

LEGAL COUNSEL

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TRANSFER AGENT

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AUDITORS

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STOCK EXCHANGE LISTING

Canada:
Toronto Stock Exchange
Montreal Exchange
Trading Symbol:
TIO

Inquiries relating to shareholdings should be directed to the Transfer Agent.

The Annual and Special Meeting of Shareholders will be held on Thursday,
June 11, 1998, at 4:15pm, at The Ontario Club, Commerce Court South,
5th Floor, Toronto, Ontario.



T I O M I N R E S O U R C E S I N C .

1997 ANNUAL REPORT






السلامة

Technologies laboratory in Australia. The data and mineral separation characteristics presently being generated by the Australian laboratory will provide Tiomin with the necessary infor-

and grades compare favorably with similar deposits currently being exploited elsewhere in the titanium industry.



Ñ ancient beach or river system Ñ environment. The titanium mineral sands industry is oriented mainly toward the r



BACKGROUND

Tiomin Resources Inc. (the "Corporation" or "T")



TO THE SHAREHOLDERS OF TIOMIN RESOURCES INC.
Management is responsible for the integrity and objectivity of the information contained in this annual report and for the consistency between the financial statements and other financial operating data contained elsewhere in the report. The accompanying financial statements have been prepared by management in accordance with accounting principles generally accepted in Canada using estimates and careful judgement, particularly in those circumstances where tr



AS AT DECEMBER 31 (AMOUNTS IN \$)	1997	1996
ASSETS		
CURRENT		
CASH AND SHORT-TERM INVESTMENTS	5,760,280	26,013,348
RECEIVABLES	163,969	344,718
	<hr/>	<hr/>
	6,073,743	26,494,724
FIXED ASSETS, NET OF ACCUMULATED DEPRECIATION	950,554	969,539
MINERAL PROPERTIES		



1. NATURE OF OPERATIONS

Tiomin Resources Inc. (the Corporation or Tiomin) and its subsidiaries are in the process of exploring mineral properties located in Canada, Kenya and Panama. The exploration and development of mineral properties in Kenya and

· Tiomin Kenya Limited (òTKLó) Ñ a Kenyan Corporation

· Kenya Titanium Minerals Limited (òKTMó)
Ñ a Kenyan Corporation

The Corporation pur

PIERRE LASSONDE,²
B.SC., M.B.A., P.ENG., C.F.A.

Mr. Lassonde is President of Franco-Nevada Mining Corp. Ltd. (since 1983) and Euro-Nevada Mining Corporation Limited (since 1987), which

AUGER DRILLING: A rotary drilling device used to drill short holes.

CATHODE COPPER: A pure copper foil which can be directly shipped to manufacturers without smelting or refining; produced by electrowinning pure copper ions from concentrated leach solutions onto stainless steel cathodes.

CHALCOCITE: An important mineral of copper ore, commonly

