; - validation of the location of early RC holes drilled on an irregular pattern was difficult. Some location errors were found and corrected; however, there are instances where collar RLs of RC holes appear incompatible with those of proximal hand auger holes; and - a number of key points from the DuPont grid were located and preserved in concrete and relocated by MDL/GCO. Registered surveyor BetPlus located these tie points enabling the DuPont grid to be reconfigured in the UTM grid. • An access database is updated and maintained by GCO. It is reviewed and maintained by site geologists. • The checks and validation of GCO data include: - comparison assays for out of range values; - samples gaps; - overlapping samples; and - collar coordinate verification including collar elevations comparison to the digital terrain model.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• Mr D Sow is a GCO employee and has undertaken all necessary investigations with respect to the current estimate. He is a Competent Person and has been a member of the Australasian Institute of Mining and Metallurgy ('AusIMM') since 2015. Having over 10 years' experience at GCO, Mr Sow has a long history and good understanding of the Grande Côte deposit and the operations.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.*	• There is high confidence in the geological interpretation of the sand units (Aeolian sand dunes and basement sand). • It was not considered necessary to subdivide the sand into different domains to

Criteria	JORC Code explanation	Commentary
	• *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	control the grade estimation. This is based on a study of dividing the sand into the upper sand dunes unit and lower beach sand. • The peat is intercalated between these sand units. It has been considered as part of the beach sand unit as it is located in depressions or former streams cutting the beach sand unit. The HM can be high-grade accumulated inside the upper Aeolian sand unit on top of the peat but the HM is not significant inside the mature peat deposits. • There is no alternative geological interpretation.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The resource extends for 75km north–east and averages 2km wide. • The average depth of mineralisation is 15m.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Datamine software was used. • All input data was rotated 35° toward north so the deposit is orthogonal. • Geological data was used to define the top and bottom of the mineralised unit. • A wireframe of the water table from piezometer readings was constructed. • All samples were either sampled or composited to 1m. • No assumptions on correlation between variables were used as only HM % was estimated. • Auger and RC drilling were used in the estimation. • The deposit was divided into three zones with top-capping applied to two of the zones. • Parent block sizes were 20mE x 100mN x 1mRL, based on a general drillhole spacing of 40mE x 200mN. A bigger block size of 80mE x 800mN x 1mRL was used for the estimation of the Noto deposit which was based on a drillhole spacing of 160mE x 1600mN. • Ordinary Kriging was used to estimate block grades. • The maximum search distance was 750mN, 300mE and 9mRL. • The area is currently being mined and previous Mineral Resource estimates by AMC gave similar results. A maximum search distance of 2000mN, 200mE and 8m RL was adopted for the Noto block model building. • No by-products are involved in the deposit. • No deleterious elements were considered. • Swath plots and visual comparisons between the block model and drillhole data was used to check the block grade estimates.

Criteria	JORC Code explanation	Commentary
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• The tonnages are estimated using dry bulk density. • The moisture content was not determined.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The high-grade mineral resource is reported above 1.0% HM cut-off grade • The cut-off grades are based on low cost dredge mining. • The Mineral Resource is estimated above a surface which is 6m below the upper aquifer water table.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• Project definitive feasibility study ('DFS') completed in 2010 on the basis of bulk dredge mining. • Actual parameters since mining started in March 2014.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Testwork completed by Roche Mining (2002 – 2006) and Downer EDI Mining as part of the DFS (2008 – 2010) for mineral recoveries determination and process design. • The HM has a consistent assemblage of 10.7% zircon, 72% ilmenite, 2.5% rutile and 3.5% leucoxene. This assemblage was reconciled with: other tests carried out by ERAMET during due diligence; infill drilling; and metallurgical reports from actual mining production.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.*	• As part of the DFS, Earth Systems and Umwelt Consultants conducted a social and environmental study, since updated in 2011 and 2014.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• For bulk density determination 600 samples were collected over the area of the deposit. • Selective sampling by material type was applied. • A tube driven into the sand and sealed at both ends was used to deliver an in-situ undisturbed sample. The sample was dried and weighted for bulk density determination. • At each sampling location five samples were collected and their average was used as the bulk density for that location.

Criteria	JORC Code explanation	Commentary
		• AMC and ERAMET confirmed the reliability of the method and results. • Samples range in bulk density from 1.67 t/m³ to 1.8 t/m³. • An average bulk density of 1.7 t/m³ was applied for the mineral resource tonnage estimation.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	• The resource was classified mainly on the drillhole spacing due to the uncomplicated geology, continuity of mineralisation and confidence in the drillhole data. Blocks where the drilling was spaced 200mN x 40mE were classified as Measured. Blocks where the drilling was spaced 400mN x 100mE were classified as Indicated with the remaining areas (with greater drilling space) classified as Inferred.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• The Mineral Resource estimates were reviewed by Mr Sow as Competent Person. Results of the review are outlined below. • Depletion: – The 2016 Measured Resource block model was depleted using the 2017 actual mine path. The depletion represents 29.1Mt of Mineral Resource at 1.6% HM.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The estimation is a global estimate. • The reconciliation of the Block Model adjusting for 2015 mining depletion shows a variance of 0.94% in sand tonnes, 3.07% in HM tonnes and 2.79% in HM grade. • In 2016, the reconciliation showed 1.55% in sand tonnes, 6.49% in HM tonnes and 3.72% in HM grade. • In the seven months to 31 July 2017, the reconciliation shows 5.13% in sand tonnes, 3.51% in HM tonnes and1.86% in HM grade. • The reconciliation was biased by the density of 1.7 t/m³ applied as constant and corrected with the peat modelled density. The other uncertainty was the oversize material which was estimated. In addition, the grade in the tailings averaging 0.3% cannot be accurately estimated.

SECTION 4 – ESTIMATION AND REPORTING OF ORE RESERVES

(Criteria listed in Appendix B – Section 1, and where relevant in Appendix B – Sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The GCO mineral sand deposit is located north of Dakar on the Western coast of Senegal. The deposit is free flowing sands within a dunal system overlying littoral basement sand which holds an extensive shallow aquifer. • The Mineral Resources remaining as at 1 August 2017 is used as the basis for the conversion to Ore Reserves. • The Mineral Resources are inclusive of the Ore Reserves.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person has worked for the company since 2006 and has been based on the mine site during this time. He met site managers and consultants to collect information relevant to the report and discuss the modifying factors.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• GCO is an operating mine. A detailed life of mine plan has been prepared and is based on actual and forecast inputs that exceed the level of accuracy generated in a pre-feasibility study ('DFS'). Mining commenced March 2014. Reconciliation of costs, recoveries and production rates were used to modify the parameters applied in the DFS. Mine optimisation was undertaken by AMC Consultants Pty Ltd and was completed in December 2016. The optimisation study resulted in a more regular mine path heading north prior to south after mining the Diogo area and introduction of high-grade dozer push into the adjacent mine path to supplement the dredge.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The ore selection criteria are controlled by the mining method and the break-even head grade. Mine production is a floating cutter suction dredge, supplemented by dozer push of high-grade material into the adjacent mine path, which is well suited to the GCO deposit. Processing is constrained by ore feed tonnes. The annual production capacity is 55 Mt of mined material and is based on the estimated average production rate and the estimated operating hours per year. Dredging is a bulk mining method, unable to selectively mine the higher-grade ore and leave lower grade material. The width and depth of the mine path is adjusted in the design process to control the average feed grade. At depth there is a drop off in grade. The designs are adjusted to minimise the inclusion of this low-grade material, where practical and economic to do so. The mine design and schedule provide an average feed grade that is economically viable. AMC Consultants Pty Ltd developed value models based on the revised operational and market factors. The cut-off grade is determined based on actual and forecast parameters.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc.), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The Mineral Resource has been converted to Ore Reserve by the application of detailed dredge path design. The path design consists of mining three-dimensional designs defined by digitising. The shape and sequence of mining are controlled by the dredge and the floating plant constraints. • Dredges are well suited to large, free flowing sand deposits where a pond can be maintained. Dredges typically have lower mining costs than alternative mining methods. As the orebody consists of free flowing sands holding an extensive shallow aquifer and high-grade located at the top, the choice of a dredge feeding the floating concentrator is appropriate for this deposit. However, dozer push is introduced to recover adjacent high-grade material to the mine path within 100m distance and slope angle of 15°. • No pre-strip is required. All material, within the design, is mined as ore. • The mine design is suited to the equipment used. • The geotechnical parameters were defined by investigation and have been confirmed during operation. Slopes are 35° above water and 14° below. • RC infill drilling at 100mN x 40mE grid and production reconciliation are used for grade control. The infill drilling assays are incorporated into the Mineral Resource model. • Reconciliation of production compares well with the Mineral Resource block model. There is no need to apply additional ore loss or dilution in addition to that inherent in the Mineral Resource block model. • The tailings deposition was improved in 2016 to avoid re-mining the tailings on mine path overlapping areas. The crossovers from the previous life of mine path have been removed to reduce dilution, tailings restriction and additional expense. • The optimum dredge pond level, to economically mine at and maintain the pond level below the natural surface topography, is within a 2m minimum buffer and 4m above the upper aquifer level. This pond level is maintained at water table or less than 4m above in some specific low topography areas. • The current maximum mine width is 220m at pond floor. The minimum used in the design is 100m. The maximum can be extended to 300m by increasing the anchor rope capacity. No additional infrastructure is required to achieve the planned mining although a program of sustaining costs is included in the cost forecast which includes extending the mine services (haul road, overhead power line, water infrastructure, heavy mineral handling, maintenance capex for the production plants and the rail & port, engineering), resettlement of villages or hamlets sitting close to or within the mine path, while advancing the mine face, and engineering projects to achieve nameplate capacity.

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• A floating concentrator, following the dredge, produces concentrate through gravity concentration. The concentrate is transported to the mineral separation plant. This is appropriate for this style of mineralisation. • The processing method is well tested and not novel in nature. • The processing recoveries reconcile well with samples routinely taken of the produced concentrate. • The previously mined and processed material can be considered an adequate representative bulk sample of the orebody. The previously mined material is representative of the remainder of the Ore Reserve. • The Ore Reserve estimation is based on the appropriate mineralogy to meet the product specifications.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Relevant environmental approvals were obtained prior to operations commencing in March 2014. • Five year vegetation clearing licence for the mine path, buffer area and reserved forest area was granted to GCO by the Environment department of Senegal in 2015. • Current rehabilitation process has been approved by the Forestry Department. • Environmental monitoring and rehabilitation trials have been undertaken in collaboration with international organisations (Earth Systems, Royal Botanic Garden Kew) and local experts from the University Cheikh Anta Diop of Dakar, and are ongoing. • The final Certificate of Environment Compliance was delivered by the government of Senegal to GCO in October 2016.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Sufficient land is available to accommodate the existing and planned plant development. • Adequate power and potable water is available to site. Power is provided by GCO's 36MW power station. • Labour is sourced from within Senegal with the number of expatriate workers being reduced as the Senegalese workforce is trained. • Labour is accommodated on site and in surrounding towns. • Transportation of product is by rail to Dakar where it is housed at the port prior to shipment. There is a highway that passes near the mine site for the delivery of fuel and other supplies.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.*	• Sustaining costs and working capital variation were included in the costs used in the analysis.

Criteria	JORC Code explanation	Commentary
	• *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Operating costs were derived from those incurred in the 2016 financial year. Costs for extra haulage distance and dozer push were included in the operating costs. • Current independent market price forecasts were used. • US dollars were used in the analysis and for all costs and product prices. • All product prices used are FOB from the port in Dakar. The concentrate and final product haulage costs were derived from 2016 operating costs. • The HM, mineral proportions and quality is consistent throughout the deposit. The final products can be controlled to meet product specifications. • Government share production costs were applied in the financial model. • A state royalty of 5% was applied to all revenues. In addition, a company tax rate of 25% commencing 15 years after signing of the Mining Concession was applied in the evaluation. • The royalty and taxation arrangements for GCO are detailed in the Mining Convention and Supplementary Deed No. 1.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• Minimum head grade of 1.3% HM was considered for the first five years, 1.0% HM for the following years. • The product prices for 2018 – 2021 are based on an independent assessment of short-term market pricing. The prices for 2021 onwards are based on long-term price forecasts which take into account current and projected supply and demand fundamentals for each product and long-term global economic outlook. A yearly inflation rate of 2.5% is considered.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• After processing, zircon, rutile, leucoxene and 58 ilmenite will be shipped to worldwide customers. The 54 ilmenite will be shipped for further processing at the TiZir Titanium and Iron ilmenite upgrading facility in Norway ('TTI'), producing titanium slag (upgraded ilmenite) for consumption by TiO_2-producers and the Ti-metal industry. • TTI is owned and operated by TiZir, a vertically integrated zircon and titanium business which owns GCO and TTI. The company is jointly owned 50/50 by MDL of Australia and ERAMET of France. • Price and volume forecasts are considered commercially sensitive and will not be published in the Ore Reserves. Mr Djibril Sow reviewed the supporting information and found it suitable for the project evaluation. • TiZir is constantly monitoring the market and making adjustments to forecast product prices based on supply and demand.

Criteria	JORC Code explanation	Commentary
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• The Competent Person reviewed GCO's financial model to determine the economics of the project by applying the forecast inputs from the production schedule and using an 8% discount rate which produces a positive after tax NPV. The NPV at an 8% discount rate has been assessed for variations in the key value drivers of product prices, operating costs, operating time, throughput, and pond water level. The NPV is highly sensitive to changes in product prices and water level as well as operating time, costs and throughput. However, the operation remains economic, NPV positive, even for the considered worst case performance over the life of the mine and all years are positive cash flow.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• There are no outstanding issues relating to social licence to operate in the planned mining areas. GCO has ongoing negotiations with key stakeholders. • Further studies were undertaken in 2016 to update the previous social studies. • Resettlement of project affected people is ongoing • The mine path will cross three public roads and an artisanal tourist area. • Community processes are considered as a model by different institutions (Environment department of Senegal, Extractive Industry Transparency Initiative Senegal) and presented at the 2016 COP21.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• No material naturally occurring risks were identified that will impact on the Ore Reserve estimation or classification. • There are no material legal agreements and marketing arrangements that will impact on the Ore Reserve estimation or classification. • All necessary Government approvals critical to the viability of the project have been obtained for the project. • GCO has a Mining Concession covering an area of 445.7km² for the operation of zircon, ilmenite, rutile, leucoxene and other associated minerals and notified by Decree No. 2007-1326 of 2 November 2007. • Prior to this decree, the State of Senegal had granted MDL an exploration licence in the same area by Order No. 007474 dated 10 September 2004 published in the Official Gazette of 30 October 2004. An agreement for Mining was signed between the State of Senegal and MDL for the same area. The Mining Convention was amended by Supplementary Deed amendments 1, 2, 3 and 4 respectively dated 20 September 2007, 9 July 2008, 8 December 2010 and 19 December 2013. • The Mining Concession covers part of Thies and Louga and has a 25 year renewable term. Under the provisions of the Mining Code, the holder of a mining title must conduct site rehabilitation at the expiration of each security and is subject to regulations on mining rehabilitation. The nature of the exploitation of HM requires

Criteria	JORC Code explanation	Commentary
		GCO to undertake continuous rehabilitation. • An environmental and social impact study was approved in 2008 and updated in 2016. The Environmental and Social Management Plan takes into account the impacts of the project. Rehabilitation measures, social and economic development, and resettlement and compensation of people affected by the project are considered. • GCO has obtained licences for additional water infrastructure and maintains ongoing negotiations with the Water Ministry on water management to accommodate the adjustment of the pond elevation.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Measured and Indicated Mineral Resource materials that fall within the mine design have been converted to the Proved and Probable Ore Reserve. • The confidence assigned to the Ore Reserves is appropriate and is representative of the confidence of the Mineral Resource. • The Probable Ore Reserves have been derived from Indicated Mineral Resources that fall within the mine path and from Measured and Indicated Resources for the dozer push material.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• Michael Rose (GCO Mine Manager) has reviewed the GCO produced mining schedule and designs. The review found that the designs and documentation were adequate for the generation of an Ore Reserve.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• The GCO Ore Reserve is for an operating mine. The economic analysis is based on recent inputs, derived from actual accounts, and is of an accuracy and confidence appropriate for Ore Reserve classification. The economic analysis is based on estimates of costs and prices. • There is sufficient record-keeping and reconciliation of the mining and separation processes. There are no significant changes planned for mining and processing. • The material included in the Ore Reserve is similar in nature to previously mined and treated material (both geotechnically and in terms of mineralogy and geology). The mine plan is technically achievable. The material modifying factors have been considered and applied. However, further design and sequencing works are required for the dozer push material to be converted from Probable to Measured Reserve. • The project is economically viable at the forecast costs and prices.

Attachment 2

TiZir

TiZir Mauritius Limited

Interim Unaudited Financial Statements of TiZir Mauritius Limited

for the half year ended 30 June 2017

*Expressed in **United States dollars** unless otherwise stated*

CONTENTS

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the half year ended 30 June 2017 (unaudited)

	Note	6 months ended 30 Jun 2017 US$	6 months ended 30 Jun 2016 US$
Revenue	6	4,652,484	5,505,861
Other revenue		4,564	6,413
Administration expenses	7	(4,744,462)	(5,601,274)
Foreign exchange loss		(1,916)	(1,389)
Loss before tax		**(89,330)**	**(90,389)**
Income tax expense		-	-
Loss for the period		**(89,330)**	**(90,389)**
Other comprehensive income, net of income tax		-	-
Total comprehensive income/(loss) for the period		**(89,330)**	**(90,389)**

Notes to the financial statements are included on pages 5 to 7.

CONDENSED STATEMENT OF FINANCIAL POSITION
as at 30 June 2017 (unaudited)

	Note	30 Jun 2017 US$	31 Dec 2016 US$
Assets			
Non-current assets			
Investments	8	2,528,971	2,528,971
Receivables	9	740,126,537	743,368,173
Total non-current assets		**742,655,508**	**745,897,144**
Current assets			
Other assets		187,614	685,906
Cash and bank balances		353,469	686,641
Total current assets		**541,083**	**1,372,547**
Total assets		**743,196,591**	**747,269,691**
Equity and liabilities			
Capital and reserves			
Stated capital	11	701,655,760	701,655,760
Foreign currency translation reserve		839,551	839,551
Accumulated losses		(12,878,127)	(12,788,797)
Total equity		**689,617,184**	**689,706,514**
Non-current liabilities			
Loans from related parties	10	52,651,221	56,651,221
Total non-current liabilities		**52,651,221**	**56,651,221**
Current liabilities			
Other payables		636,280	645,857
Current tax liabilities		-	4,248
Provisions		291,906	261,851
Total current liabilities		**928,186**	**911,956**
Total liabilities		**53,579,407**	**57,563,177**
Total equity and liabilities		**743,196,591**	**747,269,691**

Notes to the financial statements are included on pages 5 to 7.

CONDENSED STATEMENT OF CASHFLOWS
for the half year ended 30 June 2017 (unaudited)

	Note	30 Jun 2017 US$	30 Jun 2016 US$
Cash flows related to operating activities			
Payments to suppliers and employees		(4,630,494)	(5,222,982)
Income tax paid		(5,353)	(58)
Net cash used in operating activities		**(4,635,847)**	**(5,223,040)**
Cash flows related to investing activities			
Interest received		4,564	6,413
Repayment of loans by subsidiary		8,300,000	4,600,000
Net cash generated from investing activities		**8,304,564**	**4,606,413**
Cash flows related to investing activities			
Advances to (repayment of) loans to holding company		(4,000,000)	500,000
Net cash generated from investing activities		**(4,000,000)**	**500,000**
Net decrease in cash and cash equivalents		**(331,283)**	**(116,627)**
Cash and cash equivalents at beginning of the period		686,641	530,226
Effect of exchange rate changes on cash held in foreign currencies		(1,889)	(1,376)
Cash and cash equivalents at end of period		**353,469**	**412,223**

Notes to the financial statements are included on pages 5 to 7.

1. GENERAL INFORMATION

The Company was incorporated as a private limited company on 14 February 2001 and was granted a Category 1 Global Business Licence on 16 February 2001. The principal activity of the Company is investment holding in the Republic of Senegal, West Africa with a focus on the mining sector.

The Company is a holder of a Category 1 Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, it has chosen United States dollars as its reporting currency.

2. STATEMENT OF COMPLIANCE

The interim condensed unaudited financial statements for the half year ended 30 June 2017 have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and therefore should be read in conjunction with the Company's annual financial statements as at 31 December 2016.

3. BASIS OF PREPARATION

The interim condensed unaudited financial statements for the half year ended 30 June 2017 have been prepared on the basis of historical costs, except for the revaluation of certain assets. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in United States dollars unless otherwise stated.

4. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The accounting policies adopted in the preparation of the interim condensed unaudited financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2016, except for the adoption of new standards and interpretations effective as of 1 January 2017.

In the current year, the Company has adopted all of the new and revised Standards and Interpretations issued by the International Accounting Standards Boards that are relevant to its operations and effective for the current reporting period.

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Company's accounting policies and has no effect on the amounts reported for current or prior periods. The new and revised Standards and Interpretations have not had a material impact and have not resulted in changes to the Company's presentation of, or disclosure in, its half-year financial report.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

5. ESTIMATES

The preparation of these interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the date of the interim financial statements. Actual outcomes could differ from these estimates. The Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 31 December 2016.

	6 months ended 30 Jun 2017 US$	6 months ended 30 Jun 2016 US$

6. REVENUE

The following items are relevant in explaining the financial results:

Technical assistance fees	4,652,484	5,505,861

7. ADMINISTRATION EXPENSES

Employee benefits	(4,502,304)	(4,986,076)
Consultancy fees	(73,013)	(398,787)
Audit fees	(9,713)	(10,250)
Taxation services	(1,178)	(1,180)
Licence fees	(1,063)	(1,063)
Other	(157,191)	(203,918)
	(4,744,462)	**(5,601,274)**

8. INVESTMENTS

	30 Jun 2017 US$	31 Dec 2016 US$
Carrying amount represented by:		
- Grande Côte Operations SA	**2,528,971**	**2,528,971**

(a) Assessment of recoverable amount of investment in Grande Côte Operations SA

The directors have completed appropriate impairment testing of the investment in Grande Côte Operations SA, along with the loan balances owed by the subsidiary. The results of the impairment test indicated that the recoverable amount of the investment and loan balances were in excess of their book value and, as such, no impairment charge has been recognised during the half year ended 30 June 2017 and previous reporting period 31 December 2016.

(b) Details of the Company's subsidiary are as follows:

	Country of incorporation	Auditor	Percentage owned	
			30 Jun 2017	31 Dec 2016
Subsidiary of TiZir Mauritius Limited				
- Grande Côte Operations SA (i)	Senegal	Deloitte Senegal	89.5	89.5

(i) Pursuant to the Uniform Act (OHADA) governing the Company's "SA" Senegalese subsidiaries, the board of directors must have at least three and no more than 12 directors (other than in particular circumstances). Members of the board do not have to be shareholders. However, no more than one-third of the members of the board may be non-shareholders.

TiZir Mauritius Limited, as majority shareholder (up to 90%) in Grande Côte Operations SA, continues to have a sufficient number of directors representing its respective Mauritian holding company, in addition to the two resident directors with executive responsibility, to ensure adequate representation at all board meetings, the minority shareholder (Government of the Republic of Senegal) being entitled to two board seats, one representing the State and the other being held by a non-shareholder Senegalese public servant.

Hence, the five directors representing the Mauritian parent entity held one share each for a total of 0.5% in Grande Côte Operations SA with the other 89.5% issued to and held by the parent TiZir Mauritius Limited. On death or resignation, a share individually held would be transferred to another representative of the relevant Mauritian parent entity or added to its current 89.5% shareholding according to the circumstances at the time.

	30 Jun 2017 US$	31 Dec 2016 US$

9. RECEIVABLES

	30 Jun 2017 US$	31 Dec 2016 US$
Non-Current		
Amounts due from related party *(not expected to be settled within 12 months):*		
- unsecured, interest free advances to subsidiary	675,732,169	675,732,169
- unsecured, interest free advances to subsidiary	64,190,757	67,432,393
	739,922,926	743,164,562
Other receivables:		
- security deposits	201,500	201,500
- other	2,111	2,111
	203,611	203,611
	740,126,537	**743,368,173**

There are no receivables past due at reporting date.

The amounts due from related party comprise technical assistance fees charged by the Company and shareholder loan to its subsidiary Grande Côte Operations SA. These advances are unsecured, interest free and payable in accordance with the terms of the Technical Fee Agreement upon expiration or termination of the said agreement which is not expected to be terminated in the forthcoming 12 months.

10. LOANS

	30 Jun 2017 US$	31 Dec 2016 US$
Non-Current		
Loans from related parties – TiZir Limited	**52,651,221**	**56,651,221**
Movement in non-current loan from related parties:		
Balance at the beginning of the year	56,651,221	58,851,221
Amount repaid during the year	(4,000,000)	(2,200,000)
Balance at the end of the year	**52,651,221**	**56,651,221**

The loans are unsecured and non-interest bearing which will not be recalled in the forthcoming 12 months.

11. STATED CAPITAL

	30 Jun 2017 No.	31 Dec 2017 No.	30 Jun 2017 US$	31 Dec 2016 US$
Paid up capital (Fully paid ordinary shares)	7,372,966,920	7,372,966,920	701,655,760	701,655,760

Fully paid ordinary shares carry one vote per share and carry rights to dividends. There was no movement in the number of fully paid ordinary shares during the period.

Shares pledged as security

The shares of the company have been pledged to Nordic Trustee ASA as security for the payment and performance in full of all monies due and to become due under the pledge over the shares of the company pursuant to the First Amended and Restated Bond Agreement and Share Pledge Agreement entered into by the company and Nordic Trustee ASA dated 21 May 2014.

12. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities at 30 June 2017 and directors were not aware of any contingent liabilities at 31 December 2016.

