

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Titan Minerals Limited

### ABN

97 117 790 897

### Quarter ended ("current quarter")

31 December 2019

Consolidated statement of cash flows		Current quarter \$	Year to date (12 Months) \$A
<b>1. Cash flows from operating activities</b>			
1.1 Receipts from customers		4,553,121	14,534,604
1.2 Payments for			
(a) exploration & evaluation		(232,284)	(931,062)
(b) development		-	-
(c) production		(5,092,013)	(15,163,491)
(d) staff costs		(410,637)	(1,208,287)
(e) administration and corporate costs		(1,315,050)	(3,465,659)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		785	5,459
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		(37,747)	(197,554)
1.7 Research and development refunds		-	-
1.8 Other		-	169,425
<b>1.9 Net cash from / (used in) operating activities</b>		<b>(2,533,825)</b>	<b>(6,256,565)</b>
<b>2. Cash flows from investing activities</b>			
2.1 Payments to acquire:			
(a) property, plant and equipment		-	(540,664)
(b) tenements (see item 10)		-	-
(c) investments		-	(6,676,629)
(d) other non-current assets		-	-

**Appendix 5B**

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<b>Consolidated statement of cash flows</b>	<b>Current quarter \$</b>	<b>Year to date (12 Months) \$A</b>
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (net cash inflow on acquisition of subsidiaries)	-	(9,169)
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(7,226,462)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	5,339,000
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(50,000)
3.5 Proceeds from borrowings	-	4,220,052
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other		
Sale of treasury shares	-	683,334
Share application funds received in advance	100,200	100,200
<b>3.10 Net cash from / (used in) financing activities</b>	<b>100,200</b>	<b>10,292,586</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	4,502,621	5,523,822
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,533,825)	(6,626,565)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(7,226,462)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	100,200	10,292,586
4.5 Effect of movement in exchange rates on cash held	(178,983)	(443,368)
<b>4.6 Cash and cash equivalents at end of period</b>	<b>1,890,013</b>	<b>1,890,013</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A</b>	<b>Previous quarter \$A</b>
5.1 Bank balances	1,810,012	4,422,621
5.2 Call deposits	80,000	80,000
5.3 Bank overdrafts		-
5.4 Other (Restricted cash)		-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,890,013</b>	<b>4,502,621</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter  
\$A**

173,400

-

Payments of director's remuneration and consulting fees.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter  
\$A**

-

-

N/A

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$</b>	<b>Amount drawn at quarter end \$</b>
8.1 Loan facilities (USD)	USD \$3,000,000	USD 3,000,000
8.2 Credit standby arrangements	N/A	N/A
8.3 Other (please specify)	N/A	N/A
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
<p>Lender: Sophisticated and Professional Investors</p> <p>Interest rate: 15% per annum payable at maturity</p> <p>Security: Vista Gold S.A.C, Core Private Placement shares and Titan's rights and interests in certain promissory notes issued by Core Gold Inc in addition to the existing security of Vista Gold S.A.C. and Core Private Placement shares. (refer to announcement dated 25 March 2019)</p> <p>Repayment: 30 April 2020</p>		

9. <b>Estimated cash outflows for next quarter</b>	<b>\$A</b>
9.1 Exploration and evaluation	260,000
9.2 Development	290,000
9.3 Production	2,100,000
9.4 Staff costs	300,000
9.5 Administration and corporate costs	1,100,000
9.6 Other (provide details if material)	-
Expected net receipts from customers including IGV recovery	(2,600,000)
<b>9.7 Total estimated cash outflows</b>	<b>1,450,000</b>

As announced on 2 January 2020, Titan has entered into a \$10m unsecured debt facility with RM Hunter Fund Pty Ltd (refer to announcement for key terms of the loan facility).

As announced December 16, Titan received firm commitments for a \$3.5M placement. Funds from the placement were received post quarter end on January 17, 2020.

10. <b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	N/A	N/A	N/A	N/A
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A	N/A	N/A	N/A

**Mining exploration entity and oil and gas exploration entity quarterly report**

- 1 This statement has been prepared in accordance with accounting standards and policies which  
comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: ....(Signed electronically)..... Date: 31 January 2020  
Company secretary

Print name: Zane Lewis

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.