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Copies of this document are being sent to members. If you have sold or otherwise transferred all your Shares in the Company, please send this document, as soon as possible to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred only part of your holding of shares or Depositary Interests in Sierra Rutile Limited you should retain this document and consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

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A copy of this document, along with other information required to be provided under the AIM Rules, is available on the Company's website at [www.titaniumresources.com](http://www.titaniumresources.com).

## **Sierra Rutile Limited**

(Incorporated under the laws of the British Virgin Islands with incorporation number 629748)

### **Notice of Annual General Meeting**

Notice of the Annual General Meeting of the Company, to be held at 10am on 6 July, 2011 at the offices of Olswang LLP, 90 High Holborn, London WC1V 6XX, is set out at the end of this document. If you are a Member, a form of proxy for holders of Shares for use at the Annual General Meeting is enclosed. To be valid, the form of proxy should be completed, signed and returned in accordance with the instructions printed thereon to the Company's registrar, care of Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, as soon as possible but in any event must arrive not later 10am on 4 July, 2011. If you are a holder of Depositary Interests, a form of instruction for holders of Depositary Interests is enclosed. To be valid, the form of instruction should be completed, signed and returned in accordance with the instructions printed thereon to the Company's depositary, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but in any event must arrive not later than 10am on 1 July, 2011. The completion and return of a form of proxy will not prevent a member from attending the Annual General Meeting and voting in person if you so wish.

A summary of the action to be taken by members and holders of Depositary Interests is set out in the Chairman's letter and in the accompanying Notice of Annual General Meeting.

PART I

**SIERRA RUTILE LIMITED**

(Incorporated under the laws of the British Virgin Islands with incorporation number 629748)

**Directors:**

Alex B. Kamara (Non-Executive Director)

Dr Charles Entrekin Ph.D (Non-Executive Director)

François Colette (Non-Executive Director)

John Bonoh Sisay (Executive Director, Chief Executive Officer)

Michael Barton (Non-Executive Director)

Michael Brown (Non-Executive Director)

Jan Castro (Non-Executive Chairman)

**Registered Office:**

Trinity Chambers  
PO Box 4301  
Road Town  
Tortola  
British Virgin Islands

15 June 2011

To: Members

Dear Member

**Notice of Annual General Meeting**

I am pleased to be writing to you with details of our Annual General Meeting ("AGM") which we are holding at 10am on 6 July, 2011 at Olswang LLP, 90 High Holborn, London, WC1V 6XX. The formal notice of Annual General Meeting is set out on pages 4 and 5 of this document.

**Business of the meeting**

Explanatory notes on all the business to be considered at this year's AGM appear on page 6 of this document.

At the general meeting of Sierra Rutile Limited (the "**Company**") held on 21 February 2011, the Members passed a resolution waiving the requirement for the directors of the Company to resign and seek re-election at the AGM. The directors will stand for re-election at the 2012 annual general meeting in the ordinary course.

## **Action to be taken**

Members will find enclosed with this document a form of proxy for use at the AGM and the holders of Depositary Interests will find enclosed a form of instruction to provide to Computershare Investor Services PLC.

If you are a member, whether or not you intend to be present at the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and to return it to the Company's registrar, care of Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY as soon as possible and, in any event, so as to arrive not later than 10am on 4 July, 2011. The completion and return of the form of proxy will not preclude you from attending the AGM and voting in person if you wish to do so.

If you are a holder of Depositary Interests, you are requested to complete, sign and return your form of instruction enclosed with this document, appointing Computershare Company Nominees Limited to vote the underlying shares in the capital of the Company on your behalf at the AGM, to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible but, in any event, so as to arrive no later than 10am on 1 July, 2011. If you are a holder of Depositary Interests, you have no right to attend and vote the underlying shares at an AGM and you should therefore complete and return the form of instruction so that Computershare Investor Services PLC (the "Depositary") may vote on your behalf. However, if as a holder of Depositary Interests you do wish to attend and/or vote at the AGM you should request a letter of representation from the Depositary in accordance with the instructions on the form of instruction.

## **Recommendation**

Your Board considers that all the resolutions to be put to the meeting are in the best interests of the Company and its members as a whole. Accordingly, your Directors unanimously recommend that you vote in favour of the resolutions to be proposed at the Annual General Meeting.

Yours sincerely

Jan Castro  
Chairman

### *Inspection of documents*

*The following documents will be available for inspection at Sierre Rutil Ltd Head Office and at Trinity Chambers, PO Box 4301, Road Town, Tortola, British Virgin Islands from date of sending the circular until the close of the AGM and at the AGM location from 15 minutes before the AGM until it ends:*

- *Copies of the executive directors' service contracts*
- *Copies of letters of appointment of the non-executive directors*

## PART II

### SIERRA RUTILE LIMITED

#### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 2011 annual general meeting of Sierra Rutile Limited (the "**Company**") will be held at Olswang LLP, 90 High Holborn, London, WC1V 6XX at 10 am on 6 July, 2011 to consider and, if thought fit, pass the resolutions below. Resolutions 1 to 3 (inclusive) will be proposed as ordinary resolutions.

1. To receive the Company's annual accounts for the financial year ended 31 December 2010, together with the directors' report and the auditors' report on those accounts.
2. To appoint Deloitte LLP as auditors to hold office from the conclusion of this meeting until the conclusion of the next general meeting of the Company at which accounts are laid.
3. To authorise the directors to fix the remuneration of the auditors.

15 June 2011

By order of the Board

Joseph Connolly

Company Secretary

Registered Office: Trinity Chambers, PO Box 4301, Road Town, Tortola, British Virgin Islands

Registered in the British Virgin Islands No. 629748

#### Notes

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him. A proxy need not be a Member of the Company. A Member may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Member. A form of proxy which may be used to make such appointment and give proxy instructions is enclosed. If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Computershare on +44 (0) 870 707 4040. Instruments of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power or authority should be sent to the

Company's registrar, care of Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY so as to arrive not later than 10am on 4 July, 2011.

2. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), Members must be entered in the Register of Members at 10am on 4 July, 2011 ("the Specified Time"). If the Annual General Meeting is adjourned to a time not more than 48 hours after the Specified Time applicable to the original meeting, that time will also apply for the purpose of determining the entitlement of Members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. If however the Annual General Meeting is adjourned for a longer period then, to be so entitled, Members must be entered on the Company's Register of Members at the time which is not less than 48 hours before the time fixed for the adjourned meeting or, if the Company gives notice of the adjourned meeting, at the time specified in that notice.

3. For holders of Depositary Interests, to be valid any Forms of Instruction or letter of representations must be returned so as to reach the Company's depository, Computershare Investor Services PLC, The Pavillions, Bridgwater Road, Bristol BS99 6ZY, no later than 10am on 1 July, 2011.

## **PART III**

### **EXPLANATORY NOTES TO RESOLUTIONS**

Resolutions 1 to 3 are proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution.

#### **Resolution 1 (annual report and accounts)**

The directors of the Company must present to the meeting the audited annual accounts and the directors' and auditors' report for the financial year ended 31 December 2010.

#### **Resolutions 2 and 3 (appointment and remuneration of auditors)**

The Company must appoint auditors at each general meeting at which accounts are presented to shareholders to hold office until the conclusion of the next such meeting. Resolution 2 seeks shareholder approval to appoint Deloitte LLP as the Company's auditors. In accordance with normal practice, Resolution 3 seeks authority for the Company's directors to fix their remuneration.