

30 July 2018

Quarterly Activities Report

Highlights

- **Torrecillas gold project phase 1 exploration campaign completed**
- **Acquisition of Andina Resources Limited nearing completion, current acceptances total 97%**
- **Binding agreement executed for acquisition of Mirador copper and gold processing plant in Northern Peru**

Titan Minerals Limited (ASX: TTM) ("**Titan**" or "**the Company**") is pleased to provide its quarterly activities report for the quarter ended 30 June 2018.

Torrecillas Gold Project – Peru

During the quarter, the Company's geological team continued its detailed review of the historical exploration data, and completed a detailed field mapping and sampling campaign for the high-grade Torrecillas Gold Project in Peru.

Exploration activity on the project continues during the Andina acquisition, and results from recent work will allow the Company to better rate and rank numerous targets requiring follow-up work and re-define the exploration strategy to advance top tier targets to potential drill testing in 2018 following required permitting.

Among the previously identified eleven target areas, four vein zones have been identified for follow-up work based on strike extent and continuity of high grade results, including the Rebeca, Preciosa and Ady-Oly vein corridors, with each target area containing multiple veins across substantial widths ranging from 1.8 to 2.7km in strike extent. The priority target areas for drill follow-up include;

- Ady-Oly Prospect, which comprises numerous sub-parallel vein and vein extensions to the historical resource at the Torrecillas mine area on a complex vein array covering over 2.4km extent proximal to the granitic and Andesitic volcanic host rock contact zone in the area. The area includes numerous >5g/t results from channel samples across veins mapped at surface. Including up to 42.7g/t gold and 22.7g/t gold value returned on new vein extensions identified in recent mapping in a step-out to the southwest.
- Preciosa Prospect is a 2.7km long corridor of veining with multiple high-grade veins mapped on topographic highs. Sampling to date demonstrate strong potential for continuity of gold grades along strike, and additional trench sampling is planned in areas of colluvial cover to assess additional continuity of strike along veins within the target area.
- Rebecca Prospect is an area of relative high vein density and on average returning consistently high grades from representative channel sampling across multiple veins within the 1.8km long vein swarm. Again, vein extent and density are currently focused in areas of best exposure with significant potential to add strike extent and volume through further trenching and follow-up drilling along strike.

Previous exploration and mining on the Torrecillas Concession has highlighted multiple targets with high-grade resource potential within the project area. Recent exploration activity has refined characteristics to prioritise areas delivering significant strike extent and density of veining with continuity of grade to deliver potentially economically viable resources with drill definition.

