



INTERIM FINANCIAL REPORT

FOR PERIOD ENDING 30 JUNE 2023



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Focused on the exploration and development of the rich copper and gold deposits in the prolifically mineralised cordilleras of Southern Ecuador's Andean Terrain.

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr Peter Cook Non-Executive Chairman
Mr Matthew Carr Executive Director
Mr Barry Bourne Non-Executive Director

CHIEF EXECUTIVE OFFICER

Ms Melanie Leighton

COMPANY SECRETARY

Mr Zane Lewis

REGISTERED OFFICE

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AUSTRALIAN BUSINESS NUMBER

97 117 790 897

STOCK EXCHANGE LISTING

ASX: TTM

AUDITORS

Stantons International Audit and Consulting Pty Ltd
Level 2, 1 Walker Avenue
West Perth Western Australia 6005

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Half-Year Ended 30 June 2023



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DIRECTORS REPORT

The Directors of Titan Minerals Limited (**Titan** or the **Company**) (**ASX:TTM**) present their report together with the financial report of the Group (being the Company and its subsidiaries) for the financial half-year ended 30 June 2023 and the auditor's review report. The use of the words Company and Group are interchangeable for the purposes of this report and the financial report.

Directors Information

The directors and company secretary of the Company at any time during or since the previous annual report were as follows:

Peter Cook – Non-Executive Director and Chairperson appointed 31 August 2021, current.

Matthew Carr – Executive Director appointed 3 February 2017, current.

Barry Bourne – Non-executive Director appointed 19 October 2021, current.

Nicholas Rowley – Non-executive Director appointed 9 August 2016, resigned 31 March 2023.

Tamara Brown – appointed as director on 1 April 2022, resigned 31 March 2023.

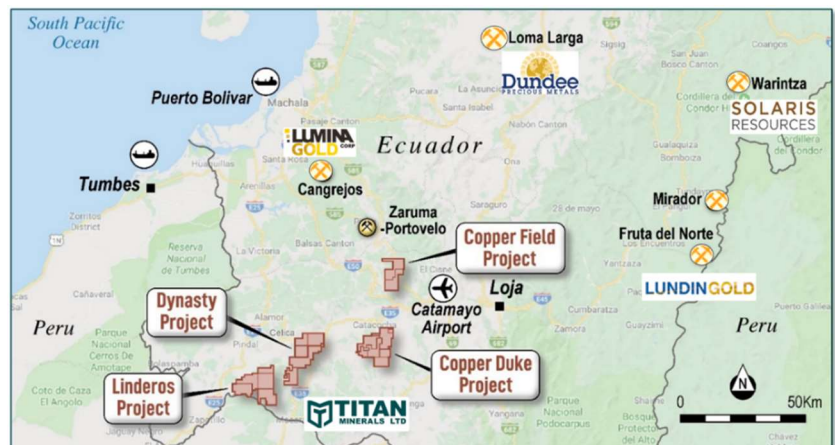
Zane Lewis – Company Secretary appointed 11 August 2016, current.

Principle activities

The Company's main undertaking is the exploration and development of its gold and copper assets in southern Ecuador.

The Company's assets are:

- The Dynasty Project
- The Linderos Project
- The Copper Duke Project
- The Copper Field Project



The assets lie proximal to a major flexure of the Andean Terrane where porphyry copper and epithermal gold-silver deposits are associated with early to late Miocene aged magmatism along the margin of the extensive Cretaceous aged Tangula Batholith.

Access to the main projects is excellent, all within close proximity to the Pan American and coastal highways. Well paved regional all-weather roads enable access to the projects. Regional airports exist approximately two hours by road from the projects with daily connections to Ecuador's capital city, Quito.

MESSAGE FROM THE CEO

Since joining Titan as CEO earlier this year, I have been extremely impressed with the efforts of our dedicated team, who have worked united in their efforts to unlock the opportunity through high quality exploration across our exciting portfolio of projects in southern Ecuador.

At a challenging time for junior explorers, Titan has remained steadfast in its mission to continue to explore and develop its copper and gold projects, all the while improving its geological understanding and adding value by drill testing targets and concepts, and lastly, by completing the JORC Compliant Mineral Resource estimate (MRE) for Dynasty.

