

14 January 2019

LAS ANTAS BINDING AGREEMENT EXECUTED, PERU

HIGHLIGHTS

-) Binding Agreement executed to acquire up to an 85% interest in the Las Antas Gold Project
-) Environmental permitting process initiated
-) Targeting June 2019 Quarter commencement of drilling at Las Antas
-) Las Antas Gold Project has significant potential for bulk tonnage, disseminated style gold mineralisation hosted within a region of high-grade gold & silver vein style mineralisation
-) Located in the same volcanic sequence that is host to major deposits in Southern Peru including the Ares Mine (1.2Moz Au) and the Antapite Mine (600koz Au)

Titan Minerals Limited (ASX: TTM) ("**Titan**" or "**The Company**") is pleased to announce that it has executed a binding agreement ("**Earn-In Agreement**") pursuant to which it has been granted an exclusive option to acquire up to an 85% interest in the Las Antas Gold Project in southern Peru ("**Project**"). Under the Earn-In Agreement, Titan can earn-in to 60% of the Project by funding US\$2m in exploration activity within a 2-year period. The Earn-In Agreement also provides Titan with an opportunity to acquire an additional 25% interest in the Project.



Figure 1 | Location map – Titan projects within trucking distance of the Company's Vista facility.

Las Antas Project Highlights

Las Antas is located within the prolific epithermal gold belt of Southern Peru which contains various precious metal deposits including the Ares Mine (1.2Moz Au & 15Moz Ag) and the Antapite Mine (600koz Au). The Las Antas project itself hosts significant exploration potential for stand alone, bulk tonnage, disseminated style gold mineralization, and provides the Company with a key foothold into a broader district containing multiple high-grade gold-silver veins.

Accessible by paved road to within 8km of the project, Las Antas is 80km East of Peru's prominent PanAmerican Highway and well within trucking distance of the Company's Vista Gold Plant, which is currently undergoing commissioning for early 2019 commencement of commercial production.

The local mining district contains multiple high-grade gold and silver veins located proximal to key prospects within the Las Antas project. Las Antas is an important step towards the Company's objective of generating multiple opportunities with potential to provide high-grade gold ore feed to the centralized Vista Gold Plant.

Further details of the geological setting and exploration history can be found in the Company's ASX release dated 12 September 2018 regarding the non-binding indicative terms which were previously agreed to in respect of the Project.

Earn-in Agreement – Key Terms

Titan, through a wholly owned Peruvian subsidiary, has executed the Earn-in Agreement to acquire up to an 85% interest in the Project owned by Management Environmental Solutions S.A. ("**Vendor**"), a privately held Peruvian company. The key terms of the Agreement are as follows:

- J The Vendor has granted Titan an exclusive right to acquire 60% interest in the Project ("**Earn-In Option**") by completing at least US\$2,000,000 in exploration expenditure within 2 years of receiving all permitting requirements to commence undertaking of exploration activities on the Project ("**Earn-in Obligation**").
- J Upon completion of the Earn-In Obligation, Titan will have a period of 60 days within which it may elect to exercise the Earn-In Option. If Titan elects to exercise the Earn-In Option, it must deliver a notice to the Vendor and, within 30 days of delivery of such notice, pay the Vendor an amount of US\$450,000.
- J Upon Titan acquiring the initial 60% interest in the Project, Titan and the Vendor will establish a Joint Venture to govern the future conduct of activities in relation to the Project ("**Joint Venture**"), with Titan holding a 60% initial interest in the Joint Venture.
- J Upon the date on which a pre-feasibility study is first delivered in relation to the Project ("**Pre-Feasibility Date**"), Titan's interest in the Joint Venture and the Project will be increased by 10%. Titan will be solely responsible for funding the pre-feasibility study.
- J Separately, Titan will have an option ("**Buying Option**") to purchase an additional 15% interest in the Joint Venture and the Project from the Vendor in three tranches as follows:
 - o Tranche 1: Titan can purchase a 5% interest in the Joint Venture and the Project at any time before the Pre-Feasibility Date by paying to the Vendor US\$500,000;
 - o Tranche 2: Titan can purchase a 5% interest in the Joint Venture and the Project at any time within 60 days following the making of a decision to mine in relation to the Project by paying to the Vendor US\$1,000,000 (provided this must occur within 5 years of the Pre-Feasibility Date); and
 - o Tranche 3: Titan can purchase a 5% interest in the Joint Venture and the Project at any time within 60 days following the commencement of commercial production in relation to an operating mine on the Project by paying to the Vendor US\$1,000,000,

with Titan's right to exercise any tranche applying irrespective of whether it has previously exercised any other tranche.

- J The Vendor to retain a 15% non-diluted interest in the Project subject to financing by the Joint Venture subsequent to the pre-feasibility study.
- J The Vendor's contributions to the Joint Venture following the Pre-Feasibility Date will be covered by loan funding from Titan.
- J At all times following the formation of the Joint Venture, Titan will retain a first right of refusal over the Vendor's interest in the Project.

ENDS

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 loaded carbon from a CIP gold circuit, with feed sourced from third party operators previously averaging 15 to 20g/t gold head grades.

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.

For further information on all aspects of the company and its project please visit:

www.titanminerals.com.au or contact:

Matthew Carr – Executive Chairman

info@titanminerals.com.au

+61 8 6555 2950