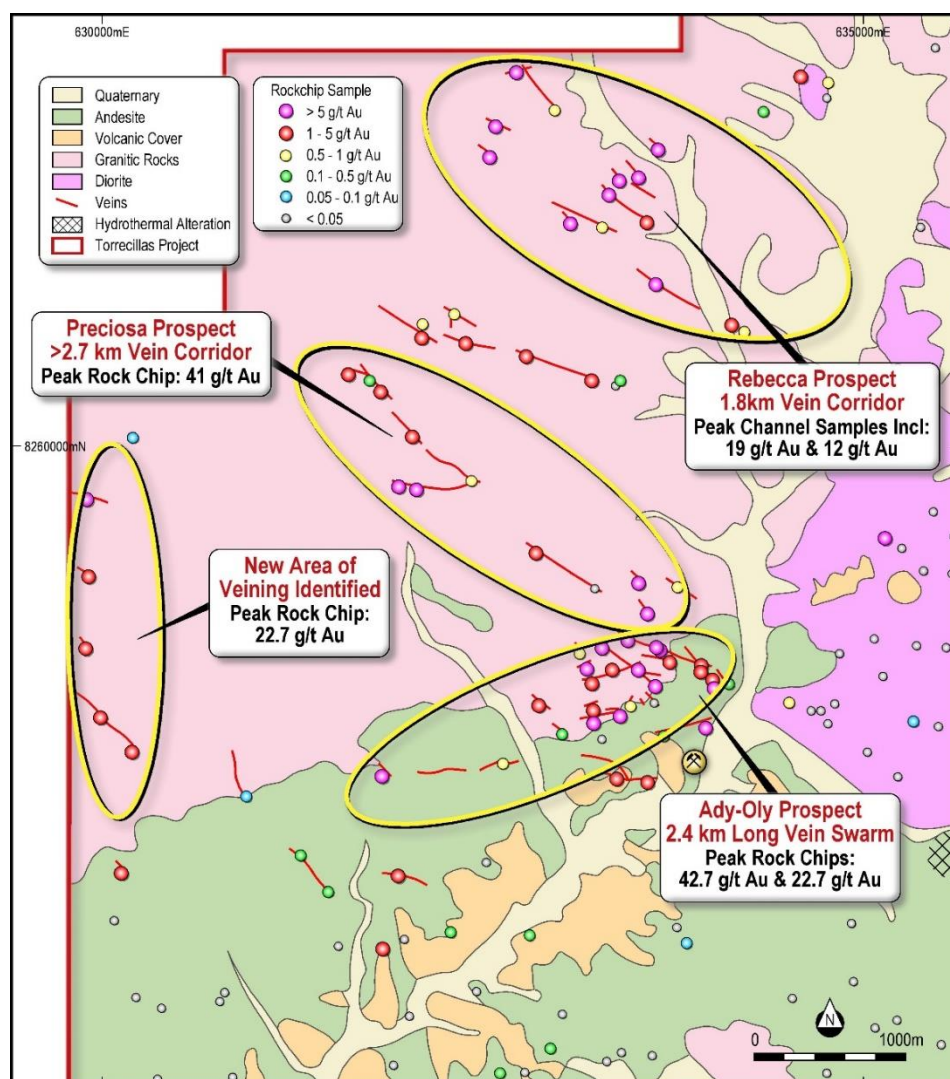


Figure 4 | Location of prioritised high-grade gold target areas at Torrecillas Project in Peru with reported surface sampling locations

Titan is currently nearing completion on successfully re-consolidating 100% ownership of the Torrecillas Gold Project without Titan having to earn-in as previously required. The Company anticipates increasing its right to earn-in a 70% interest in the Torrecillas Gold Project to 100% ownership with completion of the Andina acquisition.

Planned Exploration Activity

The company will continue with exploration activity including ongoing channel sampling and trenching activity to define continuity of grade at surface on targets and will move forward with required environmental permitting for drilling top tier targets within the mining concessions.

San Santiago Copper Plant

With the successful acquisition of Andina's Vista Gold Plant nearing completion and the proposed acquisition of the Mirador Copper-Gold plant advancing, Titan will not restart the gold circuit at San Santiago. Instead, it is proposed that on completion of the takeover, gold will be processed at the Vista Gold Plant. The San Santiago Copper Plant remains in care and maintenance whilst Titan's operational team continues its assessment for the restart and expansion of the plant's operations in context of the existing copper processing capacity of the Mirador Copper and Gold processing site included in the Company's proposed take acquisition of Kairos and Mirador. The conclusion of the ongoing assessment is expected to be completed in Q4 2018.

Corporate

The Company's executive management team and Board continue to dedicate considerable time and effort in Peru progressing multiple opportunities for the Company, as evidenced by the acquisition of Andina Resources and the binding Heads of Agreement to acquire the Mirador processing plant in northern of Peru. On completion of all proposed transactions, Titan will operate several gold and copper processing facilities in both the southern and northern parts of Peru, with approved licensing and permitting approved for up to 700 tonnes per day capability.

This will provide the Company with a distinct competitive advantage in Peru to acquire and develop high-grade gold and gold-copper projects within the well-endowed Andean terrain. Additional high-grade ore, should it be needed, can be supplied from licensed artisanal miners who do not have processing capability.

The takeover of Andina Resources Limited ("Andina") is expected to complete in late September 2018 following the compulsory acquisition of the remaining 2.81% of the Andina shares on issue accordance with the provision of the Corporation Act 2001 (Cth).

Oversubscribed Capital Raise

As announced 22 May 2018, the Company received firm commitments to raise approximately \$11 million through an oversubscribed placement of 366,666,666 shares at 3.0 cents per share to institutional and sophisticated investors ("Placement").

The Placement was undertaken in two tranches:

- the first tranche of the Placement, comprising 233,333,333 shares, (\$7,000,000) (**Tranche 1**) was placed utilising Titan's 15% placement capacity under ASX Listing Rule 7.1; and
- the second tranche of the Placement, comprising approximately 133,333,333 shares, \$4,000,000 (**Tranche 2**) was issued on 17 July 2018 after receiving shareholder approval at a general meeting held on 12 July 2018.

The proceeds of the Placement will be used to finalise the acquisition of the Mirador Copper and Gold plant and explore Titan's Torrecillas and San Santiago projects in Peru.