13. SUBSEQUENT EVENTS

There has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, the financial position and financial performance of the Company in future financial years.

Attachment 3

TIZIR MAURITIUS LIMITED

Annual Report

for the year ended 31 December 2016

Expressed in ***United States dollars*** *unless otherwise stated*

TIZIR MAURITIUS LIMITED

CONTENTS

CORPORATE DATA

DIRECTORS

Nicholas James Limb (appointed 19 February 2001; resigned 1 November 2016)
Martin Clyde Ackland (appointed 14 December 2006; resigned 1 November 2016)
Jean-Michel Jacques Francois Fourcade (appointed 9 February 2015)
Georges Valery Magon (appointed 7 November 2013)
Reshma Ghoorah (appointed 7 November 2013)

SECRETARY

Rogers Capital Corporate Services Limited (formerly known Kross Border Corporate Services Limited)
St Louis Business Centre
Cnr Desroches & St Louis Streets
Port Louis
Mauritius

REGISTERED OFFICE

St Louis Business Centre
Cnr Desroches & St Louis Streets
Port Louis
Mauritius

AUDITOR

Deloitte
7th Floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebene 72201
Mauritius

BANKER

The Mauritius Commercial Bank
9-15 Sir William Newton Street
Port Louis
Mauritius

DIRECTORS' REPORT

The directors are pleased to present their report together with the audited financial statements of TiZir Mauritius Limited (the "Company") for the year ended 31 December 2016.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investment in the Republic of Senegal, West Africa with a focus on the mining sector.

RESULTS AND DIVIDEND

The results for the financial year are shown on page 6.

The directors do not recommend the payment of dividend for the year under review (31 December 2015 – Nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period giving a true and fair view of the financial position and financial performance of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing these financial statements. The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern over the year ahead.

AUDITOR

The auditor, Deloitte, has indicated its willingness to continue in office in accordance with the Mauritius Companies Act 2001 and a resolution of its reappointment will be proposed at the next Annual general meeting.

By order of the Board

Director

Date: 24 APR 2017

SECRETARY'S CERTIFICATE UNDER SECTION 166 (D) OF THE MAURITIUS COMPANIES ACT 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001.

For and on behalf of
Rogers Capital Corporate Services Limited
Company Secretary

Date: 24 APR 2017

Deloitte.

7th-8th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the Shareholder of TiZir Mauritius Limited

Report on audit of the financial statements

Opinion

We have audited the financial statements of **TiZir Mauritius Limited** (the "Company") set out on pages 6 to 23, which comprise the statement of financial position as at 31 December 2016, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2016, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements of the IESBA Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on other legal and regulatory requirements

Mauritius Companies Act 2001

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interest in, the Company other than in our capacity as auditor and tax advisor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other information

The directors are responsible for the other information. The other information comprises the , Corporate data, the Directors' Report and the Secretary's Certificate, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies and they are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for overseeing the Company's financial reporting process.

Deloitte.

7th-8th floor, Standard Chartered Tower
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Mauritius

Independent auditor's report to the Shareholder of TiZir Mauritius Limited (cont'd)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the Company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte	Jacques Du Mée
Chartered Accountants	Licensed by FRC

24 APR 2017

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2016

	Note	31 Dec 2016 US$	31 Dec 2015 US$
Revenue	5	10,928,001	11,934,205
Other revenue	6	6,413	-
Administration expenses	7	(10,749,031)	(11,965,509)
Foreign exchange loss		(3,491)	(3,205)
Profit / (Loss) before tax		**181,892**	**(34,509)**
Income tax expense	8	(4,422)	-
Profit / (Loss) for the year		**177,470**	**(34,509)**
Other comprehensive income, net of income tax		-	-
Total comprehensive income / (loss) for the year		**177,470**	**(34,509)**

Notes to the financial statements are included on pages 10 to 23.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

	Note	31 Dec 2016 US$	31 Dec 2015 US$
Assets			
Non-current assets			
Investments	9	2,528,971	2,528,971
Receivables	10	743,368,173	745,647,867
Total non-current assets		**745,897,144**	**748,176,838**
Current assets			
Receivables	10	-	4,387
Other assets	11	685,906	441,766
Cash and bank balances	19(a)	686,641	530,226
Total current assets		**1,372,547**	**976,379**
Total assets		**747,269,691**	**749,153,217**
Equity and liabilities			
Capital and reserves			
Stated capital	15	701,655,760	701,655,760
Foreign currency translation reserve	16	839,551	839,551
Accumulated losses		(12,788,797)	(12,966,267)
Total equity		**689,706,514**	**689,529,044**
Non-current liabilities			
Loans from related parties	13	56,651,221	58,851,221
Total non-current liabilities		**56,651,221**	**58,851,221**
Current liabilities			
Other payables	12	645,857	349,286
Current tax liabilities	8	4,248	-
Provisions	14	261,851	423,666
Total current liabilities		**911,956**	**772,952**
Total liabilities		**57,563,177**	**59,624,173**
Total equity and liabilities		**747,269,691**	**749,153,217**

Approved by the Board of Directors and authorised for issue on 24 APR 2017

....
Director

....
Director

Notes to the financial statements are included on pages 10 to 23.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2016

	Note	Stated capital US$	Accumulated losses US$	Foreign currency translation reserve US$	Total US$
Balance at 1 January 2015		**701,655,760**	**(12,931,758)**	**839,551**	**689,563,553**
Loss for the year		-	(34,509)	-	(34,509)
Total comprehensive loss for the year		-	(34,509)	-	(34,509)
Balance at 31 December 2015		**701,655,760**	**(12,966,267)**	**839,551**	**689,529,044**
Profit for the year		-	177,470	-	177,470
Total comprehensive income for the year		-	177,470	-	177,470
Balance at 31 December 2016		**701,655,760**	**(12,788,797)**	**839,551**	**689,706,514**

Notes to the financial statements are included on pages 10 to 23.

STATEMENT OF CASH FLOWS
for the year ended 31 December 2016

	Notes	31 Dec 2016 US$	31 Dec 2015 US$
Cash flows related to operating activities			
Payments to suppliers and employees		(10,596,321)	(13,217,589)
Income tax paid		(174)	(349)
Net cash used in operating activities	19(b)	**(10,596,495)**	**(13,217,938)**
Cash flows related to investing activities			
Interest received		6,413	-
Repayment of loans by subsidiary		12,950,000	6,070,000
Net cash generated from investing activities		**12,956,413**	**6,070,000**
Cash flows related to financing activities			
Repayment of loans to holding company		(2,200,000)	-
Advances from holding company		-	7,030,000
Net cash (used in)/ generated from financing activities		**(2,200,000)**	**7,030,000**
Net decrease in cash and cash equivalents		**159,918**	**(117,938)**
Cash and cash equivalents at beginning of financial year		530,226	650,221
Effect of exchange rate changes on cash held in foreign currencies		(3,503)	(2,057)
Cash and cash equivalents at end of financial year	19(a)	**686,641**	**530,226**

Notes to the financial statements are included on pages 10 to 23.

1. GENERAL INFORMATION

The Company was incorporated as a private limited company on 14 February 2001 and was granted a Category 1 Global Business Licence on 16 February 2001. The principal activity of the Company is investment holding in the Republic of Senegal, West Africa with a focus on the mining sector.

The Company is a holder of a Category 1 Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, it has chosen United States dollars as its reporting currency.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the Company has applied a number of new and revised International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2016.

2.1 Revised Standards applied with no material effect on the financial statements

The following relevant revised Standards have been applied in these financial statements. Their application has not had any significant impact on the amounts reported for current and prior periods but may affect the accounting for future transactions or arrangements.

IAS 1	Presentation of Financial Statements – Amendments resulting from the disclosure initiative
IAS 19	Employee Benefits - Amendments resulting from September 2014 Annual Improvements to IFRSs
IAS 27	Separate Financial Statements - Amendments reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements
IFRS 7	Financial Instruments: Disclosures – Amendments resulting from September 2014 Annual Improvements to IFRSs
IFRS 10	Consolidated Financial Statements – Amendments regarding the application of the consolidation exception

2.2 New and revised Standards in issue but not yet effective

At the date of authorization of these financial statements, the following new and revised relevant Standards were in issue but effective on annual periods beginning on or after the respective dates as indicated:

IAS 7	Statement of Cash Flows – Amendments resulting from the disclosure initiative (effective 1 January 2017)
IAS 12	Income Taxes – Amendments regarding the recognition of deferred tax assets for unrealized losses (effective 1 January 2017)
IAS 39	Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures – Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
IFRS 9	Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
IFRS 9	Financial Instruments - *(Amendments to IFRS 4)* to address concerns about the different effective dates of IFRS 9 and the new insurance contracts standard (effective 1 January 2018)
IFRS 10	Consolidated Financial Statements – Amendments regarding the sale or contribution of assets between an investor and its associated or joint venture deferred indefinitely.
IFRS 15	Revenue from Contracts with Customers - Original issue (effective 1 January 2018)
IFRS 15	Revenue from Contracts with Customers – Clarifications to IFRS 15 (effective 1 January 2018)
IFRIC 22	Foreign Currency Transactions and Advance Considerations issued (effective 1 January 2018)

The directors anticipate that these IFRSs will be applied on their effective dates in future periods. The directors have not yet assessed the potential impact of the adoption of these amendments.

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements represent the separate financial statements of the Company and have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Company has taken advantage of paragraph 4(a) of International Financial Reporting Standards (IFRS 10) – 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as it is a wholly owned subsidiary of TiZir Limited, the immediate holding company, incorporated in England & Wales, which prepares consolidated financial statements in accordance with International Financial Reporting Standards and are available on demand to public. The registered address of the immediate holding company is 3 More London Riverside, London, SE1 2AQ, United Kingdom.

(b) Basis of measurement

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements have been prepared on a going concern basis. The parent entity has undertaken to provide the necessary financial support in order to maintain this status for the foreseeable future.

The accounting policies and methods of computation adopted in the preparation of the financial statements are consistent with those adopted and disclosed for the financial year ended 31 December 2015.

(c) Functional currency

The financial statements are presented in United States dollars which is the Company's functional currency.

(d) Use of the estimates and judgement

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimate is revised and in any future year affected.

(e) Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the year ended 31 December 2016, the company recorded a net profit before tax of $181,892 (2015:loss $34,509), had net operating cash outflows of $10,596,495 (2015: $13,217,938) and was in a net current asset position at 31 December 2016 of $460,591 (2015: $203,424).

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

(a) Revenue recognition

Revenue is recognised in the profit or loss component of the statement of profit or loss and other comprehensive income as follows:

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest revenue is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Technical services income is recognised when services are rendered.

(b) Taxation

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior years is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Taxation (cont'd)

Deferred tax

Deferred tax is accounted for using the liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Foreign currency transactions

Functional and presentation currency

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The Company's financial statements are presented in United States dollars.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences are recognised in the profit or loss component of the statement of comprehensive income in the year in which they arise except for exchange differences on monetary items receivable or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future which form part of the net investment in a foreign operation and which are recognised in other comprehensive income and accumulated in a foreign currency translation reserve and reclassified to the profit or loss component of the statement of comprehensive income on disposal of the net investment.

(d) Impairment of assets

At each reporting date the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss component of the statement of profit or loss and other comprehensive income.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

When applicable, bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(f) Financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified as 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

On disposal of an investment, the difference in the net disposal proceeds and the carrying amount is charged or credited to the profit and loss component of the statement of profit or loss and other comprehensive income.

Effective interest method

The effective interest method is a method of calculating the amortised costs of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or, where appropriate, a shorter period.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss component of the statement of profit or loss and other comprehensive income.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the profit or loss component of the statement of profit or loss and other comprehensive income to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in other comprehensive income.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial instruments issued by the Company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities, when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events for which it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying value is the present value of those cash flows.

(i) Investments in subsidiaries

Investments in subsidiaries are shown at cost and provision is only made where, in the opinion of the directors, there is impairment in value which is other than temporary. Where there has been such impairment in the value of an investment, it is recognised as an expense in the year in which the impairment is identified.

5. REVENUE

	31 Dec 2016 US$	31 Dec 2015 US$
The following items are relevant in explaining the financial results:		
Technical assistance fees	10,928,001	11,934,205

6. OTHER REVENUE

	31 Dec 2016 US$	31 Dec 2015 US$
The following items are relevant in explaining the financial result:		
Interest revenue	6,413	-

7. ADMINISTRATION EXPENSES

	31 Dec 2016 US$	31 Dec 2015 US$
Employee benefits	(9,780,735)	(10,299,562)
Consultancy fees	(622,288)	(1,379,755)
Audit fees	(16,929)	(17,754)
Taxation services	(2,360)	(1,881)
Licence fees	(2,125)	(2,125)
Other	(324,594)	(264,432)
	(10,749,031)	**(11,965,509)**

8. INCOME TAXES

	31 Dec 2016 US$	31 Dec 2015 US$
Income tax recognised in the profit or loss component of the statement of comprehensive income		
Tax expense comprises:		
Current tax expense	4,422	-
The prima facie income tax expense on pre-tax accounting profits/(losses) from operations reconciles to the income tax expense in the financial statements as follows:		
Profit / (Loss) from operations	181,892	(34,509)
Income tax expense / (benefit) calculated at 15% (31 December 2015 – 15%)	27,284	(5,176)
Utilised tax losses	(5,176)	-
Unrecognised deferred tax assets arising from unutilised tax losses	-	5,176
Foreign tax credit	(17,686)	-
Income tax expense recognised in profit / (loss)	4,422	-

The Company is subject to income tax in Mauritius at the rate of 15% on its chargeable income. The Company is however, entitled to a tax credit equivalent to the higher of any actual foreign tax paid and a deemed credit of 80% of the Mauritius tax on its foreign source income. Thus reducing its maximum effective tax rate to 3%.

The tax losses available for offset against future taxable profits of the Company are as follows:

	31 Dec 2016 US$	31 Dec 2015 US$
Up to the year ending 31 December 2020	-	**34,509**
Available carried forward tax losses	-	**34,509**

At 31 December 2016, the Company had utilised its carried forward tax losses amounting to US$34,509 from the prior year.

Current tax liabilities

	31 Dec 2016 US$	31 Dec 2015 US$
Income tax payable	**4,248**	-

Tax Reconciliation

	31 Dec 2016 US$	31 Dec 2015 US$
Provision for income tax	**4,422**	-
Provision for APS liability	**(174)**	-
Income tax payable	**4,248**	-

9. INVESTMENTS

	Total US$
Carrying amount	
Balance at 31 December 2015 and 2016	**2,528,971**

	31 Dec 2016 US$	31 Dec 2015 US$
Carrying amount represented by:		
- Grande Côte Operations SA	**2,528,971**	**2,528,971**

(a) Assessment of recoverable amount of investment in Grande Côte Operations SA

The directors have completed appropriate impairment testing of the investment in Grande Côte Operations SA, along with the loan balances owed by the subsidiary. The results of the impairment test indicated that the recoverable amount of the investment and loan balances were in excess of their book value and, as such, no impairment charge has been recognised during the year ended 31 December 2016.

(b) Details of the Company's subsidiary are as follows:

	Country of incorporation	Auditor	Percentage owned 31 Dec 2016	Percentage owned 31 Dec 2015
Subsidiary of TiZir Mauritius Limited				
- Grande Côte Operations SA (i)	Senegal	Deloitte Senegal	89.5	89.5

(i) Pursuant to the Uniform Act (OHADA) governing the Company's "SA" Senegalese subsidiaries, the board of directors must have at least three and no more than 12 directors (other than in particular circumstances). Members of the board do not have to be shareholders. However, no more than one-third of the members of the board may be non-shareholders.

TiZir Mauritius Limited, as majority shareholder (up to 90%) in Grande Côte Operations SA, continues to have a sufficient number of directors representing its respective Mauritian holding company, in addition to the two resident directors with executive responsibility, to ensure adequate representation at all board meetings, the minority shareholder (Government of the Republic of Senegal) being entitled to two board seats, one representing the State and the other being held by a non-shareholder Senegalese public servant.

Hence, the five directors representing the Mauritian parent entity held one share each for a total of 0.5% in Grande Côte Operations SA with the other 89.5% issued to and held by the parent TiZir Mauritius Limited. On death or resignation, a share individually held would be transferred to another representative of the relevant Mauritian parent entity or added to its current 89.5% shareholding according to the circumstances at the time.

10. RECEIVABLES

	31 Dec 2016 US$	31 Dec 2015 US$
Current		
Other receivables	**-**	**4,387**
Non-Current		
Amounts due from related party *(not expected to be settled within 12 months):*		
- unsecured, interest free advances to subsidiary	675,732,169	675,732,169
- unsecured, interest free advances to subsidiary	67,432,393	69,713,587
	743,164,562	745,445,756
Other receivables:		
- security deposits	201,500	200,000
- other	2,111	2,111
	203,611	202,111
	743,368,173	**745,647,867**

There are no receivables past due at reporting date.

The amounts due from related party comprise technical assistance fees charged by the Company and shareholder loan to its subsidiary Grande Côte Operations SA. These advances are unsecured, interest free and payable in accordance with the terms of the Technical Fee Agreement upon expiration or termination of the said agreement which is not expected to be terminated in the forthcoming 12 months.

11. OTHER ASSETS

	31 Dec 2016 US$	31 Dec 2015 US$
Prepayments	96,249	111,304
Accrued income	589,657	330,462
Total other assets	**685,906**	**441,766**

12. OTHER PAYABLES

	31 Dec 2016 US$	31 Dec 2015 US$
Current		
Accrued audit fees	25,954	20,362
Accrued payroll costs	25,840	1,004
Other non-trade payables	594,063	327,920
Total accrued expenses	**645,857**	**349,286**

13. LOANS

	31 Dec 2016 US$	31 Dec 2015 US$
Non-Current		
Loans from related parties – TiZir Limited	**58,851,221**	**58,851,221**
Movement in non-current loan from related parties:		
Balance at the beginning of the year	58,851,221	51,821,221
Amount advanced during the year	-	10,250,000
Amount repaid during the year	(2,200,000)	(3,220,000)
Balance at the end of the year	**56,651,221**	**58,851,221**

During the year ended 31 December 2016, the parent entity, TiZir Limited, continued to provide support to the Grande Cote Mineral Sands Operation in Senegal. The loans are unsecured and non-interest bearing which will not be recalled in the forthcoming 12 months.

14. PROVISIONS

	31 Dec 2016 US$	31 Dec 2015 US$
Current		
Employee benefits – annual leave entitlements	**261,851**	**423,666**

Employee benefits represent annual leave in respect of employee's services up to the reporting date. The amount of the provision is presented as current as the amounts are expected to be settled within the next twelve months.

15. STATED CAPITAL

	31 Dec 2016 No.	31 Dec 2015 No.
Number of fully paid ordinary shares at A$0.10 per share	7,372,966,920	7,372,966,920

	31 Dec 2016 US$	31 Dec 2015 US$
Fully paid ordinary shares:		
Paid up capital	701,655,760	701,655,760

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

There was no movement in the number of fully paid ordinary shares during the period.

Shares pledged as security

The shares of the company have been pledged to Nordic Trustee ASA as security for the payment and performance in full of all monies due and to become due under the pledge over the shares of the company pursuant to the First Amended and Restated Bond Agreement and Share Pledge Agreement entered into by the company and Nordic Trustee ASA dated 21 May 2014.

16. FOREIGN CURRENCY TRANSLATION RESERVE

Prior to 1 July 2009, the functional currency of the preceding financial years was Australian Dollars. Exchange differences arising on changes in the functional currency were brought to account by entries made to the foreign currency translation reserve.

17. DIVIDENDS

During the current and previous financial year, no dividends were paid. The directors have not recommended the payment of a dividend.

18. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities at 31 December 2016 and up to the date the financial statements have been approved and authorised for issue. The directors were not aware of any contingent liabilities at 31 December 2015.

19. CASH FLOW INFORMATION

	31 Dec 2016 US$	31 Dec 2015 US$
(a) Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
Total cash and cash equivalents at end of year	**686,641**	**530,226**

	31 Dec 2016 US$	31 Dec 2015 US$
(b) Reconciliation of (loss) / profit for the year to net cash flows from operating activities		
Profit / (Loss) for the financial year	177,470	(34,509)
Interest income received and receivable	(6,413)	-
Foreign exchange loss	3,503	2,057
Changes in assets and liabilities		
Decrease in trade and term receivables	2,887	10,956
Increase in interest free advances to subsidiaries – technical assistance fees	(10,928,001)	(11,934,205)
Decrease / (Increase) in prepayments	15,055	(23,114)
Increase / (Decrease) in payables	296,572	(1,311,478)
(Decrease) / Increase in employee entitlements	(161,816)	72,588
Increase / (Decrease) in tax payable	4,248	(233)
Net cash used in operating activities	**(10,596,495)**	**(13,217,938)**

(c) Non-cash financing and investing activities

During the current and prior years, the Company entered into the following non-cash investing and financing activities which are not reflected in the statement of cash flows:

(i) During the year ended 31 December 2016, the Company recognised a net receivable from Grande Côte Operations SA (a subsidiary) and a payable to its parent entity TiZir Limited of US$2,220,000 (31 December 2015: US$1,780,000) relating to cash advanced from TiZir Limited to Grande Côte Operations SA.

20. FINANCIAL INSTRUMENTS

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Company consists of equity, comprising issued capital, reserves and accumulated losses as disclosed in the statement of changes in equity.

20. FINANCIAL INSTRUMENTS (CONT'D)

(b) Categories of financial instruments

	31 Dec 2016 US$	31 Dec 2015 US$
Financial assets:		
Loans and receivables (current and non-current)	743,368,173	745,652,254
Cash and cash equivalents	686,641	530,226
	744,054,814	746,182,480
Financial liabilities at amortised cost:		
Loans payable	56,651,221	58,851,221
Other payables	645,857	349,286
	57,297,078	59,200,507

(c) Foreign currency risk management

The Company has certain financial instruments denominated in currency other than USD. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the other currencies may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are not denominated in USD.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities that are denominated in a currency other than the functional currency of the entity at the reporting date are as follows:

	Financial Assets		Financial Liabilities	
	31 Dec 2016 US$	31 Dec 2015 US$	31 Dec 2016 US$	31 Dec 2015 US$
Euro (EUR)	-	-	164,557	164,557
Mauritian Rupee (MUR)	14,155	4,669	910	1,004

Foreign currency sensitivity analysis

The Company is mainly exposed to EUR and MUR. 10% represents management's assessment of the reasonably possible change in foreign exchange rates. Sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at year end for a 10% change in the functional currency rates. A negative number indicates a decrease in profit or equity where the functional currency strengthens 10% against the relevant currency for financial assets and where the functional currency weakens against the relevant currency for financial liabilities. For a 10% weakening of USD against the relevant currency for financial assets and a 10% strengthening for financial liabilities, there would be an equal and opposite impact on net assets and the balances would be positive.

	Financial Assets		Financial Liabilities	
	31 Dec 2016 US$	31 Dec 2015 US$	31 Dec 2016 US$	31 Dec 2015 US$
EUR Impact				
Statement of profit or loss and other comprehensive income	-	-	16,456	16,456
MUR Impact				
Statement of profit or loss and other comprehensive income	1,415	467	91	100

The Company is not significantly exposed to foreign currency exchange risk.

20. FINANCIAL INSTRUMENTS (CONT'D)

(d) Interest rate risk management

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in the market interest rates. The Company has exposure to interest rate risk relating to its bank balances.

	31 Dec 2016 US$	31 Dec 2015 US$
Financial assets		
Cash at bank	686,641	530,226

Interest rate sensitivity analysis

Variable rate of interest is the sensitivity rate used in management' assessment of the reasonably possible change in interest rates.

If interest rates had been higher by 50 basis points and all other variables were held constant, the profit and net assets would increase/decrease by:

	Financial Assets		Financial Liabilities	
	31 Dec 2016 US$	31 Dec 2015 US$	31 Dec 2016 US$	31 Dec 2015 US$
Statement of profit or loss and other comprehensive income	3,433	2,651	-	-

If interest rates had been 50 basis points lower, the impact would have been equal and opposite.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The credit risk on liquid funds is limited because the Company has no trade receivables, however the Company is reliant on its subsidiary, Grande Cote Operations SA, realising its investment in the Grande Cote Mineral Sands Project. The Company limits its credit risk by carrying out transactions only with its related parties in some instances.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors who have built an appropriate liquidity risk management framework for the management of the Company's funding and liquidity management requirements. The Company manages liquidity risk by maintaining sufficient cash balances.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

Financial liabilities	Weighted average effective interest rate %	Due on demand US$	Due within 1 year US$	Due after 1 year US$	Total US$
31 December 2016					
Non-interest bearing	-	81,301	564,556	56,651,221	57,297,078
31 December 2015					
Non-interest bearing	-	84,729	264,557	58,851,221	59,200,507

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair value for the Company.

21. RELATED PARTY TRANSACTIONS

(a) Equity interests in related parties

Details of percentages of ordinary shares held in subsidiary are disclosed in Note 9 to the financial statements.

(b) Transactions with key management personnel

No director or key management personnel received any compensation during the current and prior year.
No loans were made to directors or director-related entities during this year.

(c) Transactions with other related parties

Balances between the Company and its related parties:

Balances receivable / (payable) existed between the Company and its related parties at year end:

	Transactions		Balances	
	31 Dec 2016 US$	31 Dec 2015 US$	31 Dec 2016 US$	31 Dec 2015 US$
Receivables				
Grande Côte Operations SA – shareholder loans	-	(6,070,000)	675,732,169	675,732,169
Grande Côte Operations SA – technical assistance fees	(2,281,194)	11,934,205	67,432,393	69,713,587
Payables				
TiZir Limited – (advances)/refunds	2,200,000	(7,030,000)	(56,651,221)	(58,851,221)
	(81,194)	(1,165,795)	686,513,341	686,594,535

Terms and conditions relating to the receivables and payables balances to related party are disclosed in note 10 and note 13 respectively.