Completion of the maiden JORC MRE marks a significant milestone representing the culmination of a massive body of work, including validation of historical data, considerable QAQC, geological interpretation and modelling. This has substantially grown the previous resource, with 3.12M ounces of gold and 21.98M ounces of silver now contained within the epithermal vein system, and more than half of the resource sits within 100 metres from surface.

Titan's drilling at Dynasty earlier in the year presented us with exciting results proving strong depth and grade continuity of the epithermal vein system in the Brecha-Comanche zone at Cerro Verde. The new drilling successful in extending the known depth of the high-grade gold system to 350 metres vertical- more than 120 metres below previous drilling, and more importantly the system still remains open at depth.

This has really positive implications for exploration and is a real opportunity for resource growth at Dynasty, where most of the gold mineralisation defined at the project is within 150 metres from surface, and relatively sparse drilling below that depth.

Another important milestone recently achieved has been re-securing access to the Papayal and Trapichillo prospects, where the geology team is now rapidly advancing surface geochemistry and confirmatory mapping across the outcropping epithermal vein corridor. This area is only sparsely and shallowly tested by historical drilling and trenching and again, provides a significant opportunity to rapidly grow the resource base.

Our CSR team has done a magnificent job in establishing positive and mutually beneficial engagement and support with the many communities and stakeholders in our project areas providing a terrific foundation for advancement of the Dynasty Project.

We also continue to explore our other projects Linderos and Copper Duke, with a focus on assembling quality generative datasets, improving our geological understanding and identifying mineralisation controls on what we believe to be potential Tier 1 porphyry copper systems at these projects.

I would like to thank our dedicated shareholders for their unwavering support. I am confident that the future is very bright, and Titan is well placed to capitalise on the foundation work completed on both technical and social aspects across all projects.

Melanie Leighton, CEO

ECUADOR PROJECTS OVERVIEW

Titan holds several projects exhibiting characteristics of both high-grade epithermal gold and large-scale porphyry copper mineral systems. The projects are located in southern Ecuador, which to date has been largely underexplored, but is proving itself to be an emerging Tier 1 mining jurisdiction.

The Company is extremely encouraged by the potential revealed from exploration work programs completed at the Dynasty Gold, Linderos and Copper Duke Projects over the past two years. The assembly of consistent, high quality geological datasets has identified several compelling epithermal gold, and large-scale porphyry copper targets, which are set to feature in drilling campaigns across each of the projects in the coming 12 months.

Completion of the Dynasty JORC Compliant Mineral Resource Estimate post half-year end represents a significant milestone for the Company and provides a solid foundation for future drilling programs targeting resource growth at the project.

Dynasty Project

The focus for the period has largely been exploration at the company's flagship Dynasty Gold Project.

The Company completed a diamond drilling campaign of 15 holes for 3,796 metres over the Cerro Verde project, testing both depth and lateral extensions to significant epithermal gold and porphyry copper mineralisation at the Brecha-Comanche and Kaliman targets.

Results from this drilling have proven strong depth and grade continuity of the epithermal vein system at Brecha-Comanche. Significant intercepts have extended the known depth of the high-grade system more than 120 metres below previous drilling to approximately 350m vertical, and importantly the system remains open at depth and along strike.

These results have massive implications for exploration and resource growth at the Dynasty Project, where most of the gold mineralisation defined to date sits within the top 100m from surface and sparse drill testing below 150- 200m depth.

Three main targets tested by the drilling were:

1. Depth extensions to high grade epithermal gold mineralisation:

Three diamond holes were completed for a total of 1,259 metres at the Brecha-Comanche epithermal vein system, where drilling was targeting test depth extensions, and the hypothesis that epithermal gold-silver veins potentially coalesce or widen at depth.

Pleasingly, drilling was successful in intersecting predicted down dip extensions to gold mineralisation, confirming the continuity and substantially extending the epithermal vein system a further 120 to 150 metres below previous drilling limits. Mineralisation has now been defined from surface to a depth of 350 metres, remaining open and untested below this depth.

