

13 June 2019

RESULTS OF CORE GOLD MEETING AND RESPONSE TO ALLEGATIONS FROM CORE GOLD'S FORMER CEO

Titan Minerals Limited (ASX: TTM) ("**Titan** or the **Company**") is pleased to announce that securityholders of Core Gold Inc. (TSX-V: CGLD, OTCQX:CGLDF) ("**Core Gold**") voted in favour of the Company's proposed acquisition of all the issued and outstanding common shares in Core Gold by Titan, pursuant to a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the "**Arrangement**"). Refer to Core Gold's announcement dated 12 June 2019 which can be obtained at Core Gold's website <https://www.coregoldinc.com> and on SEDAR <https://www.sedar.com/>.

The Arrangement was approved by 73.82% of the votes cast by all of Core Gold's securityholders (common shares, options and warrants) voting together at Core Gold's meeting of securityholders. Of just the common shareholders (excluding Titan) the Arrangement was approved by 68.88% of the votes cast by such common shareholders.

Allegations by Core Gold's Former CEO

In recent months, Core Gold's former CEO, Mr Keith Piggott, despite initially approving the Arrangement at Core Gold board level, has published numerous allegations concerning Titan, Core Gold, the Arrangement and Titan's activities in Peru. Further to Titan's comments in its ASX announcement dated 24 May 2019, Titan advises that it has been reticent to engage in any public discourse with Mr Piggott as the board of Titan has been focussed on completing the Arrangement and commencement of commercial operations at the Vista Plant, whilst having regard to Titan's obligations under the ASX Listing Rules and the *Corporations Act 2001* (Cth). However, following engagement with the ASX and given a recent escalation of Mr Piggott's misleading allegations, Titan now publically addresses them.

Tulin Plant Allegations

Mr Piggott has made numerous allegations in respect to environmental issues at the Tulin gold plant in Peru ("**Tulin Plant**") together with sensationalist and misleading statements concerning the activities of Titan's subsidiary, Tulin Gold Co SAC ("**Tulin Gold**"), and potential liabilities applicable to Titan. In respect to these allegations, Titan highlights the following matters:

- Titan acquired its interest in Tulin Gold when it acquired majority ownership and effective control of Andina Resources Limited ("**Andina**") in August 2018, following which, the Tulin Plant was in operation for approximately three months before it was shut down and vacated on 7 December 2018 (noting that the applicable assignment agreement ("**Assignment Agreement**") with the owner of the Tulin Plant was due to expire on 31 December 2018);
- Titan acknowledges that a technical report which detailed various findings in respect to the operations at the Tulin Plant, including environmental violations, was issued by the Regional Directorate of Energy and Mines ("**DREM**") and that certain fines were imposed on Tulin Gold by the DREM (all of this occurring prior to Titan's indirect acquisition of Tulin Gold). However, Mr Piggott omits that the subject matter of the DREM report was investigated by the Provincial Office of the Public Prosecutor for Crime Prevention of Ica ("**Prosecutors Office**") and the Prosecutors Office filed and closed the investigation concluding that no formal claims or proceedings should commence and the investigation should not continue (subject to the right of the State Attorney to appeal by rule);
- Andina has obtained Peruvian legal advice to the effect that Andina (the immediate holding company of Tulin Gold) and Titan (the ultimate parent company of Andina and Tulin Gold) are not responsible for any liabilities (including environmental liabilities) incurred by Tulin Gold in respect to its operation of the Tulin Plant; and

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- the primary assets of Tulin Gold, being the ore stockpile inventory, were impaired by Titan in the 31 December 2018 audited accounts (refer to the ASX announcement dated 9 May 2019).

Mr Piggott has also alleged that Tulin Gold has unfulfilled contractual obligations under the Assignment Agreement with the owner of Tulin Plant, including an obligation to empty the tailings pad upon termination of the Assignment Agreement, and that the owner of the Tulin Plant has obtained a quote amounting to approximately C\$45 million to empty the tailings pad and attend to "*related matters*" (whatever they may be). Titan advises that Tulin Gold does not have unfulfilled contractual obligations under the Assignment Agreement, rather, Titan considers that the owner of the Tulin Plant is in material breach of his obligations under the Assignment Agreement. Notwithstanding this:

- Titan had entered into an agreement with an independent third party pursuant to which it was agreed that that the third party would empty the tailings pad for no cost on the basis that it would be entitled to process any minerals in the tailings (noting that the third party had undertaken an analysis on the economic recovery of gold and silver from the tailings). However, given that the owner of the Tulin Plant denied Tulin Gold access to the Tulin Plant, the third party could not undertake these activities; and
- based on a quote received from a third party, Titan estimates the cost for returning the tailings pad at the Tulin Plant to the same condition at the start of the Assignment Agreement to be approximately 1.2 million Soles (or under C\$500,000).