Interest on shareholder loans to Grande Côte Operations SA may be charged at a fixed rate of 10.0% per annum pursuant to the terms of the shareholder agreement; however in the current financial year the Company chose not to charge any interest on these loans.

During the financial year the Company paid $2,200,000 to TiZir Limited, the parent entity. During the previous corresponding period, TiZir Limited advanced the Company $7,030,000 as part of its continued support of the Grande Cote Mineral Sands Operation in Senegal.

Transactions between the Company and its related parties:

During the year ended 31 December 2016, the following transaction occurred between the Company and its related parties:

- Technical assistance was provided by the Company to its subsidiary Grande Côte Operations SA. The Company charged $10,928,001 (31 December 2015 – $11,934,205) in relation to the provision of these services in accordance with the Technical Fee agreement.

	Transactions		Balances	
	31 Dec 2016 US$	31 Dec 2015 US$	31 Dec 2016 US$	31 Dec 2015 US$
Management entity				
Rogers Capital (formerly Kross Border Corporate Services Limited):				
Fees payable (including directors' fees)	16,060	6,990	5,760	-

(d) Transactions with director related entities

During the year ended 31 December 2016, the following transaction occurred between the Company and its director related entities:

- Management and technical advisory services were provided to the Company and its subsidiary Grande Côte Operations SA by director related entity, Mineral Deposits Limited. The Company was charged $300,000 (2015: $100,000) in relation to the provision of these services.

Other than the above, there were no transactions between the Company and its related parties during the financial year ended 31 December 2016.

22. SUBSEQUENT EVENTS

There has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, the financial position and financial performance of the Company in future financial years.

23. EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a wholly owned subsidiary of TiZir Limited and has taken advantage of IFRS 10 Consolidated Financial Statements, which dispenses with the need for it to present consolidated financial statements. The IFRS compliant consolidated financial statements of TiZir Limited are available at its registered office, and also available at its place of business, Portland House, Bressenden Place, London, SE1 2AQ, United Kingdom.

24. HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The Company is a wholly owned subsidiary of TiZir Limited which is incorporated in the United Kingdom. The registered office of TiZir Limited is 3 More London Riverside, London, SE1 2AQ, United Kingdom.

The holding company, TiZir Limited, is jointly owned 50/50 by Mineral Deposits Limited, whose registered office is Level 17, 530 Collins Street, Melbourne, Victoria 3000, Australia and ERAMET, whose registered office is Tour Maine Montparnasse, 33 avenue du Maine 75755, Paris, France, and the Company's ultimate holding company.

Attachment 4

TIZIR MAURITIUS LIMITED

Annual Report

for the year ended 31 December 2015

Expressed in ***United States dollars*** *unless otherwise stated*

TIZIR MAURITIUS LIMITED

CONTENTS

TIZIR MAURITIUS LIMITED

CORPORATE DATA

DIRECTORS

Nicholas James Limb (appointed 19 February 2001)
Martin Clyde Ackland (appointed 14 December 2006)
Jean-Michel Jacques Francois Fourcade (appointed 9 February 2015)
Georges Valery Magon (appointed 7 November 2013)
Reshma Ghoorah (appointed 7 November 2013)

SECRETARY

Kross Border Corporate Services Limited
St Louis Business Centre
Cnr Desroches & St Louis Streets
Port Louis
Mauritius

REGISTERED OFFICE

St Louis Business Centre
Cnr Desroches & St Louis Streets
Port Louis
Mauritius

AUDITOR

Deloitte
7th Floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebene
Mauritius

BANKER

HSBC Bank (Mauritius) Limited
6th Floor, HSBC Centre
18 CyberCity
Ebene
Mauritius

DIRECTORS' REPORT

The directors are pleased to present their report together with the audited financial statements of TiZir Mauritius Limited (the "Company") for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investment in the Republic of Senegal, West Africa with a focus on the mining sector.

RESULTS AND DIVIDEND

The results for the financial year are shown on page 5.

The directors do not recommend the payment of dividend for the year under review (31 December 2014 – Nil).

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial period giving a true and fair view of the financial position and financial performance of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing these financial statements. The directors' responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company's ability to continue as a going concern and have no reason to believe that the business will not be a going concern over the year ahead.

AUDITOR

The auditor, Deloitte, has indicated its willingness to continue in office in accordance with the Mauritius Companies Act 2001 and a resolution of its reappointment will be proposed at the next Annual general meeting.

By order of the Board

Director

Date: 23 June 2016

SECRETARY'S CERTIFICATE UNDER SECTION 166 (D) OF THE MAURITIUS COMPANIES ACT 2001

In accordance with section 166 (d) of the Mauritius Companies Act 2001, we certify that to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001.

M Alamcessay

For and on behalf of
KROSS BORDER CORPORATE SERVICES LIMITED
Company Secretary

Date: 23 June 2016

Deloitte.

7th floor, Standard Chartered Tower
19-21 Bank Street
Cybercity
Ebène 72201
Mauritius

Independent auditor's report to the shareholder of Tizir Mauritius Limited

This report is made solely to the company's shareholder, as a body, in accordance with section 205 of the Mauritius Companies Act 2001. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to the shareholder in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Report on the Financial Statements

We have audited the financial statements of **Tizir Mauritius Limited** on pages 5 to 22 which comprise the statement of financial position as at 31 December 2015 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies. They are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements on pages 5 to 22 give a true and fair view of the financial position of the **Tizir Mauritius Limited** as at 31 December 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the requirements of the Mauritius Companies Act 2001 in so far as applicable to Category 1 Global Business Licence companies.

Report on other legal requirements

In accordance with the requirements of the Mauritius Companies Act 2001, we report as follows:

- we have no relationship with, or interests in, the company other than in our capacities as auditor and tax advisor;
- we have obtained all information and explanations that we have required; and
- in our opinion, proper accounting records have been kept by the company as far as appears from our examination of those records.

Deloitte
Chartered Accountants

23 June 2016

Jacques de C. Du Mée, ACA
Licensed by FRC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2015

	Note	31 Dec 2015 US$	31 Dec 2014 US$
Revenue	5	11,934,205	21,123,802
Other revenue	6	-	3,467
Administration expenses	7	(11,965,509)	(17,803,507)
Foreign exchange loss		(3,205)	(1,743)
(Loss) / Profit before tax		**(34,509)**	**3,322,019**
Income tax expense	8	-	(233)
(Loss) / Profit for the year		**(34,509)**	**3,321,786**
Other comprehensive income , net of income tax		-	-
Total comprehensive (loss) / income for the year		**(34,509)**	**3,321,786**

Notes to the financial statements are included on pages 9 to 22.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2015

	Note	31 Dec 2015 US$	31 Dec 2014 US$
Assets			
Non-current assets			
Investments	9	2,528,971	2,528,971
Receivables	10	745,647,867	738,496,421
Total non-current assets		**748,176,838**	**741,025,392**
Current assets			
Receivables	10	4,387	13,469
Other assets	11	441,766	1,707,767
Cash and bank balances	19(a)	530,226	650,221
Total current assets		**976,379**	**2,371,457**
Total assets		**749,153,217**	**743,396,849**
Equity and liabilities			
Capital and reserves			
Stated capital	15	701,655,760	701,655,760
Foreign currency translation reserve	16	839,551	839,551
Accumulated losses		(12,966,267)	(12,931,758)
Total equity		**689,529,044**	**689,563,553**
Non-current liabilities			
Loans from related parties	13	58,851,221	51,821,221
Total non-current liabilities		**58,851,221**	**51,821,221**
Current liabilities			
Other payables	12	349,286	1,660,764
Current tax liabilities	8	-	233
Provisions	14	423,666	351,078
Total current liabilities		**772,952**	**2,012,075**
Total liabilities		**59,624,173**	**53,833,296**
Total equity and liabilities		**749,153,217**	**743,396,849**

Approved by the Board of Directors and authorised for issue on 23 June 2016.

....
Director

....
Director

Notes to the financial statements are included on pages 9 to 22.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2015

	Note	Stated capital US$	Accumulated losses US$	Foreign currency translation reserve US$	Total US$
Balance at 1 January 2014		**621,305,760**	**(16,253,544)**	**839,551**	**605,891,767**
Profit for the year		-	3,321,786	-	3,321,786
Total comprehensive income for the year		-	3,321,786	-	3,321,786
Shares issued during the year	15	80,350,000	-	-	80,350,000
Balance at 31 December 2014		**701,655,760**	**(12,931,758)**	**839,551**	**689,563,553**
Loss for the year		-	(34,509)	-	(34,509)
Total comprehensive loss for the year		-	(34,509)	-	(34,509)
Balance at 31 December 2015		**701,655,760**	**(12,966,267)**	**839,551**	**689,529,044**

Notes to the financial statements are included on pages 9 to 22.

STATEMENT OF CASH FLOWS
for the year ended 31 December 2015

	Notes	31 Dec 2015 US$	31 Dec 2014 US$
Cash flows related to operating activities			
Payments to suppliers and employees		(13,217,589)	(19,136,091)
Income tax paid		(349)	-
Net cash used in operating activities	19(b)	**(13,217,938)**	**(19,136,091)**
Cash flows related to investing activities			
Proceeds from sale of property, plant and equipment		-	8,890
Interest received		-	2,386
Repayment of loans by subsidiary		6,070,000	-
Net cash generated from investing activities		**6,070,000**	**11,276**
Cash flows related to financing activities			
Proceeds from holding company		7,030,000	16,850,000
Net cash generated from financing activities		**7,030,000**	**16,850,000**
Net decrease in cash and cash equivalents		**(117,938)**	**(2,274,815)**
Cash and cash equivalents at beginning of financial year		650,221	2,925,036
Effect of exchange rate changes on cash held in foreign currencies		(2,057)	-
Cash and cash equivalents at end of financial year	19(a)	**530,226**	**650,221**

Notes to the financial statements are included on pages 9 to 22.

1. GENERAL INFORMATION

The Company was incorporated as a private limited company on 14 February 2001 and was granted a Category 1 Global Business Licence on 16 February 2001. The principal activity of the Company is investment holding in the Republic of Senegal, West Africa with a focus on the mining sector.

The Company is a holder of a Category 1 Global Business Licence under the Mauritius Companies Act 2001 and the Financial Services Act 2007. Since the Company operates in an international environment and conducts most of its transactions in foreign currencies, it has chosen United States dollars as its reporting currency.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

In the current year, the Company has applied a number of new and revised IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2015.

2.1 New and revised IFRSs applied with no material effect on the financial statements

The following relevant new and revised Standards and Interpretations have been applied in these financial statements but have not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

IAS 24	Related Party Disclosures - Amendments resulting from Annual Improvements 2010-2012 Cycle (management entities)
IFRS 13	Fair Value Measurement - Amendments resulting from Annual Improvements 2011-2013 Cycle
IFRS 13	Fair Value Measurement - Amendments resulting from Annual Improvements 2010-2012 Cycle (short-term receivables and payables (Amendments to basis for conclusions only)

2.2 New and revised IFRS in issue but not yet effective

At the date of authorisation of these financial statements, the following relevant new and revised IFRSs were in issue but not yet effective on annual periods beginning on or after the respective dates as indicated:

IAS 1	Presentation of Financial Statements - Amendments resulting from the disclosure initiative (effective 1 January 2016)
IAS 7	Statement of Cash Flows - Amendments as result of the Disclosure initiative (effective 1 January 2017)
IAS 12	Income Taxes - Amendments regarding the recognition of deferred tax assets for unrealised losses (effective 1 January 2017)
IAS 27	Separate Financial Statements - Amendments reinstating the equity method as an accounting option for investments in in subsidiaries, joint ventures and associates in an entity's separate financial statements (effective 1 January 2016)
IAS 39	Financial Instruments: Recognition and Measurement - Amendments to permit an entity to elect to continue to apply the hedge accounting requirements in IAS 39 for a fair value hedge of the interest rate exposure of a portion of a portfolio of financial assets or financial liabilities when IFRS 9 is applied, and to extend the fair value option to certain contracts that meet the 'own use' scope exception (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures - Additional hedge accounting disclosures (and consequential amendments) resulting from the introduction of the hedge accounting chapter in IFRS 9 (effective 1 January 2018)
IFRS 7	Financial Instruments: Disclosures - Amendments resulting from September 2014 Annual Improvements to IFRSs (effective 1 January 2016)
IFRS 9	Financial Instruments - Finalised version, incorporating requirements for classification and measurement, impairment, general hedge accounting and derecognition (effective 1 January 2018)
IFRS 10	Consolidated Financial Statements - Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture (deferred indefinitely)
IFRS 10	Consolidated Financial Statements - Amendments regarding the application of the consolidation exception (effective 1 January 2016)
IFRS 12	Disclosures of Interest in Other Entities - Amendments regarding the application of the consolidation exception (effective 1 January 2016)

The directors anticipate that these amendments will be applied in the financial statements for the annual periods beginning on the respective dates as indicated above. The directors have not yet assessed the potential impact of the adoption of these amendments.

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements represent the separate financial statements of the Company and have been prepared in accordance with International Financial Reporting Standards (IFRS).

The Company has taken advantage of paragraph 4(a) of International Financial Reporting Standards (IFRS 10) – 'Consolidated Financial Statements', which dispenses it from the need to present consolidated financial statements as it is a wholly owned subsidiary of TiZir Limited, the immediate holding company, incorporated in England & Wales, which prepares consolidated financial statements in accordance with International Financial Reporting Standards and are available on demand to public. The registered address of the immediate holding company is 3 More London Riverside, London, SE1 2AQ, United Kingdom.

(b) Basis of measurement

The financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets.

The financial statements have been prepared on a going concern basis. The parent entity has undertaken to provide the necessary financial support in order to maintain this status for the foreseeable future.

The accounting policies and methods of computation adopted in the preparation of the financial statements are consistent with those adopted and disclosed for the financial year ended 31 December 2014.

(c) Functional currency

The financial statements are presented in United States dollars which is the Company's functional currency.

(d) Use of the estimates and judgement

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the year in which the estimate is revised and in any future year affected.

(e) Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business. For the year ended 31 December 2015, the company recorded a net loss before tax of $34,509 (2014: profit $3,322,019), had net operating cash outflows of $13,217,938 (2014: $19,136,091) and was in a net current asset position at 31 December 2015 of $203,426 (2014: $359,382).

Notwithstanding the above factors the directors believe the company is a going concern based on the fact that the parent entity, TiZir Limited, has undertaken to provide the necessary financial support to enable the company to meet its current and future obligations when required.

4. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted are as follows:

(a) Revenue recognition

Revenue is recognised in the profit or loss component of the statement of profit or loss and other comprehensive income as follows:

Dividend revenue from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest revenue is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Technical services income is recognised when services are rendered.

(b) Taxation

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior years is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Taxation (cont'd)

Deferred tax

Deferred tax is accounted for using the liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the statement of financial position. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates and interests in joint ventures except where the Company is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(c) Foreign currency transactions

Functional and presentation currency

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The Company's financial statements are presented in United States dollars.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences are recognised in the profit or loss component of the statement of comprehensive income in the year in which they arise except for exchange differences on monetary items receivable or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future which form part of the net investment in a foreign operation and which are recognised in other comprehensive income and accumulated in a foreign currency translation reserve and reclassified to the profit or loss component of the statement of comprehensive income on disposal of the net investment.

(d) Impairment of assets

At each reporting date the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss component of the statement of profit or loss and other comprehensive income.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of three months or less at the date of acquisition.

When applicable, bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(f) Financial assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified as 'available-for-sale' financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

On disposal of an investment, the difference in the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

Effective interest method

The effective interest method is a method of calculating the amortised costs of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or, where appropriate, a shorter period.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in the profit or loss component of the statement of profit or loss and other comprehensive income.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the profit or loss component of the statement of profit or loss and other comprehensive income to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in other comprehensive income.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Financial instruments issued by the Company

Debt and equity instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities, when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events for which it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying value is the present value of those cash flows.

(i) Investments in subsidiaries

Investments in subsidiaries are shown at cost and provision is only made where, in the opinion of the directors, there is impairment in value which is other than temporary. Where there has been such impairment in the value of an investment, it is recognised as an expense in the year in which the impairment is identified.

5. REVENUE

	31 Dec 2015 US$	31 Dec 2014 US$
The following items are relevant in explaining the financial results:		
Technical assistance fees	11,934,205	21,123,802

6. OTHER REVENUE

	31 Dec 2015 US$	31 Dec 2014 US$
The following items are relevant in explaining the financial result:		
Interest revenue	-	2,386
Net profit on sale of property, plant and equipment	-	1,081
Total other revenue	-	3,467

7. ADMINISTRATION EXPENSES

	31 Dec 2015 US$	31 Dec 2014 US$
Employee benefits	(10,299,562)	(16,183,195)
Consultancy fees	(1,379,755)	(1,504,108)
Audit fees	(17,754)	(26,490)
Taxation services	(1,881)	(2,312)
Licence fees	(2,125)	(2,125)
Depreciation	-	(4,036)
Other	(264,432)	(81,241)
	(11,965,509)	**(17,803,507)**

8. INCOME TAXES

	31 Dec 2015 US$	31 Dec 2014 US$
Income tax recognised in the profit or loss component of the statement of comprehensive income		
Tax expense comprises:		
Current tax expense	-	233
The prima facie income tax expense on pre-tax accounting profits/(losses) from operations reconciles to the income tax expense in the financial statements as follows:		
(Loss) / Profit from operations	(34,509)	3,322,019
Income tax (benefit)/expense calculated at 15% (31 December 2014 – 15%)	(5,176)	498,303
Income tax expense/(credit)	4,141	(933)
Effect of expenses that are not deductible in determining tax profit	-	(428)
Effect of unused tax losses and tax offsets	-	(496,709)
Effect of unrecognised deferred tax assets	1,035	-
Tax expense	-	233

The Company is subject to income tax in Mauritius at the rate of 15% on its chargeable income. The Company is however, entitled to a tax credit equivalent to the higher of any actual foreign tax paid and a deemed credit of 80% of the Mauritius tax on its foreign source income.

Current tax liabilities

	31 Dec 2015 US$	31 Dec 2014 US$
Income tax payable	**-**	**233**

At 31 December 2015, the Company has tax losses amounting to US$34,509 (2014: Tax losses: US$ Nil) which can be carried forward up to financial year ending 31 December 2020.

9. INVESTMENTS

	Total US$
Gross carrying amount	
Balance at 31 December 2014	**2,528,971**
Balance at 31 December 2015	**2,528,971**
Net book value	
As at 31 December 2014	**2,528,971**
As at 31 December 2015	**2,528,971**

	31 Dec 2015 US$	31 Dec 2014 US$
Net book values are represented by:		
- Grande Côte Operations SA	**2,528,971**	**2,528,971**

(a) Assessment of recoverable amount of investment in Grande Côte Operations SA

The directors have completed appropriate impairment testing of the investment in Grande Côte Operations SA, along with the loan balances owed by the subsidiary. The results of the impairment test indicated that the recoverable amount of the investment and loan balances were in excess of their book value and, as such, no impairment charge has been recognised during the year ended 31 December 2015.

(b) Details of the Company's subsidiary are as follows:

	Country of incorporation	Auditor	Percentage owned 31 Dec 2015	Percentage owned 31 Dec 2014
Subsidiary of TiZir Mauritius Limited				
- Grande Côte Operations SA (i)	Senegal	Deloitte Senegal	89.5	89.5

(i) Pursuant to the Uniform Act (OHADA) governing the Company's "SA" Senegalese subsidiaries, the board of directors must have at least three and no more than 12 directors (other than in particular circumstances). Members of the board do not have to be shareholders. However, no more than one-third of the members of the board may be non-shareholders.

TiZir Mauritius Limited, as majority shareholder (up to 90%) in Grande Côte Operations SA, continues to have a sufficient number of directors representing its respective Mauritian holding company, in addition to the two resident directors with executive responsibility, to ensure adequate representation at all board meetings, the minority shareholder (Government of the Republic of Senegal) being entitled to two board seats, one representing the State and the other being held by a non-shareholder Senegalese public servant.

Hence, the five directors representing the Mauritian parent entity held one share each for a total of 0.5% in Grande Côte Operations SA with the other 89.5% issued to and held by the parent TiZir Mauritius Limited. On death or resignation, a share individually held would be transferred to another representative of the relevant Mauritian parent entity or added to its current 89.5% shareholding according to the circumstances at the time.

10. RECEIVABLES

	31 Dec 2015 US$	31 Dec 2014 US$
Current		
Other receivables	**4,387**	**31,469**
Non-Current		
Amounts due from related party *(not expected to be settled within 12 months):*		
- unsecured, interest free advances to subsidiary	675,732,169	681,802,169
- unsecured, interest free advances to subsidiary	69,713,587	56,490,267
	745,445,756	738,292,436
Other receivables:		
- security deposits	200,000	201,874
- other	2,111	2,111
	202,111	203,985
	745,647,867	**738,496,421**

There are no receivables past due at reporting date.

The amounts due from related party comprise technical assistance fees charged by the Company and shareholder loan to its subsidiary Grande Côte Operations SA. These advances are unsecured, interest free and payable in accordance with the terms of the Technical Fee Agreement upon expiration or termination of the said agreement which is not expected to be terminated in the forthcoming 12 months.

11. OTHER ASSETS

	31 Dec 2015 US$	31 Dec 2014 US$
Prepayments	111,304	88,190
Accrued income	330,462	1,619,577
Total other assets	**441,766**	**1,707,767**

12. OTHER PAYABLES

	31 Dec 2015 US$	31 Dec 2014 US$
Current		
Accrued audit fees	20,362	21,672
Accrued payroll costs	1,004	1,423,312
Other non-trade payables	327,920	215,780
Total accrued expenses	**349,286**	**1,660,764**

13. LOANS

	31 Dec 2015 US$	31 Dec 2014 US$
Non-Current		
Loans from related parties – TiZir Limited	**58,851,221**	**51,821,221**
Movement in non-current loan from related parties:		
Balance at the beginning of the year	51,821,221	-
Amount advanced during the period	10,250,000	132,171,221
Amount repaid during the period	(3,220,000)	-
Debt to equity conversion	-	(80,350,000)
Balance at the end of the period	**58,851,221**	**51,821,221**

During the period ended 31 December 2015, the parent entity, TiZir Limited, continued to provide support to the Grande Cote Mineral Sands Operation in Senegal. The loans are unsecured and non-interest bearing which will not be recalled in the forthcoming 12 months.

14. PROVISIONS

	31 Dec 2015 US$	31 Dec 2014 US$
Current		
Employee benefits – annual leave entitlements	**423,666**	**351,078**

Employee benefits represent annual leave in respect of employee's services up to the reporting date. The amount of the provision is presented as current as the amounts are expected to be settled within the next twelve months.

15. STATED CAPITAL

	31 Dec 2015 No.	31 Dec 2014 No.
Number of fully paid ordinary shares at A$0.10 per share	7,372,966,920	7,372,966,920
Movement in number of fully paid ordinary shares:		
Opening number of shares	7,372,966,920	6,521,711,490
Shares issued during the year	-	851,255,430
Closing number of shares	**7,372,966,920**	**7,372,966,920**

	31 Dec 2015 US$	31 Dec 2014 US$
Fully paid ordinary shares:		
Paid up capital	701,655,760	701,655,760
Movement in fully paid ordinary shares		
At the beginning of the financial year	701,655,760	621,305,760
Shares issued on 30 June 2014	-	80,350,000
Total issued capital at the end of the financial year	**701,655,760**	**701,655,760**

Fully paid ordinary shares carry one vote per share and carry rights to dividends.

Shares issued in the prior financial year were part of debt to equity conversions with the Company's parent entity, TiZir Limited. The details of these transactions are outlined in note 19(c).

Shares pledged as security

The shares of the company have been pledged to Nordic Trustee ASA as security for the payment and performance in full of all monies due and to become due under the pledge over the shares of the company pursuant to the First Amended and Restated Bond Agreement and Share Pledge Agreement entered into by the company and Nordic Trustee ASA dated 21 May 2014.

16. FOREIGN CURRENCY TRANSLATION RESERVE

Prior to 1 July 2009, the functional currency of the preceding financial years was Australian Dollars. Exchange differences arising on changes in the functional currency were brought to account by entries made to the foreign currency translation reserve.

17. DIVIDENDS

During the current and previous financial year, no dividends were paid. The directors have not recommended the payment of a dividend.

18. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities at 31 December 2015 and up to the date the financial statements have been approved and authorised for issue. The directors were not aware of any contingent liabilities at 31 December 2014.

19. CASH FLOW INFORMATION

	31 Dec 2015 US$	31 Dec 2014 US$
(a) Reconciliation of cash and cash equivalents		
Cash at the end of the financial year as shown in the statement of cash flowsis reconciled to items in the statement of financial position as follows:		
Cash on hand and at bank	530,226	650,221
Total cash and cash equivalents at end of year	**530,226**	**650,221**

	31 Dec 2015 US$	31 Dec 2014 US$
(b) Reconciliation of (loss) / profit for the year to net cash flows from operating activities		
(Loss) / Profit for the financial year	(34,509)	3,321,786
Interest income received and receivable	-	(2,386)
Depreciation	-	4,036
Net profit on disposal of fixed assets	-	(1,081)
Foreign exchange loss	2,057	-
Changes in assets and liabilities		
Decrease in trade and term receivables	10,956	211,364
Increase in interest free advances to subsidiaries – technical assistance fees	(11,934,205)	(21,123,802)
Increase in prepayments	(23,114)	(12,167)
Decrease in payables	(1,311,478)	(1,262,023)
(Decrease)/Increase in tax payable	(233)	233
Increase/(Decrease) in employee entitlements	72,588	(272,051)
Net cash used in operating activities	**(13,217,938)**	**(19,136,091)**

(c) Non-cash financing and investing activities

During the current and prior years, the Company entered into the following non-cash investing and financing activities which are not reflected in the statement of cash flows:

(i) During the year ended 31 December 2015, the Company recognised a net receivable from Grande Côte Operations SA (a subsidiary) and a payable to its parent entity TiZir Limited of US$1,780,000 (31 December 2014: US$115,321,221) relating to cash advanced from TiZir Limited to Grande Côte Operations SA.

