

ASX Announcement
30 April 2019

Quarterly Activities Report Three Months Ended 31 March 2019

HIGHLIGHTS

- Proposed Merger with Ecuador focused Core Gold Inc. (TSX.V: CGLD)
 - Creates an emerging Latin America focused gold explorer, developer and producer with a large gold portfolio in Ecuador and Peru:
 - Existing Foreign resource estimate base to build on, and creates a portfolio of highly prospective exploration projects across Ecuador & Peru
- Titan to Acquire the Coriorcco Gold Project, Peru
- Titan executes Binding Agreement on the Las Antas Gold Project earn-in, Peru

Titan Minerals Limited (ASX: TTM) ("**Titan**" or "**the Company**") is pleased to provide its quarterly activities report for the quarter ended 31 March 2019.

Corporate

Titan Minerals and Core Gold to Combine

On 25 February 2019 Titan and Core Gold Inc. (TSX-V: CGLD, OTCQX: CGLDF) ("**Core Gold**") announced that the companies had entered into a binding arrangement agreement which was subsequently amended by an amending agreement dated March 10, 2019 (as amended, the "**Arrangement Agreement**"), pursuant to which Titan will acquire all of the issued and outstanding Core Gold common shares by way of a share exchange (the "**Merger**"). The Merger 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 will have a strong pipeline of growth opportunities.

Las Antas Gold Project Acquisition

On 14 January 2019 Titan executed a binding Earn-In Agreement with Management Environmental Solutions S.A, a privately held Peruvian company, ("Vendor") to acquire up to an 85% ownership interest in the Las Antas Gold Project in southern Peru. Upon the satisfaction of certain conditions, the Company will be granted an exclusive option to acquire an initial ownership interest of 60% in the Las Antas Gold Project and further options to acquire up to an additional 25% ownership interest in the Las Antas Gold Project (being a total of up to an 85% interest in the Las Antas Gold Project). Refer to the ASX release dated 14 January 2019 for Key Terms.

Coriorcco Gold Project Acquisition

Subsequent to the reporting period, Titan 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 in the ASX Announcement dated 23 April 2019.

Cash and Working Capital

As at 31 March 2019 the Company had a cash position of \$3.94M.

Core Gold Arrangement Agreement

Under the terms of the Arrangement Agreement, Core Gold shareholders will receive 20 (twenty) ordinary shares of Titan ("**Titan Share**") for each common share of Core ("**Core Share**") held (the "**Core Exchange Ratio**"). Holders of options and warrants exercisable into Core Shares will receive replacement options and warrants to acquire Titan Shares on comparable terms as their current options and warrants, taking into account the Core Exchange Ratio. The Core Exchange Ratio is subject to adjustment in the event of a split or consolidation of the issued and outstanding Titan Shares prior to the effective time of the Arrangement. Upon closing of the Arrangement, Core will become a wholly-owned subsidiary of Titan.

On 12 March 2019 Titan and Core Gold agreed to amend the terms of the Arrangement Agreement where Titan Agreed to purchase 9,151,363 Core Shares on a private placement basis, at a price of C\$0.44 per share for total subscription proceeds of approximately US\$3 million (the "**Core Private Placement**").

Under the amended Arrangement Agreement Titan and Core Gold have agreed to the following:

- termination of the go-shop period in which Core Gold was permitted to solicit superior proposals;
- increase the break fee payable by Core Gold to Titan in the event of a superior cash proposal from C\$500,000 to C\$3,000,000;
- require Titan's consent for any disposal by Core Gold of non-core assets prior to closing;
- require Titan's consent for any private placement of the shares of Core Gold, other than a private placement of up to US\$8 million at not less than C\$0.44 per share; and
- all of the directors and senior management of Core Gold (other than former CEO Keith Piggott) holding in aggregate 38,041,981 Core Gold shares, representing 25.1% of the currently issued and outstanding common shares of Core Gold and 23.7% following the Core Private Placement, entering into customary voting and support agreements that require those Directors and senior management to vote in favour of the Merger at the Core Gold shareholder meeting to be convened to approve the Merger.

Together with Titan's 5.7%, these shareholders have agreed to vote their 29.4% collective common share position in Core in favour of the Merger.