Further, Mr Piggott has, on numerous occasions, attempted to link an incident involving the discharge of firearms that occurred at the Tulin Plant to Titan when the incident occurred after Titan had shut down and vacated the Tulin Plant. No charges or legal proceedings have brought against Titan or its subsidiaries (nor have any accusations been made against Titan or its subsidiaries save by Mr Piggott and his associates) in respect to this incident.

Key Management

Mr Piggott has suggested that Titan misrepresented the role of Dr Miguel Cardozo and raised capital on that basis. By way of background and further information:

- Dr Cardozo was a director of the Company (under its former name of "Minera Gold Limited") between 8 April 2015 to 27 May 2015;
- Titan's prospectus dated 18 August 2017 did disclose Dr Cardozo as Chief Executive Officer of Titan and an October 2017 investor presentation ("**Prior Disclosures**") included the same disclosure;
- Dr Cardozo was proposed as a non-board member Chief Executive Officer following protracted negotiations with SilverStream SEZC (as secured creditor) as part of the recapitalisation and DOCA process for Titan (under its former name of "Minera Gold Limited") having regard to his existing relationship with SilverStream SEZC and the Titan's operations in Peru; and
- due to extraneous issues, it was agreed between Dr Cardozo and Titan that Dr Cardozo will not assume the role of Chief Executive Officer (noting at no stage was there any conflict or friction between Mr Cardozo and Titan).

Titan acknowledges that the Prior Disclosures should have explicitly stated that Dr Cardozo was the "proposed" Chief Executive Officer. However, Titan does not consider this misstatement to be material in any event (nor the fact that he was not ultimately engaged by Titan) and denies that Titan held Dr Cardozo out as an officer of the company in order to raise equity funding. Any suggestion that Titan leveraged his experience and qualifications to enable it to raise equity funding is false.

Media Reports

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Titan is aware of several media publications that have reported Mr Piggott's allegations and understands that these reports have either been instigated by Mr Piggott and/or he has been the primary source of the content. Accordingly, Titan considers that such publications have misrepresented the state of affairs at the Tulin Plant and position of Titan. Shareholders should be aware that Titan's refusal to provide comment to media publications or to publically rebut the allegations should not be interpreted as an admission or avoidance of any of these matters, rather, is part of its considered position not to give any credence to Mr Piggott's outlandish claims by engaging in public debate.

Titan considers Mr Piggott's misleading press releases and statements to be self-serving and an attempt to disrupt the Arrangement (especially having regard to matters detailed in Core Gold's announcement dated 19 March 2019) and notes that Titan takes its obligations as a listed company on the ASX seriously and is cognisant of its obligations both in Australia and Peru. Titan considers that it is, and at all times has been, in compliance with its obligations pursuant to Listing Rule 3.1.

Finally, the results of Core Gold's securityholders vote at the meeting is clear evidence of Core Gold's securityholders support of the Arrangement and gives insight into how much regard Core Gold's securityholders have placed on Mr Piggott's allegations. Noting, in particular, that two independent proxy advisory firms, Institutional Shareholder Services Inc. and Glass Lewis & Co., recommended that Core Gold's shareholders vote FOR the Arrangement, provided positive independent recommendations in respect to the Arrangement and made telling comments on Mr Piggott. Refer to Core Gold's announcement dated 6 June 2019 which can be obtained at Core Gold's website <https://www.coregoldinc.com> and on SEDAR <https://www.sedar.com/> for further details.

Titan has engaged Canadian and Australian litigation counsel to consider all legal options available against Mr Piggott in respect to his misleading statements.

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About Titan Minerals Ltd

Titan Minerals is a gold and copper explorer and the owner and operator of a gold treatment business in a well-established mining region of Southern Peru. A centralized processing plant produces loaded carbon from a CIP gold circuit, with feed previously averaging 17 to 24g/t gold head grades sourced from licensed third party operators.

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 in gold, copper and other commodities within Peru, Ecuador and elsewhere for acquisition or joint venture to grow shareholder value.

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

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