(ii) On 30 June 2014, the Company completed a debt to equity conversion in relation to amounts advanced by TiZir Limited during the period 1 January to 30 June 2014. The Company issued 851,255,430 shares at a value of A$85,125,543 (equivalent to US$80,350,000 at the prevailing exchange rate of 1.0594) in exchange for the cancellation of the loan.

(iii) During the year ended 31 December 2014, the Company recognised a receivable from Grande Côte Operations SA (a subsidiary) and a payable to its parent entity TiZir Limited of US$115,321,221 (31 December 2013: US$291,519,906) relating to cash advanced from TiZir Limited to Grande Côte Operations SA. The payable to its parent entity was subsequently cancelled by the above debt to equity conversions.

20. FINANCIAL INSTRUMENTS

The board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(a) Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of the debt and equity balance.

The capital structure of the Company consists of equity, comprising issued capital, reserves and accumulated losses as disclosed in the statement of changes in equity.

20. FINANCIAL INSTRUMENTS (CONT'D)

(b) Categories of financial instruments

	31 Dec 2015 US$	31 Dec 2014 US$
Financial assets:		
Loans and receivables (current and non-current)	745,652,254	738,509,890
Cash and cash equivalents	530,226	650,221
	746,182,480	739,160,111
Financial liabilities at amortised cost:		
Loans payable	58,851,221	51,821,221
Other payables	349,286	1,660,764
	59,200,507	53,481,985

(c) Foreign currency risk management

The Company has certain financial instruments denominated in currency other than USD. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to the other currencies may change in a manner which has a material effect on the reported values of the Company's assets and liabilities which are not denominated in USD.

The carrying amounts of the Company's foreign currency denominated financial assets and financial liabilities that are denominated in a currency other than the functional currency of the entity at the reporting date are as follows:

	Financial Assets		Financial Liabilities	
	31 Dec 2015 US$	31 Dec 2014 US$	31 Dec 2015 US$	31 Dec 2014 US$
AUD	-	-	-	160,432
EUR	-	-	164,557	44,975
MUR	4,669	14,524	1,004	2,853

Foreign currency sensitivity analysis

The Company is mainly exposed to AUD, EUR and Mauritian Rupee (MUR). Ten percent represents management's assessment of the reasonably possible change in foreign exchange rates. Sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at year end for a 10% change in the functional currency rates. A negative number indicates a decrease in profit or equity where the functional currency strengthens 10% against the relevant currency for financial assets and where the functional currency weakens against the relevant currency for financial liabilities. For a 10% weakening of USD against the relevant currency for financial assets and a 10% strengthening for financial liabilities, there would be an equal and opposite impact on net assets and the balances would be positive.

	Financial Assets		Financial Liabilities	
	31 Dec 2015 US$	31 Dec 2014 US$	31 Dec 2015 US$	31 Dec 2014 US$
AUD Impact				
Statement of profit or loss and other comprehensive income	-	-	-	16,043
Other equity	-	-	-	-
EUR Impact				
Statement of profit or loss and other comprehensive income	-	-	16,456	4,498
Other equity	-	-	-	-
MUR Impact				
Statement of profit or loss and other comprehensive income	467	1,452	100	285
Other equity	-	-	-	-

Foreign currency exchange contracts

The Company has not entered into forward exchange contracts to buy or sell specified amounts of foreign currencies in the future at stipulated exchange rates.

20. FINANCIAL INSTRUMENTS (CONT'D)

(d) Interest rate risk management

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in the market interest rates. The Company has exposure to interest rate risk relating to its bank balances.

	31 Dec 2015 US$	31 Dec 2014 US$
Financial assets		
Cash at bank	530,226	650,221

Interest rate sensitivity analysis

Variable rate of interest is the sensitivity rate used in management' assessment of the reasonably possible change in interest rates.

If interest rates had been higher by 50 basis points and all other variables were held constant, the profit and net assets would increase/decrease by:

	Financial Assets		Financial Liabilities	
	31 Dec 2015 US$	31 Dec 2014 US$	31 Dec 2015 US$	31 Dec 2014 US$
Statement of profit or loss and other comprehensive income	2,651	3,251	-	-

If interest rates had been 50 basis points lower, the impact would have been equal and opposite.

(e) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The Company does not have any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. The credit risk on liquid funds is limited because the Company has no trade receivables, however the Company is reliant on its subsidiary, Grande Cote Operations SA, realising its investment in the Grande Cote Mineral Sands Project. The Company limits its credit risk by carrying out transactions only with its related parties in some instances.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

(f) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors who have built an appropriate liquidity risk management framework for the management of the Company's funding and liquidity management requirements. The Company manages liquidity risk by maintaining sufficient cash balances.

Liquidity and interest risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

	Weighted average effective interest rate %	Due on demand US$	Due within 1 year US$	Due after 1 year US$	Total US$
31 December 2015					
Financial Liabilities					
Non-interest bearing	-	84,729	264,557	58,851,221	59,200,507
31 December 2014					
Financial Liabilities					
Non-interest bearing	-	1,547,004	113,760	51,821,221	53,481,985

The directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair value for the Company.

21. RELATED PARTY TRANSACTIONS

(a) Equity interests in related parties

Details of percentages of ordinary shares held in subsidiary are disclosed in Note 9 to the financial statements.

(b) Transactions with key management personnel

No director or key management personnel received any compensation during the current and prior year.
No loans were made to directors or director-related entities during this year.

(c) Transactions with other related parties

Balances between the Company and its related parties:

Balances receivable/(payable) existed between the Company and its related parties at year end:

	Transactions		Balances	
	31 Dec 2015 US$	31 Dec 2014 US$	31 Dec 2015 US$	31 Dec 2014 US$
Receivables				
Grande Côte Operations SA – shareholder loans	(6,070,000)	115,321,221	675,732,169	681,802,169
Grande Côte Operations SA – technical assistance fees	11,934,205	21,123,802	69,713,587	56,490,267
Payables				
TiZir Limited	(7,030,000)	(51,821,221)	(58,851,221)	(51,821,221)
	(1,165,795)	84,623,802	686,594,535	686,471,215

Terms and conditions relating to the receivables and payables balances to related party are disclosed in note 10 and note 13 respectively.

Interest on shareholder loans to Grande Côte Operations SA may be charged at a fixed rate of 10.0% per annum pursuant to the terms of the shareholder agreement; however in the current financial year the Company chose not to charge any interest on these loans.

During the period, the parent entity, TiZir Limited advanced the Company $7,030,000 (2014: $51,821,221) as part of its continued support of the Grande Cote Mineral Sands Operation in Senegal.

Transactions between the Company and its related parties:

During the year ended 31 December 2015, the following transaction occurred between the Company and its related parties:

- Technical assistance was provided by the Company to its subsidiary Grande Côte Operations SA. The Company charged $11,934,205 (31 December 2014 – $21,123,802) in relation to the provision of these services in accordance with the Technical Fee agreement.

	Transactions		Balances	
	31 Dec 2015 US$	31 Dec 2014 US$	31 Dec 2015 US$	31 Dec 2014 US$
Management entity				
Kross Border Corporate Services Limited				
Fees payable (including directors' fees)	6,990	13,470	-	2,400

(d) Transactions with director related entities

During the year ended 31 December 2015, the following transaction occurred between the Company and its director related entities:

- Management and technical advisory services were provided to the Company and its subsidiary Grande Côte Operations SA by director related entity, Mineral Deposits Limited. The Company was charged $100,000 in relation to the provision of these services.

Other than the above, there were no transactions between the Company and its related parties during the financial year ended 31 December 2015.

22. SUBSEQUENT EVENTS

There has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, the financial position and financial performance of the Company in future financial years.

23. EXEMPTION FROM PREPARING CONSOLIDATED FINANCIAL STATEMENTS

The Company is a wholly owned subsidiary of TiZir Limited and has taken advantage of IFRS 10 Consolidated Financial Statements, which dispenses with the need for it to present consolidated financial statements. The IFRS compliant consolidated financial statements of TiZir Limited are available at its registered office, and also available at its place of business, Portland House, Bressenden Place, London, SE1 2AQ, United Kingdom.

24. HOLDING COMPANY AND ULTIMATE HOLDING COMPANY

The Company is a wholly owned subsidiary of TiZir Limited which is incorporated in the United Kingdom. The registered office of TiZir Limited is 3 More London Riverside, London, SE1 2AQ, United Kingdom.

The holding company, TiZir Limited, is jointly owned 50/50 by Mineral Deposits Limited, whose registered office is Level 17, 530 Collins Street, Melbourne, Victoria 3000, Australia and ERAMET, whose registered office is Tour Maine Montparnasse, 33 avenue du Maine 75755, Paris, France, and the Company's ultimate holding company.

Attachment 5

Interim Unaudited Financial Statements of TiZir Titanium & Iron AS

for the half year ended 30 June 2017

Expressed in ***Norwegian Krone*** *unless otherwise stated*

CONTENTS

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the half year ended 30 June 2017 (unaudited)

	Note	6 months ended 30 Jun 2017 NOK 000's	6 months ended 30 Jun 2016 NOK 000's
OPERATING REVENUE AND OPERATING EXPENSES			
Revenue	5	357,773	442,143
Other operating income/(expense)	5	73,245	(13,705)
Total operating revenue		**431,018**	**428,438**
Changes in inventories		(70,843)	19,820
Costs of goods sold		272,781	218,029
Payroll and related costs	6	75,434	73,783
Depreciation and amortisation of fixed and intangible assets	7	37,040	33,482
Other operating expenses		72,526	55,680
Total operating expenses		**386,938**	**400,794**
Operating profit for the period		**44,080**	**27,644**
FINANCIAL INCOME AND FINANCIAL EXPENSES			
Financial income and financial expenses:			
Interest expense to group company		(138)	(258)
Other financial income and costs		2,584	(3,866)
Financial items, net		**2,446**	**(4,124)**
Profit before taxation		**46,526**	**23,520**
Income tax expense		11,166	5,880
PROFIT FOR THE PERIOD		**35,360**	**17,640**
ALLOCATION OF NET PROFIT AND EQUITY TRANSFERS			
Transferred to other equity	10	35,360	17,640
Total allocations and equity transfers		**35,360**	**17,640**

Notes to the financial statements are included on pages 5 to 9.

TIZIR TITANIUM & IRON AS

CONDENSED STATEMENT OF FINANCIAL POSITION
as at 30 June 2017 (unaudited)

	Note	30 Jun 2017 NOK 000's	31 Dec 2016 NOK 000's
ASSETS			
Non-current assets			
Intangible assets			
Concessions, patents, licences, trademarks and similar rights		7,396	7,396
Total intangible assets		**7,396**	**7,396**
Tangible fixed assets			
Property, plant and equipment	7	529,228	551,664
Total tangible fixed assets		**529,228**	**551,664**
Financial non-current assets			
Investments in shares		698	698
Other receivables		131	94
Total financial non-current assets		**829**	**792**
Total non-current assets		**537,453**	**559,852**
Current assets			
Inventories	8, 11	202,593	141,053
Trade receivables	11	236,114	22,648
Other receivables		189,561	165,097
Cash and cash equivalents		4,495	5,632
Total current assets		**632,763**	**334,430**
TOTAL ASSETS		**1,170,216**	**894,282**
SHAREHOLDERS EQUITY AND LIABILITIES			
Shareholders' equity			
Paid-in capital			
Share capital 300,000 shares at NOK1,000	9	300,000	300,000
Share premium account	10	136,000	136,000
Other paid-in capital	10	31,185	31,185
Total paid-in capital		467,185	467,185
Other equity	10	185,139	145,362
Total shareholder's equity		**652,324**	**612,547**
Provisions for liabilities and charges			
Deferred tax		16,562	3,875
Total provisions for liabilities and charges		16,562	3,875
Total non-current liabilities		**16,562**	**3,875**
Current liabilities			
Debt to financial institutions		302,863	18,056
Accounts payable		155,920	107,426
Other taxes and withholdings		14,171	9,009
Deferred income, insurance business interruption		-	75,227
Other current liabilities		28,376	68,142
Total current liabilities		**501,330**	**277,860**
Total liabilities		**517,892**	**281,735**
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES		**1,170,216**	**894,282**

Notes to the financial statements are included on pages 5 to 9.

CONDENSED STATEMENT OF CASHFLOWS

For the half year ended 30 June 2017 (unaudited)

	Note	30 Jun 2017 NOK 000's	30 Jun 2016 NOK 000's
CASH FLOW FROM OPERATIONS:			
Profit for the period		35,360	17,640
Deferred taxes		10,669	5,879
Depreciation and amortisation		37,040	33,482
Loss on disposal of fixed assets		-	741
Financial instruments recognized in profit and loss statement		(4,393)	(1,931)
Change in inventory		(61,540)	13,873
Change in trade receivables		(216,235)	(116,984)
Change in trade payables		59,337	(69,759)
Changes in other current assets and other liabilities		(98,519)	(13,411)
Net cash flow used in operating activities		**(238,281)**	**(130,470)**
CASH FLOW FROM INVESTING ACTIVITIES:			
Proceeds from sale of fixed assets		-	15,215
Outflows due to purchases of fixed assets incl. periodic maintenance	10	(14,604)	(68,743)
Net cash flow from investment activities		**(14,604)**	**(53,528)**
CASH FLOW FROM INVESTING ACTIVITIES:			
Net change in bank overdraft		284,807	69,306
Loan to parent company (cash pool)		(32,979)	110,271
Net change in employee financial loan		(80)	93
Net cash flow from financing activities		**251,748**	**179,670**
Net change in bank deposits, cash and equivalents		(1,137)	(4,328)
Bank deposits, cash and equivalents at the beginning of the period		5,632	6,752
Bank deposits, cash and equivalents at the end of the period		**4,495**	**2,424**

Notes to the financial statements are included on pages 5 to 9.

1. STATEMENT OF COMPLIANCE

The interim condensed unaudited financial statements for the half year ended 30 June 2017 have been prepared in accordance with Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and therefore should be read in conjunction with the Company's annual financial statements as at 31 December 2016.

2. BASIS OF PREPARATION

The interim condensed unaudited financial statements for the half year ended 30 June 2017 have been prepared on the basis of historical costs, except for the revaluation of certain assets. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Norwegian Krone dollars unless otherwise stated.

3. ESTIMATES

The preparation of these interim financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the date of the interim financial statements. Actual outcomes could differ from these estimates. The Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 31 December 2016.

The management has used estimates and assumptions that have affected assets, liabilities, revenues, expenses and information on potential liabilities. This particularly applies to the depreciation and impairment of tangible fixed assets and assessment of recoverability of deferred tax asset. Future events may lead to these estimates being changed. Estimates and their underlying assumptions are reviewed on a regular basis. Changes in accounting estimates are recognized during the period when the changes take place. If the changes also apply to future periods, the effect is divided among the present and future periods.

4. ACCOUNTING POLICIES

Valuation and classification of assets and liabilities
Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with a limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule based on a straight-line depreciation. Land is not depreciated.

Other long-term liabilities, as well as short-term liabilities, are valued at nominal value.

Intangible assets
Intangible assets acquired separately are recognized in the balance sheet at cost. Subsequent measurement of intangible assets is recognized in the balance sheet at cost reduced for eventual depreciation and impairments. Internally generated intangible assets, excluding capitalised development costs, are not capitalized but are expensed as incurred.

The economic life is either definite or indefinite. Intangible assets with a definite economic life are amortized over their economic life and tested for impairment if there are any indications of impairment needs. The amortization method and period is assessed at least once a year.

Foreign currency
All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date. Currency forward contracts are valued in the balance sheet at fair value on the balance sheet date. Transactions in foreign currencies are translated into NOK at the exchange rate prevailing at the date of the transaction.

Other shares classified as non-current assets
Other non-current investments in shares, in which the company does not have significant influence, are carried at cost. The investments are written down to fair value if a decline in the value is expected to be permanent. Dividends received from these companies are recognised as financial income.

Hedging
The company has established a strategy to reduce the currency exposure the company experience through its sales and purchases in foreign currency. The company hedges its currency exposure through cash flow hedging with currency forward contracts. The company recognizes these hedges by recognizing open currency forward contracts at fair value either as a financial instrument asset or as a short-term liability and temporary adjustment to the equity.

Inventories
Inventories are recognised at the lower of cost in accordance with the FIFO method and net realisable value. For raw materials and work in progress, the net realisable value is based on estimated selling price of finished goods, less the remaining production and sales costs. Self-produced goods are recognised at the lower of full production cost based on normal production and fair value.

Revenue
Sale of goods:
Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer. This will normally be the case when the goods are delivered to the customer. The revenue is recognised with the value of the remuneration at the time of transaction.

Receivables
Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables. The accrual for losses is based on an individual assessment of each receivable.

Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

Post-employment benefits
Defined contribution plans are accounted for according to the matching principle. Contributions to the pension plan are recorded as expenses.

Post-employment benefits
Defined benefit plans are post-employment benefit plans other than defined contribution plans. In accounting for defined benefit plans, the obligation is expensed over the service life according to the plan benefit formula. The method of allocation corresponds to the plan benefit formula, unless the bulk of the service costs accrue towards the end of the service life. In such instances, the service cost is allocated on a straight-line basis. A straight-line allocation is therefore applied for post-employment benefit plans operated in accordance with the occupational pension legislation.
The net post-employment benefit obligation is the difference between the present value of the pension obligations and the value of plan assets that are invested for the purpose of paying the post-employment benefits. Plan assets are recognised at fair value. A valuation of post-employment benefit obligations and plan assets is carried out as of the balance sheet date. An accrual for social security costs is included in the figures, calculated based on the net actual post-employment benefit deficit. Post-employment benefit obligations associated with the early retirement pension (AFP), in accordance with the LO/NHO arrangement, are a multi-employer defined benefit plan, but is recorded as a defined contribution plan, as no reliable data is available to measure the company's liability and assets of the plan.

Cost of sales and other expenses
In principle, cost of sales and other expenses are recognised in the same period as the revenue to which they relate. In instances where there is no clear connection between the expense and revenue, the apportionment is estimated. Other exceptions to the matching criteria are disclosed where appropriate.

Income taxes
Tax expenses are matched with operating income before tax. Tax related to equity transactions e.g. group contribution, is recognised directly in equity.

Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax liabilities and deferred tax assets are presented net in the balance sheet.

Government grants
Government grants are recognized when it is reasonably certain that the company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognized systematically during the grant period. Grants are deducted from the cost which the grant is intended to cover. Investment grants are capitalized and recognized systematically over the asset's useful life. Investment grants are recognized either as deferred income or as deduction of the asset's carrying amount.

	6 months ended 30 Jun 2017 NOK 000's	6 months ended 30 Jun 2016 NOK 000's

5. REVENUE

Sales revenue	357,773	442,143
Other operating revenue/(expenses)	73,245	(13,705)
Total revenue	**431,018**	**428,438**

6. PAYROLL AND RELATED COSTS

Salaries	62,455	61,277
Social security tax	6,815	6,865
Pension costs	3,786	3,234
Other benefits	2,378	2,407
Total payroll and related costs	**75,434**	**73,783**

7. PROPERTY, PLANT & EQUIPMENT

	Land & Buildings NOK 000's	Capitalised Maintenance NOK 000's	Assets under construction NOK 000's	Plant & Machinery NOK 000's	Equipment, fixtures & fittings NOK 000's	Total Property, plant & equipment NOK 000's
Acquisition cost at 1 January 2016	131,519	86,794	72	525,140	21,988	765,513
Additions, purchased	10,014	1,440	48,286	59,150	4,421	123,311
Acquisition cost at 31 December 2016	**141,533**	**88,234**	**48,358**	**584,290**	**26,409**	**888,824**
Accumulated depreciation 31.12.2016	46,871	17,359	-	202,539	20,657	287,426
Accumulated depreciation and impairment 31.12.2016	46,871	17,359	-	252,273	20,657	337,160
Balance at 31 December 2016	**94,662**	**70,875**	**48,358**	**332,017**	**5,752**	**551,664**
Current year's amortisation charge – 31.12.2016	6,176	17,359	-	39,985	1,418	64,938
Current year's impairment charge – 31.12.2016	-	-	-	49,734	-	49,734
Acquisition cost at 1 January 2017	141,533	88,234	48,358	534,556	26,409	839,090
Additions, purchased	-	-	14,604	-	-	14,604
Acquisition cost at 30 June 2017	**141,533**	**88,234**	**62,962**	**534,556**	**26,409**	**853,694**
Accumulated depreciation and impairment 30.06.2017	50,535	26,218	-	226,211	21,502	324,466
Balance at 30 June 2017	**90,998**	**62,016**	**62,962**	**308,345**	**4,907**	**529,228**
Current period amortisation charge – 30 June 2017	3,664	8,859	-	23,672	845	37,040

	30 Jun 2017 NOK 000's	31 Dec 2016 NOK 000's

8. INVENTORIES

Current		
Raw Materials	71,117	89,872
Spare parts	44,756	35,296
Work in progress	15,155	9,759
Finished goods	71,565	6,126
Total inventories	202,593	141,053

9. SHARE CAPITAL AND SHAREHOLDER INFORMATION

	30 Jun 2017 NOK	31 Dec 2016 NOK
Ordinary shares		
Fully paid ordinary shares (300,000 shares at NOK1,000 per share)	300,000,000	300,000,000
Ownership structure		
Shareholder – TiZir Limited (UK)		
Number of shares held	300,000,000	300,000,000
Ownership share	100%	100%
Voting rights	100%	100%

There are no specific regulations in the articles of association regarding voting rights. Each share entitles one voting right.

There was no movement in the number of fully paid ordinary shares during the period.

Shares pledged as security

The parent entity, TiZir Limited has pledged its 100% interest in TiZir Titanium & Iron AS (TTI) as security over the U$275.0 million corporate bond issued for the payment and performance in full of all monies due and to become due under the pledge over the shares of the company pursuant to the First Amended and Restated Bond Agreement and Share Pledge Agreement entered into by the company and Nordic Trustee ASA dated 21 May 2014. Further, TTI, has provided an on-demand guarantee in favour of Nordic Trustee, on behalf of the bondholders, for the full loan amount including any interest costs and expenses.

10. EQUITY

	Share capital NOK 000's	Share premium NOK 000's	Additional paid-in equity NOK 000's	Total Paid-in equity NOK 000's
Paid-in equity				
Paid-in capital at 31 December 2016 / 30 June 2017	**300,000**	**136,000**	**31,185**	**467,185**
Other equity – Retained earnings				
Other equity at 1 January 2016				71,924
Current years change in equity:				
Current year's net income – 31 December 2016				38,035
Change in value currency forward contracts (net of deferred tax) – 31 December 2016				35,403
Other equity at 31 December 2016				**145,362**
Current period net income – 30 June 2017				35,360
Change in value currency forward contracts (net of deferred tax) – 30 June 2017				4,417
Other equity at 30 June 2017				**185,139**

11. LONG TERM DEBT, PLEDGES AND GUARANTEES

Financial frame agreement:
The company has established a financial frame agreement with an external bank with a limit of NOK559,350,000, which consist of a multi-currency trade credit line with an upper limit of USD 50,000,000, as well as a guarantee frame of NOK 15,000,000 and a trade frame of NOK 125,000,000. The agreement is valid until September 2019 and the management's intention is to use the credit until the expiry period of the agreement. As of 30 June 2017, the currency trade credit line was utilized with NOK4,495,481 (31 December 2016: NOK 18,055,802). The overdraft is classified as a short-term debt. No portion of the debt has a maturity longer than 5 years from the balance sheet date.

Pledges:
The bank has a first priority pledge in inventories limited to NOK 400,000,000 and a first priority factoring pledge (accounts receivables) limited to NOK 400,000,000.

Covenants/loan requirements:
The conditions / requirements for the working capital financing facility are related to equity ratio, ratio of net debt to EBITDA and a specified borrowing base. The company is not in breach with the covenant requirements.

Guarantees:
TiZir Limited (the UK based parent company of TTI) has issued corporate bonds of MUSD 275 which is secured by the interest in both TiZir Titanium & Iron AS and TiZir Mauritius Limited. TTI has, in addition, provided an on-demand guarantee in favour of Nordic Trustee on behalf of the bondholders, for the full loan amount and including any interest costs and expenses.

	30 Jun 2017 NOK	31 Dec 2016 NOK
Carrying amount of pledged assets		
Inventory	202,593	141,053
Accounts receivable	236,114	22,648
Total	438,707	163,701

The company has not given any other guarantees to external third parties.

12. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities at 30 June 2017 and directors were not aware of any contingent liabilities at 31 December 2016.

13. SUBSEQUENT EVENTS

The Company and its external bank renewed the financial framework agreement for a period of 2 years ending 12 September 2019.

On 5 July 2017, the parent entity, TiZir successfully completed a new 9.5%, $300 million senior secured bond issue with maturity scheduled in July 2022. The proceeds will primarily be used to refinance the $275 million senior secured bonds maturing in September 2017. The on-demand guarantee in favour of Nordic Trustee on behalf of the bondholders, entered into by the Company in 2014 has been transferred to the new bond issue and will endure until maturity of the newly issued bonds.

Other than the above, there has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Company, the financial position and financial performance of the Company in future financial years.

Attachment 6

TiZir

TiZir Titanium & Iron

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Org nr. 934 505 557

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Årsregnskap 2016

Annual financial statements 2016

Styrets beretning år 2016

Generelt
Tizir Titanium & Iron AS produserer titanslagg til pigmentindustrien og høykvalitetsråjern til støperiindustrien. Bedriften er lokalisert i Tyssedal, Norge.