The Merger will be affected by means of a statutory plan of arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act (British Columbia) between Core Gold and Titan.

Core Gold Private Placement

On 25 March 2019, Titan announced successfully closing the US\$3 million Core Private Placement as part of the amending agreement announced 12 March 2019. To facilitate the Core Private Placement, Titan entered into a secured debt facility with a group of sophisticated and professional investors ("**Loan Facility**"). The Loan Facility makes available to Titan up to US\$3,000,000 of financing and Titan has drawn down the full amount in order to purchase 9,151,363 common shares of Core Gold on a private placement basis at a price of C\$0.44 per share.

The material terms of the Loan Facility are as follows:

- Amount: US\$3,000,000
- Interest: 15% interest per annum
- Security: Vista Gold S.A.C. and Core Private Placement shares

- Repayment: earlier of 21 days from completion of Titan Core Gold plan of arrangement or 6 months from the draw down date, extendable to 9 months at Titans election with a minimum repayment of 5 months interest payable if repaid prior to five months from the draw down date.

Peru Exploration Manager Appointed

On 16 January 2019, Titan announced the appointment of Mr Sam Pierce, as its Exploration Manager. Mr Pierce is a highly experience geologist and will have primary responsibility for overseeing all exploration activities at the Company's Peruvian mineral projects.

Mr Pierce has over a ten years of international exploration experience across a wide variety of deposits including quartz/gold vein, copper/gold porphyry, IOCG, and VMS mineralization styles. He has held previous roles with Teckcominco and Kennecott Minerals and senior positions with First Quantum Minerals and Great Basin Gold. A substantial proportion of Mr Pierce's career experience has been on Peruvian projects and project-generative work and he brings a wealth of knowledge and experience to the Titan team.

Two agreements were executed with Mr. Pierce:

Exploration Manager Contract

Mr Pierce will be engaged by the Company for an initial period of 12 months ("**Term**") and will be entitled to 2,800,000 fully paid ordinary shares in the Company ("**Shares**") in lieu of a portion of his cash remuneration. The Shares will accrue monthly and be issued after the initial Term is complete.

Mr Pierce will also be eligible for certain share-based performance bonuses of up to 1,200,000 Shares.

Finder's Fee Arrangement

Concurrently, the Company also formalised, in the form of a Finder's Fee Arrangement ("**Finder's Arrangement**"), its previous agreement with Mr Pierce to remunerate him for generative exploration work completed for the benefit of the Company prior to his engagement by Titan as Exploration Manager.

In that regard, Mr Pierce has identified and presented to the Company an area of interest in Peru for the Company which he believes is prospective for mineral opportunities, in respect of which the Company is now undertaking an application and reconnaissance phase of work. Under the Finder's Arrangement, provided the Company has not terminated that work as at 1 May 2019, it will pay to Mr Pierce US\$50,000 in cash.

Subsequently, should the Company make an announcement within 30 months after the date of the Finder's Arrangement that it has completed at least 2 drill holes within the area of interest which have an overall meter 'x g/t Au intercept value' (meters drilled multiplied by gold grade) in each case greater than 50, calculated for drill intervals at a 0.5g/t Au cut-off grade, Mr Pierce will be entitled to be issued with 5,000,000 Shares. The Company will update shareholders with information about the project following the grant of title if successful in the application process.

Operational Report

Titan continues to advance its development strategy for the recently acquired gold treatment arm of its business focused in the Southern Peru region within the highly prospective Andean Terrane. Complimentary to the current ore processing capability, the Company has an ongoing process to develop a land position with mine development potential to provide Company generated feed to the centralised Vista Gold Plant.

In the short term, the Company continues to source ore from licensed miners in the region. To establish increased gold production at the wholly owned Vista Gold Plant, a ramp-up of ore purchasing was successfully initiated in the December quarter. Due to seasonal rainfall, March quarter ore purchasing is down with a number of gold

producing districts closing operation during the wet season. Several key districts are re-establishing operations through April, and feed for the plant is anticipated to increase through the June quarter.