Significant diamond drill intersections returned from Brecha-Comanche include:

- CVDD23-101:
 - **4.97m @ 2.12 g/t Au, 6.91 g/t Ag** from 299.18m,
 - **11.0m @ 2.67 g/t Au, 19.23 g/t Ag** from 396m.
- CVDD23-102:
 - **5.88m @ 4.64 g/t Au, 9.22 g/t Ag** from 203m,
 - **11.95m @ 3.25 g/t Au, 10.52 g/t Ag** from 218.5m,
 - **9.65m @ 2.29 g/t Au, 19.93 g/t Ag** from 250m,
 - **6.95m @ 10.84 g/t Au, 25.22 g/t Ag** from 337.85m,

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- **including 3.4m @ 20.53 g/t Au, 43.09 g/t Ag from 340.2m.**
- CVDD23-104
 - **5.75m @ 1.55 g/t Au, 2.38 g/t Ag** from 50.13m,
 - **11.07m @ 3.13 g/t Au, 19.00 g/t Ag** from 118.24m,
 - **including 2.76m @ 8.52g/t Au, 45.99 g/t Ag from 118.24m,**
 - **4.31m @ 4.46 g/t Au, 4.86 g/t Ag** from 284.35m.

2. Lateral extensions to the Kaliman gold-copper porphyry mineralisation:

Eight diamond holes were completed for a total of 1,887 metres at the Kaliman prospect. Although significant porphyry mineralisation was not intersected by drilling, a positive result has been the successful discovery and confirmation of further shallow epithermal gold veins, overlapping the porphyry system.

Drilling at Kaliman has identified a new overlapping and structurally controlled zone of epithermal vein mineralisation with excellent shallow and high-grade gold-silver intercepts returned. These new results present an opportunity for further expansion of resources, by targeting this style of mineralisation across the broader Dynasty Project.

Significant diamond drill intersections returned from Kaliman include:

- KLDD23-003:
 - **3.0m @ 3.89 g/t Au, 21.30 g/t Ag** from 72m,
- *within a broader intersection of 22m @ 0.75 g/t Au, 5.38 g/t Ag from 72m,*
 - **6.6m @ 2.47 g/t Au, 8.49 g/t Ag** from 105.4m, &
 - **5.03m @ 2.26 g/t Au, 4.17 g/t Ag** from 159.3m.
- KLDD23-004:
 - **3.69m @ 3.47 g/t Au, 10.04 g/t Ag** from 34.31m, &
 - **3.14m @ 3.55 g/t Au, 14.12 g/t Ag** from 163m,
- KLDD23-007:
 - **3.87m @ 1.06 g/t Au, 7.13 g/t Ag** from 25.13m, &
 - **1.94m @ 2.61 g/t Au, 4.42 g/t Ag** from 76.06m

3. Potential overlapping epithermal porphyry gold-copper mineral systems:

One additional diamond drillhole was completed targeting the overlapping epithermal and porphyry systems between the Brecha-Comanche and Kaliman systems, where previous drilling intersected **7.27m @ 9.89 g/t Au, 28.0 g/t Ag, 0.24% Cu from 118.78m** in CVDD033.

Results from this drillhole returned a significant intersection of:

- CVDD23-106:
 - **12.96m @ 3.39 g/t Au, 18.46 g/t Ag** from 96.04m
 - **Including 5.58m @ 6.43 g/t Au, 29.22 g/t Ag** from 96.04m &
 - **2.85m @ 6.03 g/t Au, 7.95 g/t Ag** from 128.15m
 -

