
Titan to Acquire the Coriorcco Gold Project, Peru

HIGHLIGHTS

- Binding agreement executed for a 100% interest in the Coriorcco Gold Project
- Coriorcco Gold Project hosts multiple mineralised veins at > 1.2m widths at surface
- Located within 80km of Titan's wholly owned Vista Gold Plant
- Project is ready for early stage development for small-scale mining within trucking distance of the Vista Gold Plant
- Potential to deliver low-cost feed to the Vista Gold Plant which would give the Company leverage on margins in a market with a rising gold price
- Strong stand-alone development potential post favourable drilling and resource definition work
- Located proximal to the recently acquired Las Antas Gold Project, providing multiple synergies for cost effective exploration on both properties

Titan Minerals Limited (ASX: TTM) ("**Titan**" or "**The Company**") is pleased to announce that it has executed a binding agreement ("**Cession Agreement**") for an exclusive right to hold title and operate a 100% interest in the Coriorcco Gold Project located in Southern Peru ("**Project**"). The Cession Agreement is for a 10-year term, with an option to extend for eight years, pursuant to which payments include a US\$100,000 advance to be offset against future production payments fixed for the first three years for any gold production from the Project and production payments subsequently varying with gold grade in accordance with the key terms outlined below.

The Coriorcco project acquisition provides the Company with a low-cost entry into a highly prospective project with potential to bring significant financial benefit to the Vista Gold Plant in the near term, along with resource growth potential for the Company in the future. The project has an existing camp and boasts two existing underground adits with over 1500m of existing underground development. The Company will immediately commence work on permitting requirements to concurrently drill and also access and assess the mineralization in the existing underground development. Planned work will initially focus on defining and developing the potential to deliver mineralized material to the Vista Gold Plant in the short term, with the intention to predominantly fund exploration work in support of the Vista Plant from the cash flow generated by the existing processing capability of the Company in Peru.

Coriorcco Gold Project Highlights

Coriorcco is accessible by paved road to within 5km of the Project area and located 80km east of Titan's wholly owned Vista Gold Plant (refer to ASX release dated 28 February 2019). Coriorcco is an early stage exploration project with no previous drilling located adjacent to the Company's Las Antas project Earn-in (refer to ASX release dated 14 January 2019). The project is positioned well within trucking distance of the Vista gold processing plant

and is well suited for development of high-grade, low-tonnage mine development work that can be transported for beneficiation at the Vista Plant. The Project is located within the Oligocene-Pliocene gold-silver Belt of Southern Perú, which contains various precious metal deposits including the Ares Mine (1.2Moz Au & 15Moz Ag) and the Antapite Mine (600koz Au), and it is one of multiple zones of high-grade vein gold mineralization in the mining district surround the extensive alteration footprint of the Company's nearby Las Antas Gold Project.

Coriorcco is a drill-ready project with potential to provide high-grade gold ore feed to the Company's Vista Gold Plant, initially targeting a number of outcropping veins with historical development on quartz veins with 0.8 to 2.5m mineable widths in previous mining, which are mined from underground to surface in a few locations.



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

Earn-in Agreement – Key Terms

Titan, through a wholly owned Peruvian subsidiary, has finalised binding terms for a 100% interest in the project for a 10-year cession of the Property to the Project owned by Coriorcco Gold S.A.C. ("**Vendor**"), a privately held Peruvian mining company. The key terms of the Agreement are as follows:

- The Vendor has granted to Titan 100% exclusive rights to the Project for a 10-year period with a renewal clause for an extra 8 years if all aspects of the contract are fully complied with. ("**Cession Agreement**").
- The Company will pay a non-refundable US\$100,000 advance on future production payments (exclusive of a potentially recoverable US\$18,000 IGV payment).
- To maintain the Cession Agreement, the Company is required to maintain the tenements in good standing and complete the following production requirements:
 - Commence commercial production ("Production Date") with 2 years of the executions date or pay an additional US\$50,000 advance towards production payments to extend the commencement of commercial production to within 3 years of the execution date.

- Achieve a minimum 60 dry metric tonne per day production rate from the 3rd anniversary of the Production Date, and;
- Achieve a minimum 100 dry metric tonne per day production rate from the fifth anniversary of the Production Date.
- The Company will make a fixed production payment on any ore extraction from Coriorcco processed for gold recovery for the first three years of production following commencement of commercial production.
- After the first three years, the production payment amount will be revised each third year based on grade of the ore material being mined, increased on a graduating scale reaching a maximum 4.5% NSR equivalent if average gold grades exceed 11g/t Au.
 - Separately, Titan will have an option (“**Buying Option**”) to purchase a 100% interest in the Project and terminate the Production Payments for US\$3,000,000 cash and a royalty payment of (i) US\$3.50 per tonne vein ore if Buying Option is exercised on or before the 4th anniversary of the Execution Date or, (ii) US\$7.00 per tonne vein ore if the Buying Option is exercised after the 4th anniversary of the Execution Date.
- 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 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 also currently progressing a proposed merger with Core Gold Inc (TSX.V: CGLD). The Merger, subject to meeting conditions precedent (refer to ASX announcement dated 25 February 2019) will create a diversified Latin America focused ASX-listed gold company with a robust portfolio of exploration, development and production assets in both the emerging mining jurisdiction of Ecuador and the well-established mining jurisdiction of Peru.

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 projects 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.

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

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