



**Titanium Resources Group (“TRG” or “the Group”) Announces the Commissioning of Dredge D1 at the Sierra Rutile mine and the Restart of SML Bauxite Project**

23 January, 2006: TRG is pleased to announce that it has successfully refurbished and is currently commissioning the primary bucket line dredge (Dredge D1) used in the extraction of mineral sands at the Group’s Sierra Rutile mine in south eastern Sierra Leone. The re-commissioning of Dredge D1 was completed on schedule and within budget. Dredge D1 will produce 100,000 tonnes per annum of high quality natural rutile. Commercial scale production from Dredge D1 is expected to commence in the first quarter of 2006 once all commissioning tests have been satisfactorily completed.

Refurbishment work on the second dredge (Dredge D2) has commenced and start-up of Dredge D2 is anticipated in the second half of 2007. At full production, dredges D1 and D2 will produce approximately 200,000 tonnes per annum of rutile along with significant amounts of zircon and ilmenite by-product. Proceeds of the Company’s August 2005 IPO are being used to fund construction and start-up of Dredge D2.

TRG is also pleased to announce that the rehabilitation and restart of the SML Bauxite Mine has been completed on schedule and within budget. The mine has commenced commercial scale production. It will produce approximately 1.2 million tonnes per annum of high quality bauxite. The mine’s production is being sold to Alcoa and Glencore under long-term sales contracts.

Commenting on the announcement, Walter Kansteiner, non-executive Chairman, said:

“Restart of Dredge D1 and the SML Bauxite mine underlines the commitment of the Group’s management and employees to deliver on the promises made to shareholders as well as to the people of Sierra Leone.

Despite the challenges of returning the mines to working order after ten years, the team on the ground in Sierra Leone has passed the first milestone on the road towards returning the mines to their previous position as world class producers.

Developments at the two mine sites are continuing and we anticipate further announcements in relation to additional elements of the refurbishment programme in due course.”

Ends

For further information

**TRG**

Walter Kansteiner, non-executive Chairman

Tel: +44 (0) 207 321 0000

**Aura Financial**

Michael Oke

Andy Mills

Tel: +44 (0) 207 321 0000

This press release has been issued by TRG and is the sole responsibility of the company. This press release does not contain or constitute an offer or invitation to purchase or subscribe for any securities of TRG and should not be relied on in connection with any decision to purchase or subscribe for any such securities.

The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration under the Securities Act or an available exemption from it.

**Notes to Editors**

**Titanium Resources Group**

Titanium Resources is the holding company of a group of companies that are engaged in the mining, marketing and exploration of mineral resources. The Group owns two mining operations in the Republic of Sierra Leone – the Sierra Rutile Project and the SML Bauxite Project. Both mines operated for over 15 years until operations were suspended in 1995. The projects accounted for 75 per cent of the exports of Sierra Leone.

The Sierra Rutile Project will employ conventional dredging and processing methods to produce mineral sands in the southwest of Sierra Leone, where its production previously represented approximately 30 per cent of the world's annual supply of natural rutile. Natural rutile is a high titanium-bearing feedstock employed in the manufacture of titanium dioxide (TiO<sub>2</sub>) pigments that are used in paint, plastics, paper and pharmaceuticals and the production of titanium metal and welding rods.

In close proximity to the Sierra Rutile mine is the SML Bauxite Project which successfully mined bauxite in the Mankanji area for over 30 years prior to the suspension of operations in 1995. Bauxite from the SML bauxite mine is premium grade metallurgical bauxite which is the primary feedstock used in the production of aluminium.

Both projects will employ proven mining and processing techniques and were profitable operations in the past. Rutile and bauxite from this region are both recognised for their high quality.