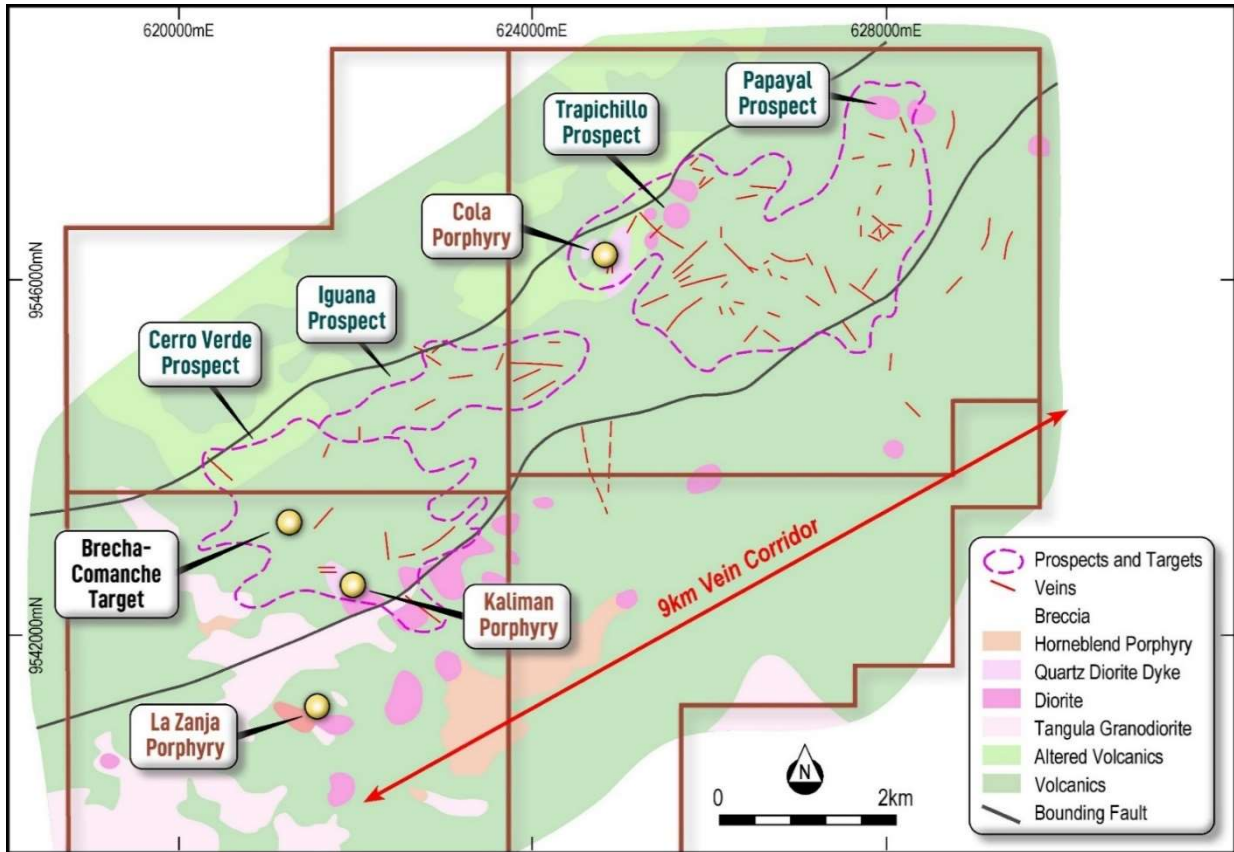


Figure 1. Dynasty Gold Project displaying simplified geology and prospect locations