Selskapet er et 100 % eid datterselskap av det engelsk registrerte selskapet Tizir Limited som igjen er kontrollert 50 % av det franske selskapet Eramet SA og 50 % av det australske selskapet Mineral Deposits Limited.

Tizir Limited ble etablert 03. august 2011.

Fortsatt drift
Styret bekrefter i samsvar med regnskapslovens § 3-3 at årsregnskapet er utarbeidet på grunnlag av forutsetningen om fortsatt drift.

Driftsforhold 2016
Hovedfokus for selskapet i 2016 var oppkjøring av produksjon / igangkjøring av smelteovn etter fullføring av prosjekt for bytte av ovnsforing og kapasitetsutvidelse i 2015.

En alvorlig og omfattende driftshendelse i august resulterte i produksjonsstans med påfølgende bytte av ovnsforing. Verket opplevde en produksjonsstans på en periode på ca. 5 måneder.

Frem til det nevnte driftsavbruddet inntraff i august hadde TTI en sterk utvikling med oppkjørings- og produksjonsresultater som overgikk forventningene.

Driftsavbruddet var et tilbakeslag for den positive utviklingen, men forsikringsoppgjøret knyttet til hendelsen ble mottatt innen utløpet av 2016 og igangkjøring etter hendelsen ble gjenopptatt i januar 2017.

Organisasjon og arbeidsmiljø
Bedriften hadde gjennomsnittlig 178 ansatte i 2016 som tilsvarer 177 årsverk. Dette er en økning på 3 årsverk fra 2015.

Sykefraværet i 2016 var 5,1 % (4,8 % i 2015). Bedriften jobber aktivt med sykefravær i samsvar med intensjonene i IA-avtalen.

Det har vært 4 (1) skader med fravær og 3 (3) skader med medisinsk behandling i løpet av året for selskapets egne ansatte. H1-verdien for 2016 er 11,1 (2,7).

For eksternt personell (leverandører) var det 0

Board of directors report year 2016

Introduction
Tizir Titanium & Iron AS produces titanium slag for the pigment industry and high-quality pig iron for the foundry industry. The company is located in Tyssedal, Norway.

The company is a 100 % owned subsidiary of the English registered company Tizir Limited which in turn is controlled 50 % by the French company Eramet SA and 50% by the Australian company Mineral Deposits Limited.

Tizir Limited was established 03. Aug. 2011.

Going concern
The Board confirms, in accordance with the Accounting Act § 3-3 that the financial statements are prepared under the assumption of going concern.

Operations review 2016
The key focus area for the company in 2016 were the ramp up of the furnace following the completion of the relining and capacity expansion project at TTI in 2015.

A serious operational incident in August resulted in production shutdown and subsequent furnace reline. The plant experienced a production stoppage for approx. 5 months.

Up until the operational incident in August, TTI had been performing strongly as the ramp up of production continued to exceed expectations.

While the operational incident was disappointing, insurance funds were received before the end of 2016 and ramp up resumed in January 2017.

Organisation and work environment
The company had 178 employees in 2016 (average basis) which equals 177 FTE. This is an increase of 3 FTE compared to 2015.

Sick leave in 2016 was 5.1 % (4.8 % in 2015). The company is following up sick leave in accordance with the official IA agreement.

The company had 4 (1) lost time injuries and 3 (3) injuries with medical treatment during the year for the company's employees. H1 value for 2016 was 11.1 (2.7).

For external personnel (suppliers) 0 (5) lost

(5) fraværsskader og 5 (2) skader med medisinsk behandling.

Skadene skyldes spesifikke ulykker og hendelser og er ikke relatert til slitasje – og belastningsskader.

Antall skadetilfeller i 2016 representerer en negativ sikkerhetsutvikling for selskapet. En rekke tiltak er blitt iverksatt for å forbedre situasjonen.

I forbindelse med produksjonsstans høsten 2016 ble det gjennomført permitteringer. Dette berørte 9 ansatte over en periode på 4 uker.

Likestilling
TTI er en arbeidsgiver som fremmer likestilling og som ved årsskifte hadde 26 kvinnelige ansatte. Selskapet har ingen kvantifiserte mål for kvinneandel. Bedriften opererer i en bransje som tradisjonelt har en lav kvinneandel.

Diskriminering
Selskapets mål er å være en arbeidsplass hvor det ikke forekommer diskriminering. Det er ikke erfart spesifikke problemstillinger relatert til dette i 2016 og det er ikke planlagt spesifikke tiltak knyttet til dette.

Ytre miljø
De viktigste innsatsfaktorene i produksjonen er ilmenitt, kull og elektrisk kraft. Selskapet har ikke landdeponi. Produsert avrakslagg fra jernproduksjonen brukes som fyllmasse til vei på bedriftsområdet og er på visse vilkår godkjent til samme formål eksternt.

Konsesjonsgrenser for utslipp til omgivelsene ble overholdt i 2016.

Både råvarer og ferdigvarer transporteres hovedsakelig sjøveien, noe som påvirker miljøet i liten grad.

Selskapet gjennomfører støv og støy målinger og har sterk fokus på lokalmiljøet.

Marked
Salgsvolumene ble betydelig påvirket av oppkjøring i første halvdel av året og av driftsavbruddet i august.

Før driftsavbruddet inntraff, var salgsvolum utviklingen for det nye klor titanslagg produktet tilfredsstillende og robust ved at salgskontrakter var inngått for brorparten av selskapets planlagte klorproduksjon i 2016.

time injuries and 5 (2) injuries with medical treatment.

The injuries are due to specific accidents and incidents and are not related to wear and overuse.

The number of injuries in 2016 represents a decline in the safety development. A number of actions are implemented to improve the situation.

During the production stoppage autumn 2016, 9 employees were temporary laid-off for a period of 4 weeks.

Equal opportunities
TTI is an equal opportunity employer with at year end 26 female employees. The company has no defined target in regards to the percentage of female employees giving it operates in an industry where this percentage is traditionally very low.

Discrimination
The company aims to be a workplace where discrimination does not occur. The company has not experienced any particular issues related to discrimination during 2016 and no specific actions have been planned.

External environment
The production is primarily based on ilmenite, coal and electrical energy. The company does not have dedicated landfill sites. Waste from iron production is used for road constructions at the premises and may under certain conditions be used as filling compound outside the plant premises.

The concession limits for discharge to the environment was complied with in 2016.

Raw materials and finished products are predominantly transported by sea, which has limited effect on the environment.

The company conducts dust and noise measurements and has a strong focus on the local environment.

Market
Sales volumes were significantly impacted by ramp up during the first half of the year and the operational incident in August.

Prior to the operational incident, sales volumes of the new chloride titanium slag product had been robust with securing contracts for the sale of a significant majority of its 2016 chloride titanium slag production.

Selskapet deklarerte force majeure til nøkkel kunder og leverandører som følge av driftshendelsen / avbruddet i august.

Salgsvolum av høy-kvalitets råjern var på samme nivå som produksjonen i 2016. Dette reflekterer markedsaksept av selskapets høy kvalitets råjern, etter endrede spesifikasjoner som følge av overgangen til klor titanslagg produksjon og tilhørende forbruk av GCO ilmenitt.

Prisene for titanslagg var relativt stabile gjennom året, hovedsakelig på grunn av inngåtte kontrakter. Prisutviklingen for råjern var volatil i løpet av året delvis på grunn av ny produktspesifikasjon.

Råvarer

Selskapets råvarebehov er hovedsakelig dekket gjennom langsiktige råvarekontrakter. Råvarene handles hovedsakelig i utenlandsk valuta. Selskapets ilmenittbehov ble i 2016 dekket av leveranser fra søsterselskapet Grande Cote Operations (Senegal).

Produksjon

Produksjonsnivået i 2016 representerer en kapasitetsutnyttelse på under 50 %. Dette skyldes oppkjøring i første del av 2016 og driftsavbruddet som inntraff i august.

Forskning og utvikling

Selskapet driver FoU-aktiviteter i egenregi og i samarbeid eksterne partnere. Til sammen 5 personer er engasjert innen dette området, hvorav 1 delvis har sin arbeidsplass i Trondheim hos SINTEF / NTNU. Denne aktiviteten spenner fra utvikling av kompetanse og systemer for overvåkning og kontroll av interne prosesser, til videreutvikling av selskapets produkter og anvendelses-område.

Kriteriene for balanseføring er vurdert å ikke være tilstede og utgifter som følge av FOU-aktivitetene er følgelig innregnet i sin helhet som kostnad.

Resultat, kontantstrøm, investeringer, likviditet og finansiering

Driftsinntektene i 2016 ble 884 MNOK mot 716 MNOK i 2015. Årsaken til høyere driftsinntekter i 2016 skyldes inntektsføring av forsikringsoppgjør knyttet til driftshendelsen som inntraff i august 2016.

Driftsresultat i 2016 ble 101,3 MNOK mot et resultat på 12,4 MNOK i 2015.

Årsresultat (etter skatt) for 2016 ble 38,0 MNOK mot -40,2 MNOK i 2015.

The company declared force majeure to key customers and suppliers as a consequence of the operational incident in August.

Sales of high purity pig iron were consistent with production in 2016, reflecting market acceptance of the company`s high quality pig iron, following changed specifications resulting from the switch to chloride slag production and the associated consumption of GCO ilmenite.

Pricing for titanium slag was relatively stable throughout the year, largely due to the offtake contracts entered into. Pricing for pig iron was volatile during the year, partly also impacted by new product specification.

Raw materials

The company's raw material requirements are mainly secured by long term contracts. The raw materials are mainly purchased in foreign currency. The ilmenite was in 2016 delivered from the sister company Grande Cote Operations (Senegal).

Production

Production level in 2016 represents a capacity utilisation below 50 %. This is due to the production ramp up in the first half of 2016 and the operational incident in August.

Research and development

Research and development work is conducted both in-house and in cooperation with external partners. In total 5 employees are engaged in this field, of which 1 party is located in Trondheim at the premises of SINTEF / NTNU. The activities include development of competence, systems for inspections and control of internal processes, development of products and area of application.

The criteria for capitalisation are considered not to be present and the costs associated with the R&D activities are consequently booked as costs.

Result, cash flow, investments, liquidity and financing

The turnover in 2016 was 884 MNOK compared to 716 MNOK in 2015. The increase turnover is related to the insurance refund which is associated to the operational incident which occurred in August 2016.

The EBIT in 2016 was 101.3 MNOK compared to 12.4 MNOK in 2015.

Net profit (after tax) for 2016 was 38.0 MNOK compared to -40.2 MNOK in 2015.

Kontantstrøm fra operasjonelle aktiviteter var 279 MNOK i 2016 mot 142 MNOK i 2015 og kontantstrøm fra investeringsaktiviteter var -102 MNOK i 2016 mot -490 MNOK i 2015.

Investeringsnivået i 2016 er hovedsakelig relatert til utbetalinger knyttet til stansen i 2015 samt til driftshendelsen som inntraff i august.

Bankbeholdning ved årets slutt var 5,6 MNOK mot 6,8 MNOK året før. Trekk på kassekreditt var 18,1 MNOK mot 347,3 MNOK året før.

Selskapet deltar i et konserninternt «cash management» system hvor en har tilgjengelige trekkrammer.

Totalkapitalen ved årets utgang er 894,3 MNOK mot 1233,3 MNOK året før.

Egenkapitalandelen pr. 31.12.16 var 68 % mot 44 % sist år.

Finansiell risiko

Markedsrisiko
Selskapet er eksponert for endringer i valutakurser da en vesentlig del av inntekter og kostnader er i utenlandsk valuta. Selskapet har vedtatt en sikringsstrategi for fremtidige netto valutaposisjoner hvor det inngås avtaler om kjøp eller salg av valuta på termin slik at en avtagende prosentandel av nettoposisjonen i valuta sikres i de kommende perioder.

Kredittrisiko
Selskapets kundefordringer er forsikret. I tillegg anses risikoen for at kundene ikke skulle kunne oppfylle sine betalingsforpliktelser å være lav.

Likviditetsrisiko
Selskapet styrer likviditet og finansiering gjennom stor fokus på løpende prognoser. Styringen skjer i samarbeid med eier og selskapet skal til enhver tid ha tilgjengelige midler til å oppfylle sine forpliktelser.

For nærmere beskrivelse av lånevilkår og garantier vises det til note 14 i årsregnskapet.

Resultatdisponering
Styret er av den oppfatning at årsregnskapet gir et rettvisende bilde av selskapets eiendeler, gjeld, finansielle stilling og resultat.

Styret foreslår følgende disponering:

Cash flow from operation was 279 MNOK in 2016 compared to 142 MNOK in 2015 and cash flow from investments was -102 MNOK compared to -490 MNOK in 2015.

The level of investments in 2016 is mainly related to cash disbursements related to the shutdown in 2015 and to the operational incident which occurred in August.

Cash & deposits at year end was 5.6 MNOK compared to 6.8 MNOK previous year. The drawing on the bank facility was 18.1 MNOK vs. 347.3 MNOK previous year.

The company participates in a group internal cash management system where available drawing rights exists.

Total assets at the year-end were 894.3 MNOK vs. 1233.3 MNOK the previous year.

Equity ratio 31.12.16 was 68 % compared to 44 % the previous year.

Financial risks

Market risk
The company is exposed to changes in currency rates since a substantial portion of income and costs are in foreign currency. The company has approved a hedging strategy for future net exchange positions by buying or selling forward contracts, so a declining percentage of the net position in currency is secured for the coming periods.

Credit risk
The company's accounts receivables are insured. The risk that the customers will not have financial capacity to comply with their payment obligations is regarded as low.

Liquidity risk
The company manages liquidity and funding through high focus on forecasts. Cash management is done in cooperation with the owner and the company shall at all times have funds available to meet its obligations.

Details related to the loan terms/conditions and guarantees are described in note 14 in the annual accounts.

Allocation of result
The board is of the opinion that the annual accounts give a true and fair view of the assets, liabilities, financial position and result.
The board proposes the following allocation:

Annen egenkapital	38.035.366
SUM disponering	38.035.366

Eierstyring og selskapsledelse
Selskapet styres etter gjeldende lover, regler og retningslinjer gitt i "Norsk Anbefaling for eierstyring og selskapsledelse" for børsnoterte selskaper, dog med tilpasninger som følge av eierstruktur. Styret er av den oppfatning at selskapet i hovedsak har drevet i henhold til, eller nært opp til disse retningslinjene.

Framtidsutsikter
Markedet for titandioksid pigment har styrket seg i løpet av året. En stram lagersituasjon i kombinasjon med en generell økt etterspørsel etter titandioksid pigment har ført til at økte salgsvolum fra globale pigment produsenter er blitt etterfulgt av en serie av prisøkninger i løpet av 2016. Ytterligere prisøkninger er blitt annonsert med effekt fra 1. januar 2017.

I Kina, har økt fokus og økte krav knyttet til miljøforhold begrenset både gruvedrift og pigment produksjon, noe som har medført lavere varelager og en serie av prisøkninger i løpet av 2016. Denne positive utviklingen har også vært fordelaktig for råstoff produsentene.

Store titanråstoff produsenter har begrenset sin produksjon / kapasitetsutnyttelse, vist måtehold med hensyn til investeringer og utvikling samt redusert sine varelagre. Dette har ført til at utsiktene for ytterligere prisøkninger for klorid slagg er tilsted, selv om potensiale for overkapasitet kan begrense utviklingen på kort sikt.

Råjern markedet er inne i en positiv utvikling sammenliknet med fjoråret med en økt etterspørsel i de viktigste markedene (Kina og USA).

Other equity	38,035,366
SUM allocation	38,035,366

Corporate governance
The company is governed by the current laws, rules and guidelines stipulated in "Norwegian Recommendations" for listed companies, with the adjustments necessary as a result of the ownership structure. The Board is of the opinion that the company has been managed in accordance with these guidelines.

Outlook
The market for titanium dioxide pigment strengthened throughout the year. A tight inventory situation, together with ongoing strength in pigment demand, led to increasing sales volumes by global pigment producers which were accompanied by a series of price increases during 2016. Further price increases have been announced effective 1 January 2017.

In China, ongoing environmental scrutiny has restricted mining and pigment operations, leading to lower inventories and numerous pigment price increases during 2016. This positive sentiment has also flowed through to feedstock producers.

Major titanium feedstock producers have kept capacity idled, curb development expenditure and reduce inventories, leading to a decrease in overall feedstock supply. As a result, the outlook for chloride slag pricing continues to improve, although potential excess capacity in the sector may limit the pace of any increase in the short-term.

The pig iron market is developing positively compared to last year with increased demand in several important markets (China, US).

Tyssedal, 2017-04-06

Jean-Michel Fourcade
Chairman of the Board

Charles Nouel

Njaal Kind

Martin Ackland

Terje Freng

Ørjan Andersson

Sven-Ove Bauge

Ulf Knudsen

Harald Grande
Adm dir. / CEO

Tizir Titanium & Iron AS
Resultatregnskap

NOTE	DRIFTSINNTEKTER OG DRIFTSKOSTNADER	2016	2015
1, 2	Salgsinntekt	638 905 852	700 018 500
1, 2	Annen driftsinntekt	244 755 577	15 872 497
	Sum driftsinntekter	**883 661 429**	**715 890 997**
	Endring i beholdning av varer under tilvirkning		
1	og ferdig tilvirkede varer	67 770 009	78 430 391
1	Varekostnad	259 412 629	340 882 192
1, 3	Lønnskostnad	148 751 676	123 306 358
1, 4	Avskrivning på varige driftsmidler	64 937 965	37 267 118
1, 4	Nedskrivning av varige driftsmidler og immaterielle eiendeler	49 733 606	16 043 092
1, 3	Annen driftskostnad	191 744 447	107 589 826
	Sum driftskostnader	**782 350 332**	**703 518 977**
	Driftsresultat	**101 311 097**	**12 372 020**
	FINANSINNTEKTER OG FINANSKOSTNADER		
1	Inntekt på andre investeringer	145 333	254 333
1	Annen finansinntekt	81 016	2 174 121
1	Rentekostnad til foretak i samme konsern	-489 686	-18 838
1, 16	Annen finanskostnad	-50 646 184	-68 670 566
	Netto finansresultat	**-50 909 521**	**-66 260 950**
	Resultat før skattekostnad	**50 401 576**	**-53 888 930**
1, 13	Skattekostnad	12 366 210	-13 707 848
	ÅRSRESULTAT	**38 035 366**	**-40 181 082**
	OVERFØRINGER		
9	Avsatt til annen egenkapital	38 035 366	0
9	Overført fra annen egenkapital	0	-40 181 082
	Sum overføringer	38 035 366	-40 181 082

Tizir Titanium & Iron AS
Balanse pr 31. desember

NOTE	EIENDELER	2016	2015
	Anleggsmidler		
	Immaterielle eiendeler		
1, 5	Konsesjoner, patenter, lisenser, varemerker og lignende	7 396 470	28 329 176
1, 13	Utsatt skattefordel	0	20 173 473
	Sum immaterielle eiendeler	7 396 470	48 502 649
	Varige driftsmidler		
1, 4	Tomter, bygninger og annen fast eiendom	94 661 935	90 824 287
1, 4	Maskiner og anlegg	451 250 405	449 202 277
1, 4	Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	5 751 423	2 997 945
	Sum varige driftsmidler	551 663 763	543 024 509
	Finansielle anleggsmidler		
1	Investeringer i aksjer	698 417	698 417
1, 3, 8	Andre fordringer	93 071	310 435
	Sum finansielle anleggsmidler	791 488	1 008 852
	Sum anleggsmidler	**559 851 721**	**592 536 010**
	Omløpsmidler		
1, 7, 14	**Varer**	141 053 176	188 733 535
	Fordringer		
1, 14, 16	Kundefordringer	22 648 377	57 444 147
1, 8, 12, 13	Andre fordringer	165 096 568	387 795 039
	Sum fordringer	187 744 945	445 239 186
1, 15	**Bankinnskudd, kontanter og lignende**	5 632 017	6 751 520
	Sum omløpsmidler	**334 430 138**	**640 724 241**
	SUM EIENDELER	**894 281 859**	**1 233 260 251**

Tizir Titanium & Iron AS
Balanse pr 31. desember

NOTE	EGENKAPITAL OG GJELD	2016	2015
	Egenkapital		
	Innskutt egenkapital		
9, 10	Selskapskapital (300.000 aksjer á kr 1.000)	300 000 000	300 000 000
10	Overkurs	136 000 000	136 000 000
10	Annen innskutt egenkapital	31 184 593	31 184 593
	Sum innskutt egenkapital	467 184 593	467 184 593
	Opptjent egenkapital		
10	Annen egenkapital	145 362 381	71 923 547
	Sum opptjent egenkapital	145 362 381	71 923 547
	Sum egenkapital	**612 546 974**	**539 108 140**
	Gjeld		
	Avsetning for forpliktelser		
1, 13	Utsatt skatt	3 874 709	0
	Sum avsetninger for forpliktelser	3 874 709	0
	Annen langsiktig gjeld		
1, 14, 16	Gjeld til kredittinstitusjoner	0	347 311 950
	Sum annen langsiktig gjeld	0	347 311 950
	Kortsiktig gjeld		
1, 14, 16	Gjeld til kredittinstitusjoner	18 055 802	0
1, 12	Leverandørgjeld	107 426 054	217 669 181
1, 13	Betalbar skatt	0	0
1	Skyldige offentlige avgifter	9 009 563	10 081 954
1, 2	Utsatt inntekt, forsikringsoppgjør	75 227 123	0
1, 5, 6,10	Annen kortsiktig gjeld	68 141 634	119 089 026
	Sum kortsiktig gjeld	277 860 176	346 840 161
	Sum gjeld	**281 734 885**	**694 152 111**
	SUM EGENKAPITAL OG GJELD	**894 281 859**	**1 233 260 251**

London, 6. april 2017

I styret for Tizir Titanium & Iron AS

Jean-Michel Fourcade
Styrets leder

Ulf H. Knudsen
Styremedlem

Harald Grande
Administrerende direktør

Njaal Kind
Styremedlem

Einar T. Freng
Styremedlem

Martin C. Ackland
Styremedlem

Sven O. Bauge
Styremedlem

Charles H. Nouel
Styremedlem

Ørjan Andersson
Styremedlem

Tizir Titanium & Iron AS

Noter til regnskapet 2016

Note 1 Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven av 1998 og god regnskapsskikk i Norge.

Bruk av estimater under utarbeidelsen av årsregnskapet
Ledelsen har benyttet estimater og forutsetninger som har påvirket eiendeler, gjeld, inntekter, kostnader og opplysning om potensielle forpliktelser. Dette gjelder særlig avskrivninger og vurdering av nedskrivninger av varige driftsmidler, samt utnyttelse av utsatt skattefordel. Fremtidige hendelser kan medføre at estimatene endrer seg. Estimater og de underliggende forutsetningene vurderes løpende. Endringer i regnskapsmessige estimater regnskapsføres i den perioden endringene oppstår. Hvis endringene også gjelder fremtidige perioder fordeles effekten over inneværende og fremtidige perioder.

Hovedregel for vurdering og klassifisering av eiendeler og gjeld
Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Andre eiendeler er klassifisert som omløpsmidler. Fordringer som skal tilbakebetales innen et år er klassifisert som omløpsmidler. Ved klassifisering av kortsiktig og langsiktig gjeld er tilsvarende kriterier lagt til grunn.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til gjenvinnbart beløp dersom dette er lavere enn bokført verdi, og verdifallet forventes ikke å være forbigående. Anleggsmidler med begrenset økonomisk levetid avskrives planmessig ved bruk av lineær metode. Selskapets tomter avskrives ikke.

Annen langsiktig gjeld og kortsiktig gjeld er vurdert til pålydende beløp.

Eiendeler og gjeld i utenlandsk valuta
Pengeposter i utenlandsk valuta er i balansen omregnet til balansedagens kurs. Valutaterminkontrakter er balanseført til virkelig verdi på balansedagen. Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet.

Immaterielle eiendeler
Immaterielle eiendeler som er kjøpt enkeltvis, er balanseført til anskaffelseskost.

Immaterielle eiendeler med begrenset økonomisk levetid avskrives planmessig. Immaterielle eiendeler eiendeler nedskrives til gjenvinnbart beløp dersom de forventede økonomiske fordelene ikke dekker balanseført verdi og eventuelle gjenstående tilvirkningsutgifter.

Andre aksjer og andeler klassifisert som anleggsmidler
Investeringer i aksjer hvor selskapet ikke har betydelig innflytelse, er vurdert etter kostmetoden. Investeringene nedskrives til virkelig verdi ved verdifall som forventes ikke å være forbigående. Mottatt utbytte fra selskapene inntektsføres som annen finansinntekt.

Sikring
Selskapet har etablert en strategi for å sikre eksponeringen man har mot valuta som følge av at en stor andel av varesalg og varekjøp skjer i utenlandsk valuta. Selskapet sikrer seg mot denne eksponeringen ved å foreta kontantstrømssikringer gjennom valutatermin kontrakter. Sikringene behandles regnskapsmessig ved at åpne valutaterminkontrakter på balansedagen som skal sikre høyst sannsynliige fremtidige kontanstrømmer innregnes i balansen til markedsverdi med midlertidig motpost i egenkapitalen (netto for utsatt skatt).

Åpne valutaterminkontrakter per 31.12.2016 har forfallstidspunkt fra 1 til 30 måneder fra balansedagen.

Det vises til nærmere omtale av tallmessige effekter av sikring i note 6, 10 og 13.

Varer
Varer er vurdert til laveste av anskaffelseskost etter FIFO-metoden og netto salgsverdi. For råvarer og varer i arbeid beregnes netto salgsverdi til salgsverdien av ferdig tilvirkede varer redusert for gjenværende tilvirkningskostnader og salgskostnader. Egenproduserte varer er verdsatt til laveste av full tilvirkningskost basert på normal kapasistetsutnyttelse og virkelig verdi.