Share Sale Facility

On 12 June 2018 the Company announced that it established a share sale facility ("Facility") for shareholders that hold less than \$500 in value of the Company's shares ("Unmarketable Parcel") as at 5.00pm (WST) on 8 June 2018 ("Record Date"). An Unmarketable Parcel of shares is any shareholding of 15,624 shares or less, based on the Company's closing share price of \$0.032 on the Record Date. The Company has offered this Facility to assist holders of Unmarketable Parcels to sell shares without incurring any brokerage or handling costs that could otherwise make a sale of their shares uneconomic.

Following the Closing Date of Share Sale Facility on 26 July 2018 the Company anticipates a significant reduction in the number of shareholders in the Company which will resulting a reduction in the administrative costs for the Company going forward.

Andina

Andina is a Peru focused gold toll treatment company whose activities comprise gold refining and production at the Tulin Gold Plant and the Vista Gold Plant in Southern Peru.

The acquisition of the Tulin and Vista Gold Plants has several key benefits, including taking advantage of the Vista Gold Plant's existing permits, allowing Titan to avoid building its own mill facilities, saving circa US\$4M in capital expenditure, avoiding circa four years required to achieve the gold plant licensing approvals, and providing significant administration and corporate overhead savings.

These synergies will cement Titan's footprint in Peru as a significant gold and base metals exploration and production company.

Tulin Gold Plant

Andina currently leases and operates the Tulin Gold Plant, located south of Nazca in Southern Peru. High grade gold ore (averaging approximately 15-20 g/t) is acquired from licensed artisanal miners, and then processed at the plant.

For the reporting period, the Tulin Gold Plant averaged 40 tonnes per day of ore feed averaging 16.3g/t gold head grades and processed with 91.7% gold recoveries.



Figure 1 | Tulin Gold Plant, High-grade gold stockpiles circa 15-30 g/t

Vista Gold Plant

Andina is currently constructing the Vista Gold Plant in southern Peru, located near the San Santiago and Torrecillas Gold Projects. Andina is targeting Q4 2018 for completion of construction and commissioning of the Vista Gold Plant. When commissioned, the Vista Gold Plant will provide the combined group with significant cash flow opportunity in the near term. The team intends to acquire and process high grade ore from licensed artisanal miners in the region and utilise the Vista Gold Plant to process any ore mined at the Torrecillas mine, providing significant synergies to the group.

When complete and permitted, the Vista Gold Plant will have a nameplate capacity of 150 tonnes per day, more than triple the operating capacity of the existing Tulin Gold Plant. The Vista Gold Plant has been designed to increase its capacity to 350 tons per day with minimal capital outlay, when warranted by supply of ore.



Figure 3 | Vista Carbon & Leaching Tanks, with Tailings Dam in the distance.

Mirador Copper Gold Plant

On 17 April 2018, Titan executed a binding heads of agreement to acquire Peruvian companies Kairos Capital Peru S.A.C (“**Kairos**”) and M&S Transportes y Servicios Generales S.R.L (“**Mirador**”), subject to, among other things, completion of due diligence enquiries to the satisfaction of Titan (“**Acquisition**”). The company has completed its due diligence (as announced 22 May 2018) and continues to negotiate final documentation with the vendors.

The major assets held by Kairos and Mirador include the 100% owned Mirador processing plant located in Chimbote, Peru (“**Mirador Plant**”) and six (6) 100% owned mineral concessions. The Mirador Plant is fully operational and has feedstock stockpiled and ready for processing through its flotation circuit. The plant site is also fully permitted for up to 350 tonnes per day capacity of the operation, where subject to the results of Titan’s due diligence and completion of the Acquisition, Titan plans to upgrade the facility with a carbon in pulp (CIP) circuit. The Mirador Plant is strategically located 450km north of Lima, in Chimbote whereas the majority of the toll mill processing facilities are focused in the south of the country in the Chala and Nazca districts.

ENDS

For further information please contact:

Mr Matthew Carr
Executive Chairman
Titan Minerals Limited
Tel: +61 408 163 950

About Titan Minerals Ltd

Titan Minerals is the owner and operator of a copper and gold business in a well-established mining region of Southern Peru. A centralized processing plant produces carbon from a CIP gold circuit, with feed sourced from third party operators previously averaging 15 to 20g/t gold head grades.

Titan’s gold assets include the Torrecillas project where a number of high-grade narrow gold veins have been developed and mined by Titan Minerals. This gold project, located just 180km from the processing plant, are part of 16,000Ha mineral concession package that also contain two large tonnage, low-grade disseminated targets containing known gold and copper with silver and molybdenum mineralization.

