

## Titan Executes Binding Agreements to Divest Non-Core Assets in Peru for US\$6.44M

### Highlights

- **Binding agreement to sell mineral claims Coriorcco and Las Antas in Peru for US\$1.65M cash and US\$1.29M in shares of Western Pacific Resources Corp (TSX-V: WRP)**
- **Binding share purchase agreement executed for sale of the Vista Gold Plant for US\$3.5M cash**
- **Funds received to be invested in ongoing exploration activity at the Dynasty and Copper Duke Projects in Ecuador**

Titan Minerals Limited (ASX: TTM) (“Titan” or the “Company”) is pleased to announce it has agreed binding terms for the divestment of its non-core assets in Peru as a part of a strategic review of its consolidated operations. The sale will allow the Company to focus on the development of its flagship Dynasty Gold Project and the Copper Duke Project in Ecuador.

Titan has agreed to dispose of the right to acquire the Coriorcco and Las Antas mineral claims located in Peru, to Western Pacific Resources Corp. (TSX-V: WRP) (“Western Pacific”), subject to the satisfaction of certain conditions precedent detailed below, and sell the Vista Gold Plant to AC 081 S.A.C, a private investment group with a long history of successful toll milling in Peru.

Total consideration to be received upon completion of the divestment of these non-core assets will total US\$6,440,000 (including US\$5,150,000 cash). If Western Pacific exercises the option to acquire a 100% interest in the Coriorcco property, Titan will be granted a 1% Net Smelter Return (“NSR”) over the Coriorcco property.

### Commenting on the divestment, Titan Minerals Managing Director, Laurie Marsland said:

*“Titan’s primary focus remains firmly set on developing the Dynasty Gold Project and the Copper Duke Project in Ecuador. This divestment will support that objective whilst retaining exposure to both the Coriorcco and Las Antas projects. The funds received will contribute toward completion of the high impact drilling campaign at the Dynasty Gold Project, the airborne geophysical surveys for high resolution magnetic coverage and significant surface sampling programs, all of which support conversion of the substantial NI 43-101 Resource to a JORC Code compliant Resource in late 2020.”*

### Transaction Summary

Western Pacific will acquire Titan’s legal and beneficial right, title, and interest in options to acquire: (a) 100% of the legal and beneficial and interest in a 2,000-hectare concession known as the Coriorcco property pursuant to a cession and option agreement; and (b) up to 85% of the legal and beneficial and interest in a 1,400-hectare concession known as the Las Antas Property pursuant to an earn-in agreement (together, the “Properties”).

As consideration for the sale of the option rights over the Properties, Titan will receive:

- cash consideration of US\$1,500,000 of which US\$100,000 has been paid as a deposit;
- reimbursement of US\$150,000 in relation to certain expenses incurred in connection with the Properties; and
- 4,250,000 common shares in the capital of Western Pacific (the “Shares”)

In the event that Western Pacific exercises its option to acquire the Coriorcco property:

- Western Pacific will grant to Titan a 1% NSR over the Coriorcco property; and

(b) Western Pacific has agreed to make a conditional payment to Titan (in cash, Shares (priced at a 10-day VWAP of Shares prior to the relevant technical report) or a combination of both, at Western Pacific's option) on the basis of the size of any mineral resource (in the measured and indicated category) that is established on the Coriorcco property in a technical report prepared in accordance with National Instrument 43-101 as follows:

- (i) US\$1,000,000 (cash and/or shares) if a measured and indicated resource of 500,000 to 999,999 ounces of gold is established;
- (ii) US\$1,500,000 (cash and/or shares) if a measured and indicated resource of 1,000,000 to 1,499,000 ounces of gold is established; and
- (iii) US\$2,000,000 (cash and/or shares) if a measured and indicated resource in excess of 1,500,000 ounces of gold is established.

Western Pacific has entered into an Investor Rights Agreement with Titan pursuant to which Titan has been granted certain ancillary rights. The Investor Rights Agreement grants Titan an anti-dilution right, a board nomination right and certain information rights. The Investor Rights Agreement will be on foot for a minimum of one year and thereafter will terminate in the event that Titan's Share ownership is less than 5%.

Titan has agreed to provide certain customary warranties to Western Pacific in respect of the Properties.

This transaction remains subject to satisfaction of the following conditions precedent prior to 30 September 2020:

- (i) the completion of a financing by Western Pacific for minimum gross proceeds of C\$6,250,000;
- (ii) the receipt of all necessary consents, approvals, authorizations (including TSX-V Exchange approval) for the transaction;
- (iii) other conditions which are customary for a transaction of this type.

### **Vista Gold Plant**

The Vista Plant is located approximately 470 km south of Lima in the Ica Province of the Nazca region of southern Peru. With a nameplate capacity of 150 tonnes per day, the Vista Plant commenced operations in late May 2019 following the grant of the final operator's permit, and can generate up to 90 ounces of gold per day based on monthly average grades ranging from 17.5 g/t to 24.4 g/t gold at the current nameplate capacity of 150 tonnes per day. The Vista Plant is currently permitted for up to 350 tonnes per day operational throughput and is both permitted and designed to increase its capacity to 350 tonnes per day with minimal capital outlay and readily upgradeable when warranted by increasing supply.

As consideration for the sale of the Vista Gold Plant to AC 081 S.A.C, Titan will receive:

- (a) a non-refundable payment of US\$300,000 in cash;
- (b) up to ninety (90) days from the execution date and with regulatory approval of transfer of title a further US\$1,700,000 in cash; and
- (c) twelve (12) months from execution date a final payment of US\$1,500,000 in cash.

The sale of the Vista Gold Plant is conditional upon receipt of regulatory approval of the sale.

### **Coriorcco and Las Antas Mineral Claims**

The Mineral Claims are adjacent to each other and located in the Ayacucho Region of southern Peru approximately 80km's northeast of the city of Nazca in south-western Peru.

The Coriorcco property consists of two contiguous mineral concessions in an established metallogenic belt recognised for its prospectivity for epithermal Au-Ag mineralisation, in the San Juan de Lucanas Mining District.

The Las Antas property consists of two contiguous mineral concessions in an established metallogenic belt recognised for its prospectivity for epithermal Au-Ag mineralisation, and polymetallic veins. The property hosts a large zone of extensive hydrothermal alteration developed in volcanics at the junctions of regionally significant northwest and northeast trending faults.

**-ENDS-**

Released with the authority of the Board.

For further information on the Company and our projects, please visit: [www.titanminerals.com.au](http://www.titanminerals.com.au)

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### **About Titan Minerals Ltd**

Titan Minerals is an exploration and development company focused on exploring and developing potential Tier One projects in Ecuador's southern Andean copper-gold belt. The Company's flagship asset is the Dynasty Project that consists of a NI 43-101 mineral resource estimate of 2.1Moz at 4.5g/t gold. Titan's strategy is to conduct a drilling campaign across Dynasty and deliver a JORC resource during Q4 2020.

The Company is continuously evaluating additional projects in gold, copper, and other commodities within Ecuador and elsewhere for acquisition or joint venture to grow shareholder value.