Inntekter
Ved varesalg:
Inntekt regnskapsføres når den er opptjent, altså når både risiko og kontroll i hovedsak er overført til kunden. Dette vil normalt være tilfellet når varen er levert til kunden. Inntektene regnskapsføres med verdien av vederlaget på transaksjonstidspunktet

Fordringer
Kundefordringer og andre fordringer er oppført til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av en individuell vurdering av de enkelte fordringene.

Bankinnskudd, kontanter og lignende
Bankinnskudd, kontanter og lignende inkluderer kontanter, bankinnskudd og andre betalingsmidler med forfallsdato som er kortere enn tre måneder fra anskaffelse.

Pensjoner
Ved regnskapsføring av pensjon som er ytelsesplan, kostnadsføres forpliktelsen over opptjeningstiden i henhold til planens opptjeningsformel. Allokeringsmetode tilsvarer planens opptjeningsformel med mindre det vesentlige av opptjeningen skjer mot slutten av opptjeningsperioden. Lineær opptjening legges da til grunn. For pensjonsordninger etter lov om foretakspensjon anvendes således lineær opptjening.

Netto pensjonsforpliktelse er differansen mellom nåverdien av pensjonsforpliktelsene og verdien av pensjonsmidler som er avsatt for betaling av ytelsene. Pensjonsmidlene vurderes til virkelig verdi. Måling av pensjonsforpliktelse og pensjonsmidler gjennomføres på balansedagen. Arbeidsgiveravgift er inkludert i tallene, og er beregnet av netto faktisk underfinansiering. AFP-forpliktelser innenfor LO/NHO-ordningen er en ytelsesbasert flerforetaksordning.

Kostnader
Kostnader regnskapsføres som hovedregel i samme periode som tilhørende inntekt. I de tilfeller det ikke er en klar sammenheng mellom utgifter og inntekter fastsettes fordelingen etter skjønnsmessige kriterier. Øvrige unntak fra sammenstillingsprinsippet er angitt der det er aktuelt.

Skatter
Skattekostnaden sammenstilles med regnskapsmessig resultat før skatt. Skatt knyttet til egenkapitaltransaksjoner er ført mot egenkapitalen. Skattekostnaden består av betalbar skatt (skatt på årets direkte skattepliktige inntekt) og endring i netto utsatt skatt.
Utsatt skatt og utsatt skattefordel er presentert netto i balansen.

Offentlige tilskudd
Investeringstilskudd er innregnet netto mot de driftsmidlene tilskuddet relaterer seg til og periodiseres over investeringens økonomiske levetid gjennom reduserte avskrivninger. Driftstilskudd periodiseres samtidig med den inntekten det skal øke eller den kostnaden det skal redusere.

Note 2 Salgsinntekt

Per virksomhetsområde:	2016	2015
Industri	638 905 852	700 018 500
Annen driftsinntekt	244 755 577	15 872 497
Sum	**883 661 429**	**715 890 997**

Per geografisk marked:	2016	2015
EU	452 358 141	636 771 898
Øvrig Europa	13 510 207	16 573 328
Asia	99 610 449	
Amerika	73 427 055	46 673 274
Sum	**638 905 852**	**700 018 500**

Forsikringsoppgjør:
Selskapet er i 2016 blitt tilkjent et forsikringsoppgjør som følge av brannen i fabrikken høsten 2016, der forsikringoppgjøret relaterer seg både til tingsskade og til forretningsmessig avbrudd. Selskapet har behandlet tingsskade, avbrudd og forsikringsoppgjøret som separate hendelser. Forsikringsoppgjøret relatert til tingsskade er følgelig innregnet som annen driftsinntekt og hvor tingsskaden er innregnet som kostnad i regnskapslinjen "nedskrivning på varige driftsmidler". Forsikringsoppgjør relatert til avbrudd henfører seg både til avbrudd i 2016 og til avbrudd i 2017. Forsikringsoppgjøret henført til avbrudd i 2017 er innregnet i balansen som utsatt inntekt per 31.12.2016.

Totale forsikringsoppgjør pålydende 309 MNOK mottatt i 2016 spesifiseres som følger:

Annen driftsinntekt	234 MNOK
Utsatt inntekt	75 MNOK

Salg av høy-kvalitets råjern - distribusjonsavtale med Nizi:
Selskapet har inngått en distibusjonsavtale med Nizi, hvor Nizi forestår salg av høy-kvalitets råjern til det europeiske markedet. Nizi er gjennom avtalen sikret et kommisjonshonorar på tidspunktet for salg til sluttkunde. Nizi har varelagerrisikoen for mottatte varer, har full forhandlingsrett med sluttkunde og risiko og kontroll anses på dette grunnlaget overført til Nizi når varen er overlevert til Nizi i henhold til gjeldende Incoterms salgsbetingelser. Tizir Titanium & Iron AS inntektsfører salget på tidspunktet for overføring av risiko og kontroll til Nizi.

Note 3 Lønnskostnad, antall ansatte, godtgjørelser, lån til ansatte mm

Lønnskostnad	**2016**	**2015**
Lønn	122 931 361	98 049 936
Folketrygdavgift	14 477 098	14 470 032
Pensjonskostnader (se note 11)	6 580 782	6 592 351
Andre ytelser	4 762 435	4 194 039
Sum	**148 751 676**	**123 306 359**

Selskapet har aktivert lønn tilsvarende NOK 3.835.773 i 2016 relatert til oppgradering og periodisk vedlikehold av anlegg. Tilsvarende tall for 2015 var NOK 25.568.410.

Antall ansatte sysselsatt i regnskapsåret	177	174

Ytelser til ledende personer	**Lønn**	**Pensjons-premie**	**Annen godtgjørelse**
Daglig leder	1 703 825	196 683	34 775
Styret		-	160 000

Selskapets daglige leder har i 2016 ikke mottatt bonusutbetaling.

Det er ikke ytt lån eller stilt sikkerhet for styret eller ledende ansatte.

Lån og sikkerhetsstillelse til fordel for	**Lån**	**Sikkerhets-stillelse**
Ansatte	-	-

Revisor
Godtgjørelse til Deloitte AS og samarbeidende selskaper fordeler seg slik:

	2016	**2015**
Lovpålagt revisjon	386 000	355 000
Andre attestasjonstjenester	141 725	28 250
Andre tjenester utenfor revisjon	115 850	27 075
Skatterådgivning	89 630	16 150

Note 4 Varige driftsmidler

	Bygn. og annen fast eiendom	**Maskiner og anlegg**	**Driftsløsøre, inventar, verktøy o l**
Anskaffelseskost 01.01.16	131 518 782	525 140 075	21 987 781
Tilgang kjøpte driftsmidler*	10 014 247	59 149 724	4 420 690
Avgang til anskaffelseskost	-	-	-
Anskaffelseskost 31.12.16	141 533 029	584 289 799	26 408 471
Akk. Avskrivninger 31.12.16	46 871 093	202 539 165	20 657 048
Netto akk. Avskr/nedskr. og rev. nedskr.	46 871 093	252 272 771	20 657 048
Bokført verdi pr. 31.12.16	**94 661 936**	**332 017 028**	**5 751 423**
Årets avskrivninger	6 176 599	39 984 734	1 417 913
Årets nedskrivninger**	-	49 733 606	-
Økonomisk levetid	15- 54 år	3- 15 år	3-10 år
Avskrivningsplan	lineær	lineær	lineær

	Anlegg u/ utførelse	Aktivert vedlikehold
Anskaffelseskost 01.01.16	72 219	86 793 712
Tilgang kjøpte driftsmidler*	48 285 652	1 440 512
Overføring ferdig anlegg	-	-
Avgang til anskaffelseskost	-	-
Anskaffelseskost 31.12.16	48 357 871	88 234 224
Akk. Avskrivninger 31.12.16	-	17 358 719
Netto akk. Avskr/nedskr. og rev. nedskr.	-	17 358 719
Bokført verdi pr. 31.12.16	**48 357 871**	**70 875 505**
Avskrivninger periodisk vedlikehold	na.	17 358 719
Økonomisk levetid	na.	3-7 år
Avskrivningsplan	na.	lineær

* Egne arbeider inngår i tilgang kjøpte driftsmidler, hvor direkte- og indirekte kostnader er aktivert med NOK 3.835.773.

** Som følge av brannen i fabrikken ble ovnen og dens foring skadet. Skaden var så omfattende at ovnsforingen ble utskiftet i sin helhet og følgelig har ovnsforingen vært gjenstand for nedskrivning med en verdi tilsvarende NOK 49.733.606.

Kostnadsført leie for hjullastere og printere/kopimaskiner som ikke er balanseført utgjør NOK 2.528.371. Leieavtalenes varighet løper fra 1-5 år fra balansedagen.

Note 5 Immaterielle eiendeler

	CO2 - kvoter
Anskaffelseskost 01.01.16*	28 329 176
Tilgang frikvoter*	16 138 357
Avgang - solgte kvoter 2016	-25 646 430
Avgang - forbrukte kvoter 2016**	-11 424 631
Anskaffelseskost 31.12.16	**7 396 470**

* Anskaffelseskost beregnes ved å benytte årlig gjennomsnitt av observerte markedspriser på CO2 kvoter omregnet til en gjennomsnittlig kurs mellom EURO og NOK.

** Selskapet har mottatt frikvoter som overstiger selskapets totale utslipp. Selskapet har derfor innregnet eiendeler knyttet til CO2 kvoter hvor realisert kvoteforpliktelse presenteres brutto som kortsiktig gjeld separat fra kvoteeiendelen. Utslippsforpliktelse innregnet som kortsiktig gjeld per 31.12.2016 utgjør NOK 7.911.793. Innløste CO2 kvoter våren 2016 for utslipp realisert i 2015 tilsvarte NOK 11.424.631. Kvoteeiendelen og motsvarende kvoteforpliktelse fraregnes når kvoteforpliktelsen gjøres opp våren 2017.

Forskning og utvikling:
Selskapet driver kontinuerlig og fokuserer på forbedringsprosesser i produksjonen hvor ingen av disse utgiftene er vurdert til å kvalifisere for innregning som immaterielle eiendeler.

Note 6 Andre finansielle instrumenter

	Balanseført verdi	Virkelig verdi
Valutaterminkontrakter	-14 073 233	-14 073 233
Sum	**-14 073 233**	**-14 073 233**

Balanseført verdi av valutaterminkontrakter er innregnet og klassifisert som annen kortsiktig gjeld. Andel negativ verdi av valutaterminkontrakter innregnet i egenkapitalen pr. 1.1.2016 netto etter utsatt skatt utgjorde NOK 42.751.392. Per 31.12.2016 utgjorde andel negativ verdi av valutaterminkontrakter innregnet i egenkapitalen netto etter utsatt skatt NOK 7.347.854. Netto positiv endring i verdi av valutaterminkontrakter innregnet direkte i egenkapitalen i 2016 utgjør dermed NOK 35.403.538.

Note 7 Varer

	2016	2015
Råvarer	89 872 233	74 661 461
Reservedeler	35 296 103	30 417 225
Varer under tilvirkning	9 759 173	11 602 089
Ferdigvarer	6 125 667	72 052 760
Sum	**141 053 176**	**188 733 535**

Selskapet har et reservedelslager med anskaffelseskost tilsvarende NOK 57.273.780. Reservedeler med lav omløpshastighet er nedskrevet til gjenvinnbart beløp. Akkumulert nedskrevet verdi per 31.12.2016 utgjør NOK 22.365.435

Note 8 Fordringer med forfall senere enn ett år

Selskapet har lån til ansatte og forskudd på leasing som er klassifisert som langsiktig fordring med forfall senere enn ett år, hvor innregnet beløp utgjør NOK 147.098. Videre deltar selskapet i en konsernkontoordning hvor selskapet har en fordring på morselskapet tilsvarende NOK 149.296.747. Fordringen tilbakebetales når selskapet vil ha behov for dette og det kan være forhold som medfører at fordringens innfrielsestidspunkt vil strekke lenger ut enn 12 måneder fra balansedagen.

Note 9 Aksjekapital og aksjonærinformasjon

Aksjekapitalen i selskapet pr 31.12.16 består av kun ordinære aksjer:

	Antall	Pålydende	Bokført
Ordinære aksjer	300 000	1 000	300 000 000
Sum	**300 000**		**300 000 000**

Eierstruktur
Selskapets eneste aksjonær pr 31.12.16 var:

	Ordinære aksjer	Sum	Eier-andel	Stemme-andel
TiZir Ltd (England)	300 000	300 000	100 %	100 %

Det eksisterer ingen bestemmelser i selskapets vedtekter om stemmerett. Hver aksje teller en stemme.

Note 10 Egenkapital

Innskutt egenkapital	**Aksjekapital**	**Overkurs**	**Annen innskutt egenkapital**	**Sum innskutt egenkapital**
Egenkapital 01.01.16	**300 000 000**	**136 000 000**	**31 184 593**	**467 184 593**
Kapitalendringer i året	-	-	-	-
Egenkapital 31.12.16	**300 000 000**	**136 000 000**	**31 184 591**	**467 184 593**

Opptjent egenkapital	**Annen egenkapital**
Egenkapital 01.01.16	**71 923 547**
Årets endring i egenkapital:	
Årets resultat	38 035 366
Effekt av verdiendring valutaterminer (netto etter beregnet utsatt skatt)	35 403 468
Egenkapital 31.12.16	**145 362 381**

Det vises til note 1 og 6 for beskrivelse av valutaterminkontrakter som er innregnet i egenkapitalen.

Note 11 Pensjonskostnader, -midler og -forpliktelser

Selskapet har en kollektiv lukket pensjonsordning hvis medlemmer består kun av uføre. Den ytelsesbaserte ordningen er fondert gjennom et forsikringsselskap og ordningen er per 31.12.2016 overfinansiert, hvor overfinansieringen i henhold til god regnskapsskikk ikke er innregnet i balansen.

Innskuddsplan
Foretakets innskuddsordning er organisert i henhold til lov om innskuddspensjon.

Avtalefestet pensjon (AFP):
Selskapet har også en avtalefestet førtidspensjonsordning (AFP). Den nye AFP-ordningen som gjelder fra og med 1. januar 2011 er å anse som en ytelsesbasert flerforetaksordning, men regnskapsføres som en innskuddsordning frem til det foreligger tilstrekkelig og pålitelig informasjon slik at selskapet kan regnskapsføre sin proporsjonale andel av pensjonskostnad, pensjonsforpliktelse og pensjonsmidler i ordningen. Selskapets forpliktelser er dermed ikke balanseført som gjeld.

Selskapets ordninger tilfredsstiller kravene som er fastsatt i Lov om Obligatorisk Tjenestepensjon.

	2016	2015
Nåverdi av årets pensjonsopptjening	-	-
Nett rentekostnad+/inntekt -	-	-29 000
Rentekostnad på "eiendelstaket"	-	29 000
Annen pensjonskostnad (innskudd/AFP)	6 580 782	6 592 351
Netto pensjonskostnad	**6 580 782**	**6 592 351**

Økonomiske forutsetninger (resultat):	**01.01 16**	**01.01 15**
Diskonteringsrente	2,50 %	3,00 %
Forventet pensjonsregulering	0,00 %	0,00 %
Forventet inflasjon	ia.	ia.
Forventet regulering av folketrygdens grunnbeløp (G)	1,50 %	1,90 %

	Fondert 31.12.16	**Fondert 31.12.15**
Påløpte pensjonsforpliktelser	25 508 995	29 288 000
Pensjonsmidler (til markedsverdi)	-26 577 363	-30 088 000
Eiendelstaket	1 068 368	800 000
Netto pensjonsforpliktelse	-	-

Økonomiske forutsetninger (balanse):	**31.12.16**	**31.12.15**
Diskonteringsrente	2,60 %	2,50 %
Forventet pensjonsregulering	0,00 %	0,00 %
Forventet inflasjon	ia.	ia.
Forventet regulering av folketrygdens grunnbeløp (G)	ia.	ia.

Note 12 Transaksjoner og mellomværende med nærstående parter

Resultatmessige transaksjoner med nærstående parter:

Transaksjon/transaksjonsgruppe	Tilhører resultatlinje	Motpart	2016	2015
Råvarekjøp	Varekostnad	Eramet Norway AS tilknyttet selskap	-	3 371 432
Management fee	Andre driftskostnader	Tizir Ltd, morselskap	8 419 310	8 820 610
Råvarekjøp	Varekostnad	GCO, søsterselskap	132 181 316	37 161 108
Inntekt	Inntekt	GCO, søsterselskap	3 985 707	3 441 860
Sum			**144 586 333**	**52 795 010**

Mellomværende med nærstående parter:

Motpart	Kundefordringer 2016	Kundefordringer 2015	Andre fordringer 2016	Andre fordringer 2015
Tizir Ltd, morselskap	-	-	149 296 747	301 118 035
GCO, søsterselskap	4 101 972	1 547 150	-	-
Sum	**4 101 972**	**1 547 150**	**149 296 747**	**301 118 035**

Motpart	Leverandørgjeld 2016	Leverandørgjeld 2015	Annen kortsiktig gjeld 2016	Annen kortsiktig gjeld 2015
Tizir Ltd, morselskap	17 239 920	8 820 610	-	-
GCO, søsterselskap	15 854 982	19 458 909	-	-
Sum	**33 094 902**	**28 279 519**	-	-

Note 13 Skattekostnad

Årets skattekostnad fremkommer slik:	2016	2015
Betalbar skatt	-	-
Endring i utsatt skatt	12 376 152	-15 036 074
Betalt kildeskatt til Senegal	248 186	854 391
Virkning av endring i skatteregler	-258 128	473 835
Skattekostnad resultat	**12 366 210**	**-13 707 848**

Skattekostnaden fordeler seg som følger på Norge og utland:

	Norge 2016	Norge 2015	Utland 2016	Utland 2015
Skattekostnad+/inntekt-	12 118 024	-14 562 239	248 186	854 391

Betalbar skatt i balansen fremkommer som følger:

	2016	2015
Årets betalbare skattekostnad	-	-
Refusjon skattefunn	-594 000	-757 410
Betalbar skatt i balansen*	**-594 000**	**-757 410**

*Selskapet er ikke i skatteposisjon for inntektsåret 2016. Årets skattefunnsrefusjon er innregnet i regnskapslinjen "andre fordringer" per 31.12.2016.

Avstemming fra nominell til faktisk skattesats:

	2016	2015
Årsresultat før skatt	50 401 576	-53 888 930
Forventet inntektsskatt etter nominell skattesats (25% / 27%)	12 600 394	-14 550 011
Skatteeffekten av følgende poster:		
Andre ikke fradragsberettigede kostnader	22 112	16 986
Andre ikke skattepliktige inntekter	-184 308	-272 348
Fradrag i inntekt kildeskatt betalt til utland	-62 046	-230 701
Kildeskatt betalt til utlandet	248 186	854 391
Virkning av endringer i skattesatser	-258 128	473 835
Skattekostnad	**12 366 210**	**-13 707 848**
Effektiv skattesats	**24,54 %**	**25,44 %**

Størrelsen på utsatt skatt knyttet til poster ført direkte mot egenkapitalen:

Selskapet har innregnet urealiserte tap (før skatt) knyttet til valutaterminer i egenkapitalen tilsvarende NOK 9.668.229. Utsatt skatt (eiendel) relatert til valutaterminer ført mot egenkapitalen utgjør dermed NOK 2.320.375.

Spesifikasjon av skatteeffekten av midlertidige forskjeller og underskudd til framføring:

	2016		2015	
	Fordel	**Forpliktelse**	**Fordel**	**Forpliktelse**
Driftsmidler	-	33 381 644	-	34 232 287
Varer	5 019 991	-	2 368 359	-
Gevinst / Tapskonto	-	24 493	-	31 891
Valutaterminer	3 377 577	-	16 377 714	-
Avsetning for forpliktelser	666 448	-	3 070 207	-
Kundefordringer	86 149	-	-	34 458
Uopptjent inntekt	18 054 510	-		
Fremførbart underskudd	2 326 753	-	32 655 829	-
Sum	**29 531 428**	**33 406 137**	**54 472 109**	**34 298 636**
Netto utsatt fordel/forpl. i balansen		**3 874 709**	**20 173 473**	**-**

Som følge av lovendring vedtatt i 2016 vil gjeldende selskapsskattesats være 24% fra 1.1.2017, og skatteeffekten av midlertidige forskjeller for 2016 er følgelig beregnet med 24%. Skatteeffekten av midlertidige forskjeller per 31.12.2015 er beregnet med en skattesats tilsvarende 25%.

Note 14 Langsiktig gjeld, pantstillelser, garantier og lånebetingelser

Finansieringsramme:

Selskapet har etablert en finansieringsramme på inntil NOK 515.000.000 som som består av en driftskreditt i form av en flervaluta-kontostruktur på inntil USD 50.000.000, samt en garantiramme på NOK 15.000.000 og en handelsramme på NOK 125.000.000. Avtalen om driftskreditt, garantiramme og handelsramme løper frem til medio 2017 og ledelsens intensjon er å benytte finanseringen til utløpet av avtaleperioden. Per 31.12.2016 er driftskreditt innregnet til NOK 18.055.802 klassifisert som en kortsiktig gjeldspost i balansen. Ingen del av gjelden forfaller mer enn 5 år etter regnskapsårets slutt.

Sikkerheter:

Som sikkerhet for finansieringsrammen har selskapet stilt første prioritets pant i varelager pålydende NOK 400.000.000 samt første prioritets factoringpant (kundefordringer) pålydende NOK 400.000.000.

Lånebetingelser/Covenants:

Lånebetingelser/krav for finansieringsrammen er knyttet til egenkapital andel, forhold mellom netto gjeld og EBITDA samt at drifts-kreditten ikke overstiger en nærmere angitt lånebase. Selskapet er ikke i brudd med lånebetingelsene per 31.12.2016.

Garantier:

Tizir Limited (det engelsk baserte morselskapet til TTI) har utstedt selskapsobligasjoner tilsvarende 275 MUSD, hvor sikkerhets-stillelsen er eierandelene i Tizir Titanium & Iron AS og Tizir Mauritius Limited. TTI har i tillegg avgitt en påkravsgaranti i favør av Nordic Trustee på vegne av obligasjonseierne for hele lånebeløpet inklusive rentekostnader og utgifter.

Bokført verdi av eiendeler stilt som sikkerhet for bokført gjeld	**2016**	**2015**
Lager	141 053 176	188 733 535
Kundefordringer	22 648 377	57 444 147
Totalt	**163 701 553**	**246 177 682**

Note 15 Bundne midler

Selskapet har en skattetrekksgaranti pålydende kr 10.000.000. Garantien dekker skyldig trekkansvar per 31.12.2016. Selskapet har ikke bundne midler på sine bankkonti.

Note 16 Finansiell risiko

Selskapet benytter ikke finansielle instrumenter, herunder finansielle derivater, for omsetningsformål.

Rutiner for risikostyring er vedtatt av styret og gjennomføres og følges opp av lokal ledelse i samarbeid med Tizir Ltd sin økonomiavdeling.

De viktigste finansielle risiki selskapet er utsatt for er knyttet til renterisiko, likviditetsrisiko, valutarisiko og kredittrisiko. Selskapets ledelse har en løpende vurdering av disse risiki og fastsetter i samarbeid med konsernets sentraliserte finansavdeling retningslinjer for hvordan disse skal håndteres.

Selskapet benytter finansielle instrumenter for å redusere risikoen knyttet til fluktuasjoner i utenlandsk valuta. I samsvar med selskapets strategi for valutaeksponering, benytter selskapet finansielle derivater for å redusere denne risikoen. Regnskapsmessig behandling av finansielle derivater er omtalt i note 1.

(i) Kredittrisiko

Selskapet er hovedsakelig eksponert for kredittrisiko knyttet til kundefordringer og andre kortsiktige fordringer. Selskapet reduserer sin eksponering mot kredittrisiko ved at alle motparter som får kreditt hos selskapet, for eksempel kunder, skal godkjennes og underlegges en vurdering av kredittverdighet. Selskapets kunder er større industrielle selskaper med solid finansiell status, og hvis historikk knyttet til tap har vært svært lavt. Selskapets kundefordringer er i tillegg forsikret.

Selskapet har ingen vesentlig kredittrisiko knyttet til en enkelt motpart eller flere motparter som kan sees på som en gruppe pga. likheter i kredittrisikoen.

Selskapet har retningslinjer for å påse at salg kun foretas til kunder som ikke har hatt vesentlige problemer med betaling tidligere og at utestående beløp ikke overstiger fastsatte kredittrammer. Selskapet har ikke garantert for tredjeparters gjeld.

(ii) Renterisiko

Selskapet er eksponert for renterisiko gjennom sine finansieringsaktiviteter. Lån med flytende rente medfører en renterisiko for selskapets kontantstrøm som delvis motvirkes av bankinnskudd med flytende rente. Selskapet benytter seg ikke av rentebytteavtaler for å motvirke den flytende renterisikoen.

(iii) Likviditetsrisiko

Likviditetsrisiko er risikoen for at selskapet ikke vil være i stand til å betjene sine finansielle forpliktelser etterhvert som de forfaller. Selskapets strategi for å håndtere likviditetrisiko er å ha tilstrekkelig med tilgjengelige trekkfasiliteter til enhver tid for å kunne innfri sine finansielle forpliktelser ved forfall, både under normale og ekstraordinære omstendigheter, uten å risikere uakseptable tap eller på bekostning av selskapets rykte.

(iv) Valutarisiko

Selskapet er eksponert for valutasvingninger knyttet til verdien av norske kroner relativt mot andre valutaer som følge av at salg og varekjøp skjer hovedsaklig i EURO og USD. Selskapet inngår terminkontrakter for å redusere valutarisikoen i kontantstrømmer nominert i utenlandsk valuta. Valutarisiko blir beregnet for hver utenlandsk valuta og tar hensyn til eiendeler og gjeld, ikke balanseførte forpliktelser og svært sannsynlige kjøp og salg i den aktuelle valutaen.