The Company is continuously evaluating additional projects within Peru for acquisition or joint venture to both provide additional, low cost gold and copper ore feed for existing processing facilities and opportunities for processing growth and expansion. In addition, the Company shall also continue to evaluate project elsewhere in gold, copper and other commodities to grow shareholder value.

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Travis Schwertfeger, who is a Member of The Australian Institute of Geoscientists. Mr Schwertfeger is the COO & Chief Geologist for the Company. Mr Schwertfeger has sufficient experience which is relevant to the style of mineralization and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Schwertfeger consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 1 – Tenements

Mining tenements held at the end of the June Quarter 2018

Project	Location	Tenement	Interest at end of quarter
Torecillas	Southern Peru	Retorno-I	70% ¹
Torecillas	Southern Peru	Retorno-II	70% ¹
Torecillas	Southern Peru	Retorno-III	70% ¹
Torecillas	Southern Peru	Retorno-IV	70% ¹
Torecillas	Southern Peru	Retorno-V	70% ¹
Torecillas	Southern Peru	Retorno-VI	70% ¹
Torecillas	Southern Peru	Retorno-VII	70% ¹
Torecillas	Southern Peru	Retorno-VIII	70% ¹
Torecillas	Southern Peru	Retorno-IX	70% ¹
Torecillas	Southern Peru	RetornoXIV	70% ¹
Torecillas	Southern Peru	RetornoXV	70% ¹
Torecillas	Southern Peru	RetornoX	70% ¹
Torecillas	Southern Peru	Retorno XX	70% ¹
San Santiago	Southern Peru	San Santiago De Acari	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004P	100%
San Santiago	Southern Peru	Don Ivan 31N-1	100%
San Santiago	Southern Peru	Don Tomasito De Acari	100%
San Santiago	Southern Peru	Camilla VII	100%
San Santiago	Southern Peru	Virgen Del Carmen I 2004	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 A	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 H	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 L	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 M	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 N	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 S	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 T	100%
San Santiago	Southern Peru	Virgen Del Carmen 2006 A	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 J	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 R	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004 Q	100%
San Santiago	Southern Peru	Virgen Del Carmen 2005a	100%
San Santiago	Southern Peru	Virgen Del Carmen 2005 B	100%

San Santiago	Southern Peru	Acari Trigesimo	100%
San Santiago	Southern Peru	Virgen Del Carmen 2005 C	100%
San Santiago	Southern Peru	Virgen Del Carmen 2007 A	100%

¹ Interest held subject to Earn-In Agreement with Andina Resources Limited in the reporting period, however anticipate consolidating to a 100% interest with the acquisition of Andina Resources becoming unconditional subsequent to this reporting period.

Mining tenements acquired and disposed during the June 2018 quarter:

Project	Location	Tenement	Interest acquired/ relinquished during Quarter
Mining tenements acquired			
Nil			
Mining tenements relinquished			
Nil			

Beneficial percentage interests in farm-in or farm-out agreements at the end of the June 2018 quarter:

Project	Location	Tenement	Interest at end of the quarter
Torecillas	Southern Peru	Retorno-I	70% ¹
Torecillas	Southern Peru	Retorno-II	70% ¹
Torecillas	Southern Peru	Retorno-III	70% ¹
Torecillas	Southern Peru	Retorno-IV	70% ¹
Torecillas	Southern Peru	Retorno-V	70% ¹
Torecillas	Southern Peru	Retorno-VI	70% ¹
Torecillas	Southern Peru	Retorno-VII	70% ¹
Torecillas	Southern Peru	Retorno-VIII	70% ¹
Torecillas	Southern Peru	Retorno-IX	70% ¹
Torecillas	Southern Peru	RetornoXIV	70% ¹
Torecillas	Southern Peru	RetornoXV	70% ¹
Torecillas	Southern Peru	RetornoX	70% ¹
Torecillas	Southern Peru	Retorno XX	70% ¹

¹ Interest held subject to Earn-In Agreement with Andina Resources Limited in the reporting period, however anticipate consolidating to a 100% interest with the acquisition of Andina Resources becoming unconditional subsequent to this reporting period.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the June 2018 quarter:

Project	Location	Tenement	Interest at beginning of the quarter	Interest at end of the quarter
<i>Farm-in or farm-out interests acquired</i>				
Nil				
<i>Farm-in or farm-out interests disposed</i>				
Nil				