Vista Gold Plant

The Vista Plant is located approximately 470km south of Lima in the Ica Province of the Nasca region of southern Peru and conveniently located a few kilometres off the Panamerican highway and connected to the regional power distribution grid. The Plant has a nameplate capacity of 150 tonnes per day and can generate up to 90 ounces of gold per day based on monthly average grades ranging from 17.5 g/t to 24.4g/t gold.

During the reporting period, the Company completed commissioning of the Vista Gold Plant and formal commencement of commercial gold production remains subject to receipt of final licencing documentation. The Vista Plant has successfully completed all requisite physical inspections for safety and environmental aspects of the operations by the Direccion Regional De Energia Y Minas (The Regional Energy and Mines Institute, or "DREM"). The plant currently awaits the final reporting by the DREM for the final stage of approval of the issue of an Operator's permit (Concession of Benefit). Once the Concession of Benefit is received the plant will then be fully permitted and licenced to commence commercial scale production.

The Vista Gold Plant has been designed to increase its capacity to its full permitted capacity of 350 tons per day with minimal capital outlay, when warranted by supply of ore. The team intends to acquire and process high grade ore from licensed artisanal miners in the region in the near term and utilise the Vista Gold Plant's additional capacity to advance a mine development strategy for the company and process any ore mined from several projects identified with mine development potential for providing significant synergies to the group. In the medium to long term, Titan's integrated process and exploration team intends to provide additional growth to the Vista Plant's production profile by leveraging on Titan's presence and landholding within the >100km long Nazca-Ocoña metallogenic belt to define significant mineral resources for Titan.

Coriorcco Gold Project – Southern Peru

Coriorcco is an early stage exploration project with no previous drilling located adjacent to the Company's Las Antas project Earn-in. 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, and is positioned well within trucking distance of Vista 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 project within trucking distance of the Company's Vista gold processing facility.

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.

Las Antas Gold Project – Southern Peru

The Las Antas gold project ("**Las Antas Project**") is an early stage exploration project located in the Lucana Province of the Ayacucho region of southern Peru. Accessible by paved road to within 8km of the project, Las Antas is located 80km east of Peru's prominent Pan American highway, and can be accessed by driving 408km south of Lima on the Pan American highway, followed by a 100km drive east on the Interoceanic highway towards the city of Puquio and a further 8km drive along a dirt road off the Interoceanic highway. The Las Antas Project covers 2,000 ha across 2 mineral concessions located in the San Cristóbal district at elevations of 3,900 to 4,100 m above sea level. Titan holds an exclusive option to acquire up to an 85% interest in the Las Antas Project. Titan considers the Las Antas Project to be an important step towards Titan's objective of generating multiple opportunities with potential to provide high-grade gold ore feed to the Vista Plant.

Regionally, 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). 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 hosted by the Calipuy volcanic layered stratigraphy in Southern Peru hosting andesitic flows, ignimbrites, tuffs, volcanic breccias and agglomerate units. The volcanic stratigraphy has been intruded by several

andesitic to dacitic stocks, which comprise favourable units for mineralization and at surface are associated with a pervasive hydrothermal alteration system in halos of intense silicification, showing vuggy silica, alunite and illite.

The Project features an extensive zone of intense hydrothermal alteration at surface. The surface hydrothermal and breccia footprint is host to significant potential for larger scale, bulk tonnage, disseminated style gold mineralization.

The Las Antas Project has received early stage modern exploration techniques, with non-systematic geophysical coverage completed in historical exploration activity from 1995 through 1998 under a joint venture between Hochschild and Anaconda. The project area has seen only limited shallow reconnaissance RC drilling before exploration abruptly ceased in 1998.

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 Las Antas Project.

Titan is currently progressing environmental permitting authorisation to commence a maiden drilling program on targets defined from historical surface geochemistry and geophysical survey work. Titan anticipates such work to be completed in Q4 2019 with the objective of identifying sub-surface mineralisation that could merit continued exploration for potential resource delineation and estimation work.