Note 17 Kraftkontrakt

Selskapet har en langsiktig leieavtale på 28,6 % av Tysso 2 kraftanlegg inklusive en tilsvarende andel av reservoar kapasitet. Leieavtalen varer til og med år 2030. Fastsatt leiepris for perioden frem til år 2021 er basert på en fast leiepris for et netto kraftvolum tilsvarende 237,7 GWH. Hvis markedsprisen for kraft overstiger en definert terskelpris over en periode på 168 timer erstattes avtalt leiepris av gjeldende markedspris for den aktuelle perioden. Virkelig produksjon av kraft kan avvike fra kraftvolumet som ligger til grunn for leieprisen (kraftproduksjonen avhenger av nedbør, tilsig og valgt uttaksprofil) og vil variere fra år til år. Leiekontrakten dekker ca. 70%-80% av selskapets kraftbehov i et normalår.

Tizir Titanium & Iron AS

Kontantstrømoppstilling

	2016	2015
KONTANTSTRØMMER FRA OPERASJONELLE AKTIVITETER:		
Ordinært resultat før skattekostnad	50 401 576	-53 888 930
Periodens betalte skatt	0	-12 966 866
Ordinære avskrivninger ink. per. vedlikehold	64 937 965	37 267 118
Nedskrivning	49 733 606	16 043 092
Pensjonskostnad uten kontanteffekt	0	0
Sikringsinstrumenter over resultatet	-4 103 996	8 277 325
Endring i varer	47 680 359	65 037 311
Endring i kundefordringer	34 795 770	105 438 915
Endring i leverandørgjeld	-110 243 127	38 079 987
Endring i andre omløpsmidler og andre gjeldsposter	145 491 323	-61 333 367
Netto kontantstrømmer fra operasjonelle aktiviteter	**278 693 476**	**141 954 585**
KONTANTSTRØMMER FRA INVESTERINGSAKTIVITETER:		
Innbetalinger ved salg av CO2-kvoter	20 932 706	0
Utbetalinger ved kjøp av varige driftsmidler, ink. periodisk vedlikehold	-123 310 825	-489 912 446
Netto kontantstrøm fra investeringsaktiviteter	**-102 378 119**	**-489 912 446**
KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER:		
Netto endring i finansieringsramme	-329 256 148	244 801 048
Ytet lån til morselskap (via konsernkonti)	151 821 288	-47 368 153
Offentlig investeringstilskudd	0	122 734 320
Utbetalinger av utbytte	0	0
Netto kontantstrøm fra finansieringsaktiviteter	**-177 434 860**	**320 167 215**
Netto endring i bankinnskudd, kontanter og lignende	-1 119 503	-27 790 646
Beholdning av bankinnskudd, kontanter og lignende pr 01.01.	6 751 520	34 542 166
Beholdning av bankinnskudd, kontanter og lignende pr 31.12.	**5 632 017**	**6 751 520**

Deloitte.

02 MAI 2017

Deloitte AS
Rambergveien 1
Postboks 24
NO-3119 Tønsberg
Norway

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www.deloitte.no

Til generalforsamlingen i Tizir Titanium & Iron AS

UAVHENGIG REVISORS BERETNING

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Tizir Titanium & Iron AS' årsregnskap som viser et overskudd på kr 38 035 366. Årsregnskapet består av balanse per 31. desember 2016, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvisende bilde av selskapets finansielle stilling per 31. desember 2016, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon består av årsberetningen, men inkluderer ikke årsregnskapet og revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvisende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

Som del av en revisjon i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og anslår vi risikoen for vesentlig feilinformasjon i regnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll.
- opparbeider vi oss en forståelse av den interne kontroll som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på hensiktsmessigheten av ledelsens bruk av fortsatt drift-forutsetningen ved avleggelsen av regnskapet, basert på innhentede revisjonsbevis, og hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i regnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifiserer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet inntil datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke fortsetter driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet representerer de underliggende transaksjonene og hendelsene på en måte som gir et rettvisende bilde.

Vi kommuniserer med dem som har overordnet ansvar for styring og kontroll blant annet om det planlagte omfanget av revisjonen og til hvilken tid revisjonsarbeidet skal utføres. Vi utveksler også informasjon om forhold av betydning som vi har avdekket i løpet av revisjonen, herunder om eventuelle svakheter av betydning i den interne kontrollen.

Uttalelse om øvrige lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til anvendelse av overskuddet er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig

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registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Tønsberg 24. april 2017
Deloitte AS

Kenneth Karlsen

Kenneth Karlsen
statsautorisert revisor

Attachment 7

TiZir Titanium & Iron

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Org nr. 934 505 557

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Årsregnskap 2015

Annual financial statements 2015

Styrets beretning år 2015

Generelt
Tizir Titanium & Iron AS produserer titanslagg til pigmentindustrien og høykvalitetsråjern til støperiindustrien. Bedriften er lokalisert i Tyssedal, Norge.

Selskapet er et 100 % eid datterselskap av det engelsk registrerte selskapet Tizir Limited som igjen er kontrollert 50 % av det franske selskapet Eramet SA og 50 % av det australske selskapet Mineral Deposits Limited.

Tizir Limited ble etablert 03. august 2011.

Fortsatt drift
Styret bekrefter i samsvar med regnskapslovens § 3-3 at årsregnskapet er utarbeidet på grunnlag av forutsetningen om fortsatt drift.

Organisasjon og arbeidsmiljø
Bedriften hadde gjennomsnittlig 177 ansatte i 2015 som tilsvarer 174 årsverk. Dette er en reduksjon på 4 årsverk fra 2014.

Sykefraværet i 2015 var 4,8 % (4,5 % i 2014). Bedriften jobber aktivt med sykefravær i samsvar med intensjonene i IA-avtalen.

Det har vært 1 (1) skade med fravær og 3 (5) skader med medisinsk behandling i løpet av året for selskapets egne ansatte. H1-verdien for 2015 er 2,7 (2,8).

I løpet av den planlagte revisjonsstansen i 2015 opplevde selskapet 5 skader med fravær for eksternt personell (leverandører) noe som representerer en negativ sikkerhets-utvikling for selskapet. I løpet av denne perioden ble 8 av selskapets ansatte permittert i en begrenset periode.

Likestilling
Bedriften arbeider innenfor en bransje som tradisjonelt er mannsdominert. Bedriften hadde ved årsskiftet ansatt 24 kvinner. Bedriften har ingen kvantifiserte mål for kvinneandel.

Diskriminering
Selskapets målsetninger er å være en arbeidsplass hvor diskriminering ikke forekommer. Selskapet har ikke erfart spesifikke problemstillinger relatert til dette i 2015.

Board of directors report year 2015

Introduction
Tizir Titanium & Iron AS produces titanium slag for the pigment industry and high-quality pig iron for the foundry industry. The company is located in Tyssedal, Norway.

The company is a 100 % owned subsidiary of the English registered company Tizir Limited which in turn is controlled 50 % by the French company Eramet SA and 50% by the Australian company Mineral Deposits Limited.

Tizir Limited was established 03. Aug. 2011.

Continued operation
The Board confirms, in accordance with the Accounting Act § 3-3 that the financial statements are prepared under the assumption of continued operations.

Organisation and work environment
The company had 177 employees in 2015 (average basis) which equals 174 FTE. This is a decrease of 4 FTE compared to 2014.

Sick leave in 2015 was 4.8 % (4.5 % in 2014). The company is working with sick leave in acc. with the official IA agreement.

The company had 1 (1) lost time injuries and 3 (5) injuries with medical treatment during the year for the company's employees. H1 value for 2015 was 2.7 (2.8).

During the planned maintenance shutdown in 2015 the company experienced 5 lost time injuries for external contractors which represent a decline in the safety record of the company. During the shutdown period, 8 employees were temporary laid-off for a limited period.

Equal opportunities
The company operates within a traditionally male dominated industry. The company had at year end 24 female employees. The company has no defined target with regards to female share.

Discrimination
The company aims to be a workplace where discrimination does not occur. The company has not experienced any particular issues related to discrimination during 2015.

Ytre miljø
De viktigste innsatsfaktorene i produksjonen er ilmenitt, kull og elektrisk kraft. Selskapet har ikke landdeponi. Produsert avrakslagg fra jernproduksjonen brukes som fyllmasse til vei på bedriftsområdet og er på visse vilkår godkjent til samme formål eksternt.

Konsesjonsgrenser for utslipp til omgivelsene ble overholdt i 2015.

Både råvarer og ferdigvarer transporteres hovedsakelig sjøveien, noe som påvirker miljøet i liten grad.

Selskapet utgir egen miljørapport.

Marked
Gjennomsnittlig salgspris for titanslagg ble 11 % lavere i 2015 sammenliknet med foregående år. Salgsvolum av titanslagg ble 26 % lavere i 2015 sammenliknet med året før og skyldes lavere produksjon på grunn av gjennomført revisjonsstans (vedlikehold og oppgradering).

Gjennomsnittlig salgspris for råjern ble 4 % lavere i 2015 sammenliknet med foregående år. Prisutviklingen i 3 og 4 kvartal av 2015 var særlig svak. Salgsvolum for råjern ble 39 % lavere enn året før og skyldes primært lavere produksjon.

Råvarer
Selskapets råvarebehov er hovedsakelig dekket gjennom langsiktige råvarekontrakter. Råvarene handles hovedsakelig i utenlandsk valuta. Selskapets ilmenittbehov ble i 2015 dekket av leveranser fra både eksterne leverandører samt fra søsterselskapet Grande Cote Operations (Senegal).

Produksjon
Produksjonsnivået i 2015 var 42 % lavere enn i foregående år. Dette skyldes hovedsakelig gjennomføring av en planlagt revisjonsstans (periodisk vedlikehold og oppgraderinger) høsten 2015.

Forskning og utvikling
Selskapet driver FoU-aktiviteter i egenregi og i samarbeid eksterne partnere. Til sammen 5 personer er engasjert innen dette området, hvorav 1 delvis har sin arbeidsplass i Trondheim hos SINTEF / NTNU. Denne aktiviteten spenner fra utvikling av kompetanse og systemer for overvåkning og

External environment
The production is primarily based on ilmenite, coal and electrical energy. The company does not have dedicated landfill sites. Waste from iron production is used for road constructions at the premises and may under certain conditions be used as filling compound outside the plant premises.

Concession limits for discharge to the environment has been complied with in 2015.

Raw materials and finished products are predominantly transported by sea, which affects the environment to a small extent.

The company publish an environmental report.

Market
The average price for titanium slag decreased by 11 % in 2015 compared to previous year. The sales volume for titanium slag decreased by 26 % compared to previous year due to lower production as a consequence of a planned shutdown (maintenance and upgrade).

The average sales price for high purity pig iron decreased by 4 % compared to previous year, and prices weakened significantly in quarters 3 and 4. Sales volumes were 39 % lower than previous year due to lower production.

Raw materials
The company's need for raw materials is mainly secured by long term raw material contracts. The raw materials are mainly purchased in foreign currency. The ilmenite was in 2015 delivered from both external suppliers and from the sister company Grande Cote Operations (Senegal).

Production
The production level in 2015 was 42 % lower compared to previous year. This is mainly due to completion of a planned shutdown (upgrade and periodic maintenance) autumn 2015.

Research and development
Research and development work is conducted both in-house and in cooperation with external partners. In total 5 employees are engaged in this field, of which 1 party is located in Trondheim at the premises of SINTEF / NTNU. The activities include development of competence, systems for

kontroll av interne prosesser, til videreutvikling av selskapets produkter og anvendelses-område.

Resultat, kontantstrøm, investeringer, likviditet og finansiering

Omsetningen i 2015 ble 715 MNOK mot 933 MNOK i år 2014. Redusert omsetning skyldes lavere salgspriser for titanslagg samt lavere salgsvolum for både titanslagg og råjern i 2015.

Driftsresultat i 2015 ble 12,4 MNOK mot et resultat på 96,0 MNOK i 2014. Resultat-endringen skyldes redusert produksjons- og salgsvolum, samt endrede markedsforhold for øvrig.

Årsresultat (etter skatt) for 2015 ble -40,2 MNOK mot 26,9 MNOK i 2014.

Kontantstrøm fra operasjonelle aktiviteter var 142,0 MNOK i 2015 mot -47,7 MNOK i 2014. Endringen skyldes hovedsakelig frigjøring av arbeidskapital.

Kontantstrøm fra investeringsaktiviteter var negativ med 490 MNOK i 2015 og er knyttet til gjennomført revisjonsstans i september til desember 2015 (oppgradering og periodisk vedlikehold av anlegget). Arbeidet har vært planlagt i flere år og har bestått blant annet i omforing av smelteovn, oppgradering av ovnshvelv, investeringer knyttet til forbedrede HMS forhold samt økt kapasitet. Stansen ble tilfredsstillende gjennomført.

Selskapet har i 2015 mottatt fra Enova et tilskudd på 122,7 MNOK til investering i energi og klimaeffektive løsninger.

Samlede investeringer beløp seg til 500,5 MNOK mot 37,7 MNOK i 2014. Dette inkluderer aktiverte kostnader knyttet til gjennomført periodisk vedlikehold (aktiveres og føres som en driftskostnad periodisert over forventet levetid på gjennomførte vedlikeholdsaktiviteter).

Bankbeholdning ved årets slutt var 6,8 MNOK mot 34,5 MNOK året før. Trekk på kassekreditt var 347,3 MNOK mot 102,5 MNOK året før.

Selskapet deltar i et konserninternt «cash management» system hvor en har tilgjengelige trekkrammer.

Totalkapitalen ved årets utgang er 1233,3 MNOK mot 978,2 MNOK året før.

inspections and control of internal processes, development of products and area of application.

Result, cash flow, investments, liquidity and financing

The turnover in 2015 was 715 MNOK compared to 933 MNOK in year 2014. The reduced turnover is due to lower sales prices for titanium slag and lower sales volumes for titanium slag and pig iron in 2015.

The EBIT in 2015 was 12.4 MNOK compared to 96.0 MNOK in 2014. The change in EBIT is mainly related to a reduced production and sales volume together with changed market conditions.

Net profit (after tax) for 2015 was -40.2 MNOK compared to 26.9 MNOK in 2014.

Cash flow from operation was 142.0 MNOK in 2015 compared to -47.7 MNOK in 2014. The change is mainly related to a reduced working capital.

Cash flow from investments was negative by 490 MNOK in 2015 and is a related to a plant shutdown which was carried out from September to December 2015 (upgrade and periodic maintenance). The project has been planned since several years and main elements are; furnace relining, upgrade of furnace roof, improved HES conditions and increased capacity. Project implementation was satisfactory executed.

The company received in 2015 a grant from Enova of 122.7 million for investments in energy and climate efficient solutions.

Capital expenditure amounted to 500.5 MNOK compared to 37.7 MNOK in 2014. This includes capitalised maintenance costs (costs related to periodical maintenance is capitalized and amortized over the expected lifetime for the maintenance activities carried out).

Cash & deposits at year end was 6.8 MNOK compared to 34.5 MNOK previous year. The drawing on the bank facility was 347.3 MNOK vs. 102.5 MNOK previous year.

The company participates in a group internal cash management system where available drawing rights exists.

Total assets at the year-end were 1233.3 MNOK vs. 978.2 MNOK the previous year.

Egenkapitalandelen pr. 31.12.15 var 44 % mot 62 % sist år.

Equity ratio 31.12.15 was 44 % compared to 62 % the previous year.

Finansiell risiko

Financial risks

Markedsrisiko
Selskapet er eksponert for endringer i valutakurser da en vesentlig del av inntekter og kostnader er i utenlandsk valuta. Selskapet har vedtatt en sikringsstrategi for fremtidige netto valutaposisjoner hvor det inngås avtaler om kjøp eller salg av valuta på termin slik at en avtagende prosentandel av nettoposisjonen i valuta sikres i de kommende perioder.

Market risk
The company is exposed to changes in currency rates since a substantial portion of income and costs are in foreign currency. The company has approved a hedging strategy for future net exchange positions by buying or selling forward contracts, so a declining percentage of the net position in currency is secured for the coming periods.

Kredittrisiko
Selskapets kundefordringer er forsikret. I tillegg anses risikoen for at kundene ikke skulle kunne oppfylle sine betalingsforpliktelser å være lav.

Credit risk
The company's accounts receivables are insured. The risk that the customers will not have financial capacity to comply with their payment obligations is regarded as low.

Likviditetsrisiko
Selskapet styrer likviditet og finansiering gjennom stor fokus på løpende prognoser. Styringen skjer i samarbeid med eierne og selskapet skal til enhver tid ha tilgjengelige midler til å oppfylle sine forpliktelser.

Liquidity risk
The company manages liquidity and funding through high focus on forecasts. Cash management is done in cooperation with the owners and the company shall at all times have funds available to meet its obligations.

For nærmere beskrivelse av lånevilkår og garantier vises det til note 14 i årsregnskapet.

Details related to the loan terms/conditions and guarantees are described in note 14 in the annual accounts.

Resultatdisponering og utbyttegrunnlag
Styret foreslår følgende disponering:

Annen egenkapital	-40.181.082
Foreslått utbytte	0
SUM disponering	-40.181.082

Allocation of result
The board proposes the following allocation:

Other equity	-40,181,082
Proposed dividend	0
SUM allocation	-40,181,082

Eierstyring og selskapsledelse
Selskapet styres etter gjeldende lover, regler og retningslinjer gitt i "Norsk Anbefaling" for børsnoterte selskaper, dog med tilpasninger som følge av eierstruktur. Styret er av den oppfatning at selskapet i hovedsak har drevet i henhold til, eller nært opp til disse retningslinjene.

Corporate governance
The company is governed by the current laws, rules and guidelines stipulated in "Norwegian Recommendations" for listed companies, with the adjustments necessary as a result of the ownership structure. The Board is of the opinion that the company has been managed in accordance with these guidelines.

Framtidsutsikter
Oppgradering og kapasitetsutvidelse av TTI sin smelteovn var en viktig del i den strategiske visjon for Tizir og representerer ferdigstillelse av et stort skritt i integreringen av selskapet. Prosjektet har skapt fleksibilitet til å produsere både klorid og sulfat titanslagg i samme ovn, og gir mulighet til å veksle mellom produkter i henhold til tilbud og etterspørsel dynamikk i markedet. Dessuten

Outlook
The refurbishment and capacity expansion of the TTI furnace was a key part in the strategic vision for TiZir and represents the completion of a major step in the integration of the company. The project has created the flexibility to produce both chloride and sulphate titanium slag within the same furnace, providing the ability to alternate between products as dictated by supply and

vil produksjonen av klorid titanslagg utnytte ilmenitt produsert av GCO, noe som medfører sikring av ilmenitt forsyning fra konsernet og redusert avhengighet med hensyn til tredjeparts ilmenitt salg.

Markedene for titanholdige råvarer er fortsatt tilbudsdrevet med økt prispress. Overkapasitet vedvarer i både mineralsand og pigment industrien, hovedsakelig på grunn av svak etterspørsel og kinesisk overproduksjon. Fortsatt overproduksjon av pigment i Kina har medført en pris deflasjon i TTI sine hovedmarkeder i Europa og Nord-Amerika, noe som resulterer i at kunder reduserer produksjon og dermed legger et ytterligere press på priser og volumer. På den positive siden, har denne situasjonen ført til at investeringer i ny kapasitet i noen grad er blitt forsinket eller kansellert.

Det forventes at produktprisene vil forbli under press inntil balanse mellom tilbud og etterspørsel gjenopprettes / re-etableres.

År 2016 forventes å bli et utfordrende år for markedene for titanholdinge råvarer. TTI vil i 2016 fokusere på produksjonseffektivitet og kostnadsreduserende tiltak for å sikre konkurranse evne.

demand dynamics within the market. Also, the production of chloride titanium slag will utilise ilmenite produced by GCO, ensuring security of ilmenite supply from within the group and reducing reliance on third party ilmenite sales.

Titanium feedstock markets remain supply driven with increased pressure on prices. Overcapacity persists in both the mineral sands and pigment production industries, mainly due to weak demand and Chinese oversupply. Continued overproduction of pigment in China has seen price deflation exported to TTI`s key markets in Europe and North America, resulting in customers cutting production and thereby putting pressure on feedstock prices and volumes. On the positive side, this situation has resulted in investment in new feedstock capacity, to some extent, being delayed or abandoned.

It is anticipated that product pricing will remain under pressure until supply/demand relationship regains level of equilibrium.

Year 2016 will be a challenging year for mineral sands feedstock markets. TTI will focus on production efficiencies and cost reduction initiatives to ensure the competitiveness.

Tyssedal, 2016-05-12

Jean-Michel Fourcade Chairman of the Board	Ludvig Egeland	Njaal Kind
Martin Ackland	Terje Freng	Ørjan Andersson
Sven-Ove Bauge	Ulf Knudsen	Harald Grande Adm dir. / CEO

Tizir Titanium & Iron AS
Profit and loss statement

NOTE	OPERATING REVENUE AND OPERATING EXPENSES	2015	2014
1, 2	Revenue	700 018 500	927 647 731
2	Other operating revenue	15 872 497	5 456 787
	Total operating revenue	**715 890 997**	**933 104 518**
1	Changes in inventories of work in progress and finished goods	78 430 391	-18 837 610
1	Costs of goods sold	340 882 192	539 948 836
1, 3	Payroll and related costs	123 306 358	139 139 570
1, 4	Depreciation and amortisation of fixed and intangible assets	37 267 118	34 365 089
1, 4	Impairment of fixed and intangible assets	16 043 092	629 297
1, 3	Other operating expenses	107 589 826	141 880 098
	Total operating expenses	**703 518 977**	**837 125 280**
	Operating profit/(loss)	**12 372 020**	**95 979 238**
	FINANCIAL INCOME AND FINANCIAL EXPENSES		
1	Income on other investments	254 333	218 000
1	Interest received from group companies	0	641 887
1	Other financial income	2 174 121	37 789 886
1	Interest expense to group company	-18 838	0
1, 16	Other financial expenses	-68 670 566	-97 943 999
	Financial items, net	**-66 260 950**	**-59 294 225**
	Profit/(loss)before taxation	**-53 888 930**	**36 685 014**
1, 13	Income tax	-13 707 848	9 752 017
	PROFIT/(LOSS) FOR THE FINANCIAL YEAR	**-40 181 082**	**26 932 997**
	ALLOCATION OF NET PROFIT/(LOSS) AND EQUITY TRANSFERS		
9	Transferred from other equity	-40 181 082	0
9	Transferred to other equity	0	26 932 997
	Total allocations and equity transfers	-40 181 082	26 932 997

Tizir Titanium & Iron AS
Balance sheet at 31 December

NOTE	ASSETS	2015	2014
	Non-current assets		
	Intangible assets		
1, 5	Concessions, patents, licences, trademarks and similar rights	28 329 176	4 074 892
1, 13	Deferred tax assets	20 173 473	0
	Total intangible assets	48 502 649	4 074 892
	Tangible fixed assets		
1, 4	Land, buildings and other property	90 824 287	89 349 366
1, 4	Plant and machinery	449 202 277	127 760 936
1, 4	Fixtures and fittings	2 997 945	12 046 293
	Total tangible fixed assets	543 024 509	229 156 595
	Financial non-current assets		
1	Investments in shares	698 417	698 417
1, 3, 8	Other receivables	310 435	0
	Total financial non-current assets	1 008 852	698 417
	Total non-current assets	**592 536 010**	**233 929 904**
	Current assets		
1, 7, 14	**Inventories**	188 733 535	253 770 846
	Receivables		
1, 14, 16	Accounts receivables	57 444 147	162 883 062
1, 8, 12, 13	Other receivables	387 795 039	293 113 479
	Total receivables	445 239 186	455 996 541
1	**Cash and cash equivalents**	6 751 520	34 542 166
	Total current assets	**640 724 241**	**744 309 553**
	TOTAL ASSETS	**1 233 260 251**	**978 239 457**

Tizir Titanium & Iron AS
Balance sheet at 31 December

NOTE	SHAREHOLDERS EQUITY AND LIABILITIES	2015	2014
	Shareholders equity		
	Paid-in capital		
9, 10	Share capital 300.000 shares at NOK 1.000	300 000 000	300 000 000
10	Share premium account	136 000 000	136 000 000
10	Other paid-in capital	31 184 593	31 184 593
	Total paid-in capital	467 184 593	467 184 593
	Retained earnings		
10	Other equity	71 923 547	138 800 312
	Total retained earnings	71 923 547	138 800 312
	Total shareholders equity	**539 108 140**	**605 984 905**
	Liabilities		
	Provisions for liabilities and charges		
1, 13	Deferred tax	0	2 700 872
	Total provisions for liabilities and charges	0	2 700 872
	Other non-current liabilities		
1, 14, 16	Debt to financial institutions	347 311 950	0
	Total non-current liabilities	347 311 950	0
	Current liabilities		
1, 14, 16	Debt to financial institutions	0	102 510 902
1, 12	Accounts payable	217 669 181	179 589 194
1, 13	Current income taxes payable	0	12 112 418
1	Other taxes and withholdings	10 081 954	10 068 660
1, 5, 6, 10	Other current liabilities	119 089 026	65 272 506
	Total current liabilities	346 840 161	369 553 680
	Total liabilities	**694 152 111**	**372 254 552**
	TOTAL SHAREHOLDERS EQUITY AND LIABILITIES	**1 233 260 251**	**978 239 457**

Tyssedal, 12 May 2016

Board of Directors Tizir Titanium & Iron AS

Ludvig Egeland
Board member

Ulf Knudsen
Board member

Harald Grande
General Manager

Njaal Kind
Board member

Einar T. Freng
Board member

Martin C. Ackland
Board memeber

Sven O. Bauge
Board member

Jean- Michel Fourcade
Chairman of the board

Ørjan Andersson
Board member

Tizir Titanium & Iron AS

Notes to the accounts, year ended 31 December 2015

Note 1 Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

The use of estimates when preparing the annual accounts
The management has used estimates and assumptions that have affected assets, liabilities, revenues, expenses and information on potential liabilities. This particularly applies to the depreciation and impairment of tangible fixed assets and assessment of recoverability of deferred tax asset. Future events may lead to these estimates being changed. Estimates and their underlying assumptions are reviewed on a regular basis. Changes in accounting estimates are recognized during the period when the changes take place. If the changes also apply to future periods, the effect is divided amoung the present and future periods.