Torrecillas Gold Project – Southern Peru

The Torrecillas gold project is an early stage exploration project situated in the Caraveli Province of the Arequipa Region of Peru (the "**Torrecillas Project**"). The project can be accessed by driving 617km south from Lima on the prominent PanAmerican highway to the city of Chala, then driving 50km east on an unimproved gravel road. The project covers 7,000 ha across 14 mineral concessions located in the Chaparra and Quichacha districts at elevations of 2,500 to 3,200 m above sea level. Titan holds a 100% interest over the Torrecillas Project and the Torrecillas Project remains subject to streaming agreements.

Titan has most recently completed a detailed mapping and surface geochemical sampling campaign, which has yielded a revised structural interpretation for the area and identified several new, early stage vein targets and vein extensions for potential follow-up drilling (Refer to the ASX release dated 12 July 2018).

The Company's geological team identified additional vein systems in the reported exploration activity for assessment and highlighted increasing vein density within known high-grade vein corridors. Four vein zones have been identified for potential 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 vein corridor widths and ranging from 1.8 to 2.7km in strike extent.

Maiden drill testing on areas identified for further exploration activity from preliminary mapping remain subject to completion of requisite environmental permitting approvals as required under Peruvian Law.

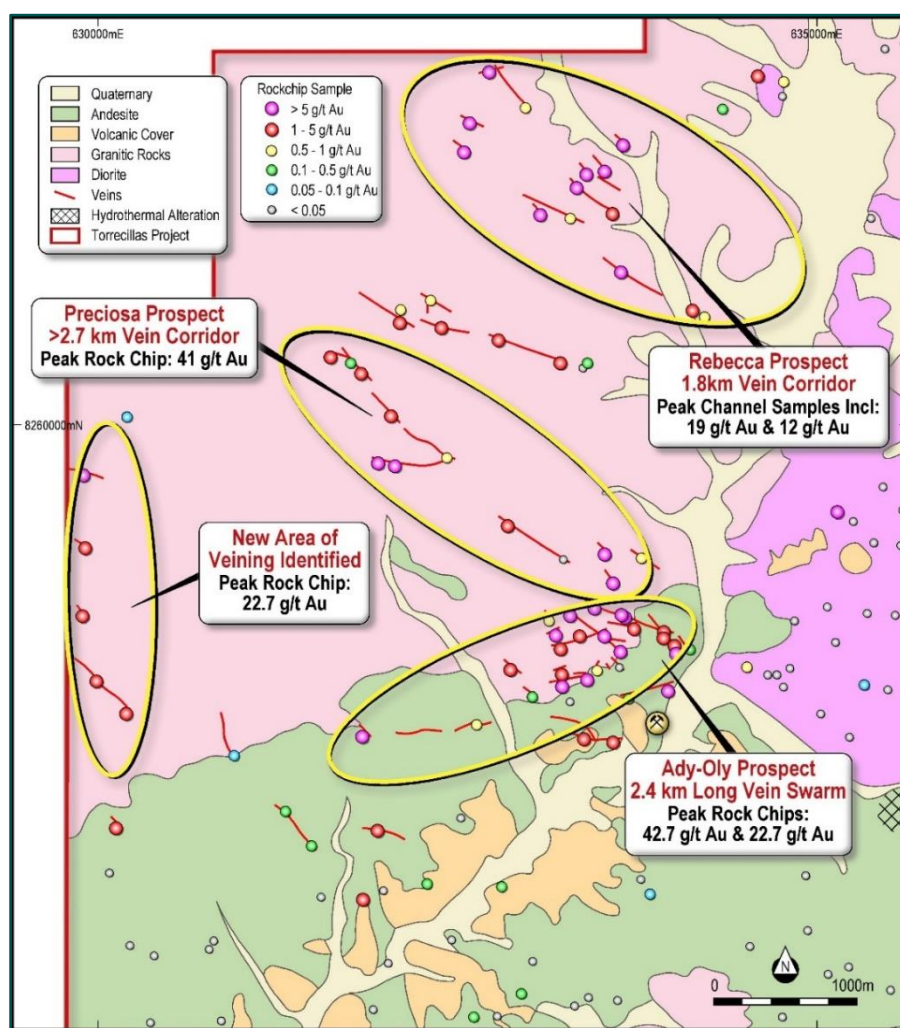


Figure 9 | Location of prioritised high-grade gold target areas at Torrecillas Project in Peru with reported surface sampling locations

The Torrecillas Project lies within the Pisco-Chala structural domain in a corridor between two regional-scale northwest striking fault structures known as the Nazca Ocoña metallogenic belt, within the northern-most mineral concessions of the Torrecillas Project crossing over the eastern structure and into the Western Cordillera domain.

Locally, the Torrecillas Project is located within the Bella Union Complex, on the edge of a large tonalite-granodiorite pluton that forms part of the larger Coastal Batholith. The Bella Union Complex formed during the Cretaceous and subsequently suffered many cycles of deformation and intrusions, resulting in widespread hydrothermal and low-grade metamorphism. Mineralisation within the project area, similarly to the whole of the >100km long Nazca-Ocoña metallogenic belt, occurs as mesothermal quartz vein systems where gold primarily occurs as free grains associated with pyrite and/or chalcopyrite. The veins are typically relatively thin (>10g/t Au) and in localised zones can be extremely high grade (>30g/t Au).

Planned Exploration Activity

The company will complete a mapping and sampling program over the recently acquired Coriocco Gold project during the June quarter, with the objective of validating historical mapping and assessing open, historical development work in the project area while concurrently progressing drill permitting over the next 5 to 6 months.

Titan will also devote substantial technical resources to compilation and drill targeting work for targets in Ecuador which remain subject to completion of the proposed Arrangement Agreement. The Company is actively engaged

with Core Gold's technical teams in Ecuador with a collaborative approach to defining and preparing for a more aggressive exploration program in Ecuador as a merged entity.

The Company will maintain an ongoing regional exploration program, assessing and evaluating gold and gold-silver project mining and resource development opportunities for Titan, that can better leverage the Company's existing assets against the gold price. Near term efforts will focus on both generating additional revenue for the Company through direct mining and supply of ore feed to existing plants, and a concurrent strategy to define projects with significant world class mineral resource potential.

San Santiago Copper Plant

With the successful acquisition of Andina's Vista Gold Plant, Titan will not restart the gold circuit at San Santiago. Instead, it is proposed that gold will be more cost effectively processed at the available capacity of the Vista Gold Plant. The San Santiago Copper Plant remains in care and maintenance, while the Titan technical team completes ground rationalisation of adjacent exploration tenements and evaluates options for potential divestment of the asset.

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 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:

www.titanminerals.com.au or contact:

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Appendix 1 – Tenements

Mining tenements held at the end of the March Quarter 2019

Project	Location	Tenement	Interest at end of quarter
Torrecillas	Southern Peru	Retorno-I	100%
Torrecillas	Southern Peru	Retorno-II	100%
Torrecillas	Southern Peru	Retorno-III	100%
Torrecillas	Southern Peru	Retorno-IV	100%
Torrecillas	Southern Peru	Retorno-V	100%
Torrecillas	Southern Peru	Retorno-VI	100%
Torrecillas	Southern Peru	Retorno-VII	100%
Torrecillas	Southern Peru	Retorno-IX	100%
Torrecillas	Southern Peru	RetornoXIV	100%
Torrecillas	Southern Peru	RetornoXV	100%
Torrecillas	Southern Peru	RetornoX	100%
Torrecillas	Southern Peru	Retorno XX	100%
Torrecillas	Southern Peru	Retorno XXXIV	100%
Torrecillas	Southern Peru	Rertorno XXXII	100%
San Santiago	Southern Peru	San Santiago De Acari	100%
San Santiago	Southern Peru	Virgen Del Carmen 2004P	100%

Mining tenements acquired and disposed during the March 2019 quarter:

Project	Location	Tenement	Interest at beginning of the quarter	Interest at end of the quarter
Mining tenements acquired				
Nil				
Mining tenements relinquished				
Nil				

Beneficial percentage interests in farm-in or farm-out agreements at the end of the March 2019 quarter:

Project	Location	Tenement	Interest at end of the quarter
Las Antas	Southern Peru	Anta 7	0%
Las Antas	Southern Peru	Anta 9	0%

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the March 2019 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>				
Las Antas	Southern Peru	Anta 7	0%	0%
Las Antas	Southern Peru	Anta 9	0%	0%
<i>Farm-in or farm-out interests disposed</i>				
Nil				