Valuation and classification of assets and liabilities
Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with a limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule based on a straight line depreciation. Land is not depriciated.

Other long-term liabilities, as well as short-term liabilities, are valued at nominal value.

Intangible assets
Intangible assets acquired separately are recognized in the balance sheet at cost. Subsequent measurement of intangible assets is recognized in the balance sheet at cost reduced for eventual depreciation and impairments. Internally generated intangible assets, excluding capitalised development costs, are not capitlized but are expensed as incurred.

The economic life is either definite or indefinite. Intangible assets with a definite economic life are amortized over their economic life and tested for impairment if there are any indications of impairment needs. The amortization method and period is assessed at least once a year.

Foreign currency
All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date. Currency forward contracts are valued in the balance sheet at fair value on the balance sheet date. Transactions in foreign currencies are translated into NOK at the exchange rate prevailing at the date of the transaction.

Other shares classified as non-current assets
Other non-current investments in shares, in which the company does not have significant influence, are carried at cost. The investments are written down to fair value if a decline in the value is expected to be permanent. Dividends received from these companies are recognised as financial income.

Hedging
The company has established a strategy to reduce the currency exposure the company experience through its sales and purchases in foreign currency. The company hedges its currency exposure through cash flow heding with currency forward contracts. The company recognizes these hedges by recognizing open currency forward contracts at fair value either as a financial instrument asset or as a short term liability and temporary adjustment to the equity.

Open currency forward contracts as of 31.12.2015 has a maturity from 1 - 30 months from the balance sheet date.

For further specification of the accounting effects of currency hedges it is referred to note 6, 10 and 13.

Inventories
Inventories are recognised at the lower of cost in accordance with the FIFO method and net realisable value. For raw materials and work in progress, the net realisable value is based on estimated selling price of finished goods, less the remaining production and sales costs. Self-produced goods are recognised at the lower of full production cost based on normal production and fair value.

Revenue
Sale of goods:
Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer. This will normally be the case when the goods are delivered to the customer. The revenue is recognised with the value of the remuneration at the time of transaction.

Receivables
Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables. The accrual for losses is based on an individual assessment of each receivable.

Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

Post-employment benefits
Defined contribution plans are accounted for according to the matching principle. Contributions to the pension plan are recorded as expenses.

Post-employment benefits
Defined benefit plans are post-employment benefit plans other than defined contribution plans. In accounting for defined benefit plans, the obligation is expensed over the service life according to the plan benefit formula. The method of allocation corresponds to the plan benefit formula, unless the bulk of the service costs accrue towards the end of the service life. In such instances, the service cost is allocated on a straight-line basis. A straight-line allocation is therefore applied for post-employment benefit plans operated in accordance with the occupational pension legislation.

The net post-employment benefit obligation is the difference between the present value of the pension obligations and the value of plan assets that are invested for the purpose of paying the post-employment benefits. Plan assets are recognised at fair value. A valuation of post-employment benefit obligations and plan assets is carried out as of the balance sheet date. An accrual for social security costs is included in the figures, calculated based on the net actual post-employment benefit deficit. Post-employment benefit obligations associated with the early retirement pension (AFP), in accordance with the LO/NHO arrangement, are a multi-employer defined benefit plan, but is recorded as a defined contribution plan, as it no reliable data is available to measure the company's liability and assets of the plan.

Cost of sales and other expenses
In principle, cost of sales and other expenses are recognised in the same period as the revenue to which they relate. In instances where there is no clear connection between the expense and revenue, the apportionment is estimated. Other exceptions to the matching criteria are disclosed where appropriate.

Income taxes
Tax expenses are matched with operating income before tax. Tax related to equity transactions e.g. group contribution, is recognised directly in equity.

Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax liabilities and deferred tax assets are presented net in the balance sheet.

Government grants
Government grants are recognized when it is reasonably certain that the company will meet the conditions stipulated for the grants and that the grants will be received. Operating grants are recognized systematically during the grant period. Grants are deducted from the cost which the grant is intended to cover. Investment grants are capitalized and recognized systematically over the asset's useful life. Investment grants are recognized either as deferred income or as deduction of the asset's carrying amount. For further specification of government grants see note 18.

Note 2 Sales revenue

Per area of operation:	2015	2014
Industry	700 018 500	927 647 731
Other operating revenue	15 872 497	5 456 787
Total	**715 890 997**	**933 104 518**

Per geographic market:	2015	2014
EU	636 771 898	889 819 072
Europe Other	16 573 328	15 416 193
America	46 673 274	22 412 466
Total	**700 018 500**	**927 647 731**

Note 3 Payroll costs, number of employees, benefits, loans to employees etc.

Payroll costs	2015	2014
Wages and salaries	98 049 936	113 908 686
Social security tax	14 470 032	13 966 640
Pension costs (see note 11)	6 592 351	6 443 056
Other benefits	4 194 039	4 821 188
Total	**123 306 359**	**139 139 570**

In 2015 the company capitalized NOK 25.568.410 of the payroll cost related to plant upgrade and periodic maintenance.

Average number of employees during the year	174	178

Directors' remuneration	Salaries, fees	Pensions	Other benefits
Managing Director	2 153 786	60 084	56 439
Board of Directors			160 000

The general manager has received payment for an ordinary bonus in 2015 earned in 2014, with a total ammount of NOK 257.405. This compensation is included in "Wages and salaries" in the table above.

No loans or guarantees have been provided to the management or the board.

Loans and guarantees to:	Loan	Guarantee
Employees	76 619	-

Auditor

Remuneration to Deloitte AS and their associates is as follows:

	2015	2014
Statutory audit	355 000	425 000
Other attestetation services	28 250	17 900
Other assurance services	27 075	40 100
Tax counselling	16 150	15 200

Note 4 Property, plant and equipment

	Buildings and land	Plant and machinery	Office, fixture	Assets under construction	Capitalized maintenance
Cost at 1 January 2015	124 400 454	289 543 566	22 329 325	10 675 722	36 645 398
Additions, purchased*	7 118 328	283 670 887	198 702	-	86 793 712
Disposal	-	-	-	-	-36 645 398
Transfer	-	-	-	-10 603 503	-
Cost at 31 Desember 2015	**131 518 782**	**573 214 453**	**22 528 027**	**72 219**	**86 793 712**
Accumulated depreciation 31.12.2015	40 694 495	195 003 208	19 361 889		
Accumulated depreciation and impairment 31.12.2015	40 694 495	210 878 107	19 530 082	-	-
Balance at 31 December 2015	**90 824 287**	**362 336 346**	**2 997 945**	**72 219**	**86 793 712**
Current year's amortisation charge	5 643 406	26 624 604	1 390 108	-	-
Current year's impairment charge**		15 874 899	168 193	-	-
Current year's amortisation charge capitalized maintenance					3 609 000
Useful economic life	15 - 54 years	3 -15 years	3 -10 years	Na.	3 -7 years
Amortisation method	Linear	Linear	Linear	Na.	Linear

* The company has during 2015 received a government grant from ENOVA which was granted with the purpose of supporting enegy- and climate efficient production solutions with a nominal value of NOK 122.734.320. The amount is included as a reducing element in the "Additions, purchased" above. For further information on the accounting for government grants see note 18. Further, included in "Additions, purchased", own resources are included with NOK 25.568.410.

** The company's management has in relation with the plant upgrade assessed replaced machinery and performed an impairment of changed machinery applying a "best estimate approach" to reach recoverable amount.

Yearly operating lease expenses for dumpers and printers/copy machines which have not been capitalized amounts to NOK 2.349.951. The operating lease agreements expire between 1-5 years after the balance sheet date.

Note 5 Intangible assets

	CO2 - kvoter
Balance at 1 January 2015*	4 074 892
Change in principle**	15 731 892
Acquisition CO2 quotas	17 420
Additions free quotas*	22 742 071
Sold qoutas 2015	-
Disposal used quotas 2015**	-14 237 099
Balance at 31 December 2015	**28 329 176**

* Cost is determined by applying a year average on observable market prices on CO2 quotas converted from EURO to NOK using an yearly average currency conversion rate.

** The company has during the past years received free quotas which exceed the total emmissions. Consequently, the company has recognized an intangible asset related to CO2 quotas, where historical presentation has been on a net basis (net asset and emmision liability). For 2015 the company has changed the accounting principle and the quotas is precented as an intangible asset with the emmision liability presented as a short time liability. Calculated emmission liability as of 31 December 2015 is NOK 12.372.897.

The quota asset and the emmission liability is derecognized at the time where the emmission liability is settled during the first half year subsequent to the balance sheet date.

Research and development:

The company has a continous focus on efficient solution in the production process and these activities and related incurred exepenses is assessed not to qualify as an intangible asset. Hence, these activities are expensed when they take place.

Note 6 Other financial instruments

	Carrying amount	Fair-value
Forward exchange contracts	-64 370 819	-64 370 819
Total	**-64 370 819**	**-64 370 819**

The carrying amount of currency forward contracts is recognized and classified as other short term liabilities. Negative value of currency forward contracts recognized in equity as of of 1 January 2015 amounted to NOK 16.055.708. As of 31 December 2015 the negative value of currency forward contracts recognized in equity amounted to NOK 41.611.355. The net change in fair value amounts to NOK 26.695.683 (all figures are net of deferred tax). See note 10 for specification of equity effects

Note 7 Inventories

	2015	2014
Raw materials	74 661 461	76 311 868
Spare parts	30 417 225	25 238 909
Work in progress	11 602 089	12 406 443
Finished goods	72 052 760	139 813 626
Total	**188 733 535**	**253 770 846**

The company has a spare-part inventory with an aquistion cost of NOK 53.564.384. Spare-parts with low turnover have been impaired in order to reach net realisable value. Impaired value of spare-parts as of 31 December 2015 amounts to NOK 23.528.016.

Note 8 Receivables; amounts due after more than one year

The company has provided loan to employees and paid an advance payment on lease contracts which have been classified as long term receivables. Recognized amount is NOK 310.435. The company is also taking part in the Tizir cash pool account agreement where the company has a receivable towards it's parent company Tizir Ltd. amounting to NOK 301.118.035. The receivable will be repaid when the company do have the need for the cash and consequently there can be conditions which result in a settlement longer than 12 months from the balance sheet date.

Note 9 Share capital and shareholder information

The share capital in the company at 31 December 2015 consists only of ordinary shares:

	Number	Face value	Book value
Ordinary shares	300 000	1 000	300 000 000
Total	**300 000**		**300 000 000**

Ownership structure
Shareholder as of 31 December 2015:

	Shares	Ownership share	Voting share
Tizir Ltd. (UK)	300 000	100 %	100 %
Total number of shares	**300 000**	**100 %**	**100 %**

There are no specific regulations in the articles of association regarding voting rights. Each share entitles one voting right.

Note 10 Equity

Paid in equity	Share capital	Share premium	Additional paid in equity	Total paid in equity
Paid in equity at 1 January 2015	**300 000 000**	**136 000 000**	**31 184 593**	**467 184 593**
Capital changes during the year	-	-	-	-
Paid in equity at 31 December 2015	**300 000 000**	**136 000 000**	**31 184 593**	**467 184 593**

Other equity	
Other equity at 1 January 2015	**138 800 312**
Current year's change in equity:	
Current year's net income	-40 181 082
Change in value currency forward contracts (net of tax)	-26 695 683
Other equity at 31 December 2015	**71 923 547**

See note 1 and 6 for accounting treatment of currency forward contracts.

Note 11 Pension costs, assets and liabilities

The company is required to have an occupational pension plan in accordance with Norwegian legislation on occupational pensions ("lov om obligatorisk tjenestepensjon"). The company's pension plans meet the requirements of this legislation.

Defined contribution plan
The entity's defined contribution plan is organized in accordance with Norwegian legislation on defined contribution pensions ("lov om innskuddspensjon").

Defined benefit plan
The company has a closed defined benefit plan which is valid only for disabled persons which were members of the plan at the time of closing. The plan is funded through an insurance company and as of 31 December the plan was overfinanced, where no pension asset is recognized in the balance sheet due to the asset ceiling.

Agreed early retirement scheme (AFP):
Additionally, the company is taking part in a contractual early retirement scheme (AFP). The AFP-scheme, which came into force from 1 January 2011, is a defined benefit multi-enterprise scheme. This scheme is recognized in the accounts as a defined contribution scheme until reliable and sufficient information is available for the company to recgonize its proportional share of pension cost, pension liability and pension funds in the scheme.

AFP liabilities under the old scheme were originally recognized in the balance sheet as a liability. This liability was reversed in 2010 in connection with the transition to the new AFP-scheme, with the exception of the liability related to former employees who retired under this scheme. Liabilities formerly recognized in the balance sheet under the old AFP-scheme has been terminated as of 31 December 2015.

	2015	2014
Service cost	-	-
Net interest cost+/income-	-29 000	-198 000
Interest cost on asset ceiling	29 000	198 000
Other pension expenses (defined contribution plan etc.)	6 592 351	6 443 056
Net pension costs	**6 592 351**	**6 443 056**

Economic assumptions (profit and loss)	**01.01.15**	**01.01.14**
Discount rate	3,00 %	3,00 %
Expected raise in pensions	0,00 %	0,00 %
Expected inflation	na.	1,90 %
Expected raise in G-amount	1,90 %	0,00 %

	Fondert 31.12.2015	**Fondert 31.12.2014**
Defined benefit obligation	29 288 000	29 580 000
Pension assets (fair value)	-30 088 000	-30 536 000
Asset ceiling	800 000	956 000
Net defined benefit liability	-	-

Economic assumptions (balance sheet)	**31.12.15**	**31.12.14**
Discount rate	2,50 %	3,00 %
Expected raise in pensions	0,00 %	0,00 %
Expected raise in G-amount	0,00 %	1,90 %
Expected inflation	-	-

Note 12 Related party transactions and balances

Related party transactions, profit and loss

Transaction/transaction type	**Belongs to P&L line**	**Counterparty**	**Relationship to the counterparty**	**2015**	**2014**
Purchase of raw materials	Cost of goods sold	Eramet Norway AS	Associated Company	3 371 432	7 842 471
Management fee	Other operating expenses	Tizir Ltd.	Parent company	8 820 610	8 023 903
Purchase raw materials	Cost of godds sold	GCO	Sister company	37 161 108	19 601 621
Revenues	Revenues	GCO	Sister company	3 441 860	3 002 441
Total				**52 795 010**	**38 470 436**

Related party balances

Counterparty	**Relationship to the counterparty**	**Accounts receivables 2015**	**Accounts receivables 2014**	**Other receivables 2015**	**Other receivables 2014**
Tizir Ltd.	Parent company	-	-	301 118 035	253 749 882
GCO	Sister company	1 547 150	3 002 141	-	-
Total		**1 547 150**	**3 002 141**	**301 118 035**	**253 749 882**

Counterparty	**Relationship to the counterparty**	**Accounts payable 2015**	**Accounts payable 2014**	**Other current liabilities 2015**	**Other current liabilities 2014**
Tizir Ltd.	Parent Company	8 820 610	19 714 303	-	-
Eramet Norway AS	Associated Company	-	1 180 059	-	-
GCO	Parent Company	19 458 909	-	-	-
Total		**28 279 519**	**20 894 362**	-	-

Note 13 Income tax expense

Specification of income tax expense:	2015	2014
Current income tax payable	-	12 976 690
Changes in deferred tax	-15 036 074	-3 224 673
Paid tax deducted at source (Senegal)	854 391	-
Effect of change in tax rules	473 835	-
Tax on profit/(loss)	**-13 707 848**	**9 752 017**

The tax expense is split between Norway and foreign countries as follows:

	Norway		Abroad	
	2015	2014	2015	2014
Tax expense+/revenue-	-14 562 239	9 752 017	854 391	-

Specification of current income tax payable:

	2015	2014
This year's payable income tax expense	-	12 976 690
Refund Skattefunn	-757 410	-864 272
Current income tax payable in the balance sheet*	**-757 410**	**12 112 418**

* The company is not in a tax position as of 31 December 2015 and the government grant "Skattefunn" which will be received in relation with the tax settlement in the autumn of 2016 is recognized as other short term receivables in the balance sheet.

Reconciliation from nominal to real income tax rate:

	2015	2014
Profit/(loss) before taxation	-53 888 930	36 685 014
Estimated income tax according to nominal tax rate (27%)	-14 550 011	9 904 954
The tax effect of the following items:		
Other non-deductible expenses	16 986	139 087
Other non-taxable income	-272 348	-292 024
Deduction of tax paid in Senegal	-230 701	-
Tax deducted at source (Senegal)	854 391	-
Effect of changes in tax rules and rates	473 835	-
Income tax expense	**-13 707 848**	**9 752 017**
Effective income tax rate	**25,44 %**	**26,58 %**

The effect of deferred tax related to items recognized directly in equity:
Deffered tax asset related to urealised curency contracts as of 31.12.2015 was included in the equity with an ammount of NOK 14.250.464.

Specification of the tax effect of temporary differences and losses carried forward:

	* 2015		2014	
	Asset	Liability	Asset	Liability
Fixed assets	-	34 232 287	-	7 673 512
Inventories	2 368 359	-	-	1 682 916
Gain and loss account	-	31 891	-	-
Unrealised currency contracts	16 377 714	-	6 000 965	-
Other accruals	3 070 207	-	529 961	-
Accounts receivables	-	34 458	124 629	-
Tax loss carryforward	32 655 829	-	-	-
Net deferred benefit/liability in the balance sheet	**20 173 473**	**-**		**2 700 872**

The deferred tax asset is recognized in the balance sheet at full nominal value, where the management has based its value on expected future income which will enable the entity to utilize the deferred tax asset positions.

A new statutory tax rate is valid from 2016 which was enacted on in December 2015. The tax effect of deferred items as of 31 December 2015 is hence calculated applying the new statutory tax rate corresponding to 25%. The deferred tax as of 31 December 2014 is calculated applying the valid statutory tax rate at that time corresponding to 27%.

Note 14 Long term debt, pledges and guarantees

Financial frame agreement:
The company has established a financial frame agreement with an external bank with a limit of NOK 515.000.000, which consist of a multi currency trade credit line with an upper limit of USD 50.000.000, as well as a guarantee frame of NOK 15.000.000 and a trade frame of NOK 125.000.000. The agreement is valid until medio 2017 and the management's intention is to use the credit as a long term financing until the expiry period of the agreement. As of 31 December 2015 the currency trade credit line amounting to NOK 347.311.950 is classified as a long term debt position in the balance sheet. No portion of the debt has a maturity longer than 5 years from the balance sheet date.

Pledges:
The bank has a first priority pledge in inventories limited to NOK 400.000.000 and a first priority factoring pledge (accounts receivables) limited to NOK 400.000.000.

Covenants/loan requirements:
The conditions / requirements for the working capital financing facility are related to equity ratio, ratio of net debt to EBITDA and a specified borrowing base.
The company has for the maintenence period (and a period subsequent to this) divergent loan conditions / requirements.

Guarantees:
Tizir Limited (the UK based mother company of TTI) has issued corporate bonds of MUSD 275 which is secured by the interest in both Tizir Titanium & Iron AS and Tizir Mauritius Limited. TTI has, in addition, provided an on-demand guarantee in favour of Nordic Trustee on behalf of the bondholders, for the full loan amount including any interest costs and expenses.

Carrying amount of pledged assets	2015	2014
Inventory	188 733 535	253 770 846
Accounts receivable	57 444 147	162 883 062
Total	**246 177 682**	**416 653 908**

The company has not laid down any guarantees for external third parties.

Note 15 Bank deposits

The company has a tax guarantee of NOK 10.000.000 wich covers the company's liability related to withholding taxes as of 31.12.2015.

Note 16 Financial risk

The company does not use financial instruments, including financial derivatives, for trading purposes. The routines for currency risk management has been approved by the board, and is followed up by the Tizir Group as well as local management.
The most important risks which the company is exposed to are interest risk, liquidity risk, currency risk and credit risk.
The group and the local management assess the risks on a continious basis and decide on how to mitigate these risks.
The company uses financial instruments to hedge the risk related to fluctuations of foreign currencies. In accordance with the group's strategy for currency exposure, the company uses financial derivatives to reduce this risk. The accounting principles related to financial derivatives are described in note 1 and the effects is specified in note 6.

(i) Credit risk

The company is mainly exposed to credit risk related to accounts receivables and other short term receivables. The company is reducing its exposure by assessing all customers by categorizing them after credit worthiness. The customers are mainly large industrial companies with a solid financial history. The company's receivables are insured.

The company does not have material risk related to a singel counterparty, or several conterparties which can be seen as a group due to similarities in the credit risk.

The company has guidelines and established routines which secure that sales are only made to customers that not have or have had substantial financial problems with payments, and that outstanding amounts do not exceed pre-determined fixed credit limits. The company has not guaranteed for any third party debt.

(ii) Liquidity risk

Liquidity risk is the risk that the company is not able to handle its financial liabilities as they fall due. The company's strategy to handle its liquidity risk is to have sufficient credit facilities at all times, this in order to meet all financial liabilities at maturity.

(iii) Interest risk

The company is exposed to interest risk through its financing activities. Loans with floating interest entails an interest risk for the company's cash flow which partly is hedged by bank deposits with floating interest rate. The company is not using any interest swaps to hedge the floating interest risk.

(iv) Currency risk

The company is exposed to currency fluctuation related to the value of Norwegian Kroner relative to other currencies due to sales and purchases are mainly performed in EURO and USD. The company hedges its currency risk through currency forward contracts. The currency risk is assessed for each foreign currency position and includes assets, liabilities, off balance sheet items and highly probable purchases and sales in the respecitve currency.

Note 17 Power contract:

The company has a long term lease contract for 28.6% of Tysso 2 power plant including the corresponding portion of the reservoir capacity. The lease contract lasts until 2030. The lease price is for the period up to the year 2021 based on a fixed lease price for a net power volume equivalent to 237.7 GWH. If the market price for electricity exceeds a defined threshold price over a period of 168 hours then the lease price is replaced by market price for the relevant period. The real power production may differ from the volume basis for the lease price (the real production depends on rainfall, inflow and the selected production profile) and will vary from year to year. The Tysso 2 lease contract covers approximately 70 - 80% of the company's power needs during a normal year.

Note 18 Government grants

The company has during 2015 received a government investment grant from ENOVA related to an upgrade of the production facility in Tyssedal, where the upgrade will lead to a more efficient and environmental friendly production. The government grant amounts to NOK 122.734.320. According to Generally Accepted Accounting Principles in Norway such a grant is normally to be recognized on a gross basis (deferred income), and the part recognized in profit and loss as other income. However, the management has assessed that the part of the upgrade which is related to environmental improvements not would had been realized had it not been for the grant. Consequently the management has assessed it as correct to recognize the grant on a net basis, where the acquisition cost is reduced with the value of the grant. Subsequent recognition in the profit and loss will then be as reduced depreciation expenses. An important criteria for the grant is that the company will achieve a yearly energy saving of 22 GWH. The company has also received an operating government grant from Innovasjon Norge amounting to NOK 5.244.428, where standard criterias for such grants applies. The grant is recognized in the profit and loss statement and classified together with the expense the grant is related to.

Tizir Titanium & Iron AS

Cash flow statement

	2015	2014
CASH FLOW FROM OPERATIONS:		
Profit/(loss) before taxation	-53 888 930	36 685 014
Taxes paid for the period	-12 966 866	-110 982 104
Depreciation and amortisation	37 267 118	48 800 974
Impairment of fixed and intangible assets	16 043 092	629 297
Pension expenses without cash effect	0	-86 000
Fnancial instruments recognized in profit and loss statement	8 277 325	231 675
Change in inventory	65 037 311	-35 185 802
Change in trade receivables	105 438 915	-68 500 884
Change in trade payables	38 079 987	67 956 621
Changes in other current assets and other liabilities	-61 333 367	12 767 541
Net cash flow from operations	**141 954 585**	**-47 683 668**
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Inflows due to sales of fixed assets	0	310 000
Outflows due to purchases of fixed assets incl. periodic maintenance	-489 912 446	-37 747 276
Net cash flow from investment activities	**-489 912 446**	**-37 437 276**
CASH FLOW FROM FINANCING ACTIVITIES:		
Net change in bank overdraft	244 801 048	-91 201 150
Loan to parent company (Cash Pool)	-47 368 153	321 290 781
Government investment grant	122 734 320	0
Dividend payments	0	-114 691 831
Net cash flow from financing activities	**320 167 215**	**115 397 800**
Net change in bank deposits, cash and equivalents	-27 790 646	30 276 856
Bank deposits, cash and equivalents at 1 January	34 542 166	4 265 313
Bank deposits, cash and equivalents at 31 December	**6 751 520**	**34 542 166**

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Translation from the original Norwegian version

To the Annual Shareholders' Meeting of Tizir Titanium & Iron AS

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of Tizir Titanium & Iron AS, which comprise the balance sheet as at 31.12.2015, and the income statement, showing a loss of NOK 40.181.082 and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Directors and the Managing Director Responsibility for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of these financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are prepared in accordance with the law and regulations and give a true and fair view of the financial position of Tizir Titanium & Iron AS as at 31.12.2015, and of its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Deloitte.

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors report concerning the financial statements, the going concern assumption and the proposal for the coverage of the loss is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, «Assurance Engagements Other than Audits or Reviews of Historical Financial Information», it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Tønsberg, 12 May 2016
Deloitte AS

Kenneth Karlsen
State Authorised Public Accountant (Norway)

Translation has been made for information purposes only