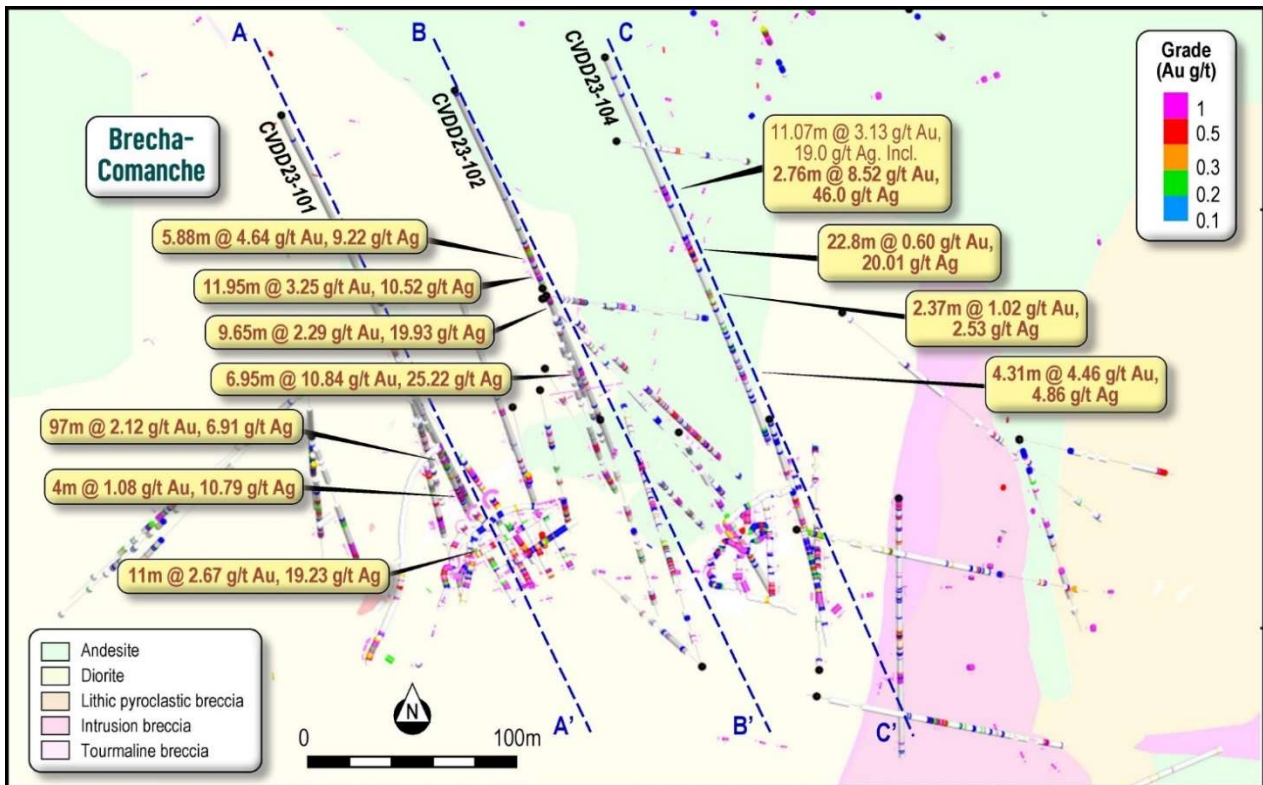


Figure 2. Brecha-Comanche Target plan view displaying simplified geology and drilling (Au g/t)

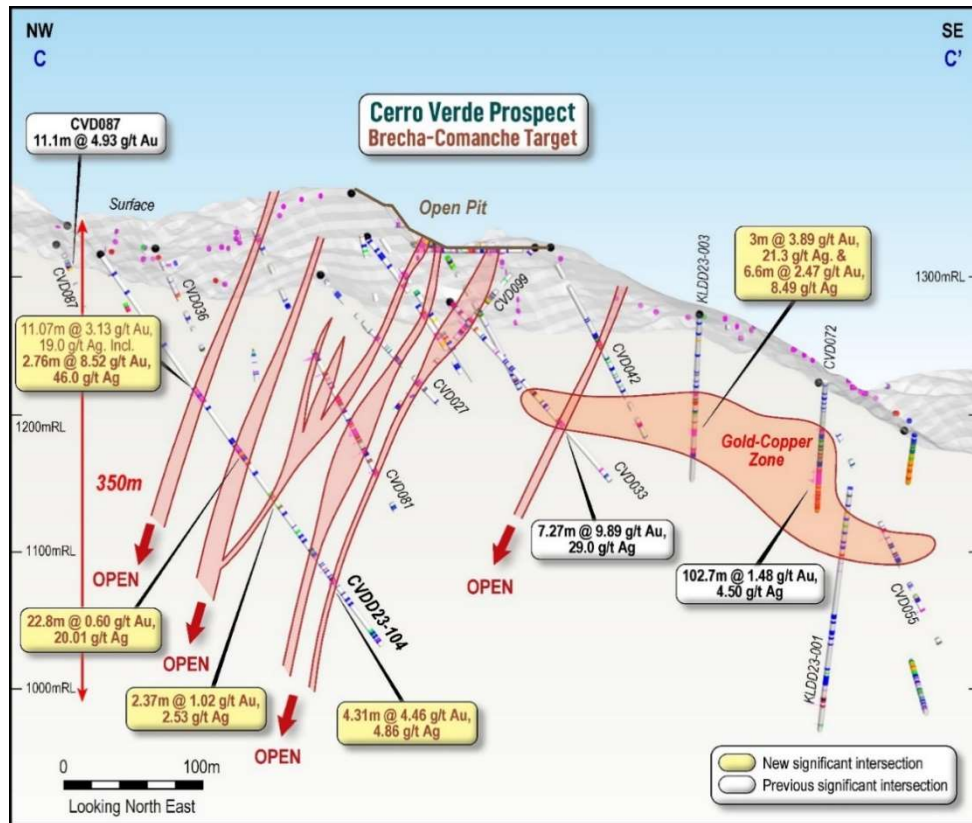


Figure 3. Brecha-Comanche cross section C-C' displaying drilling, mineralisation and significant intersections

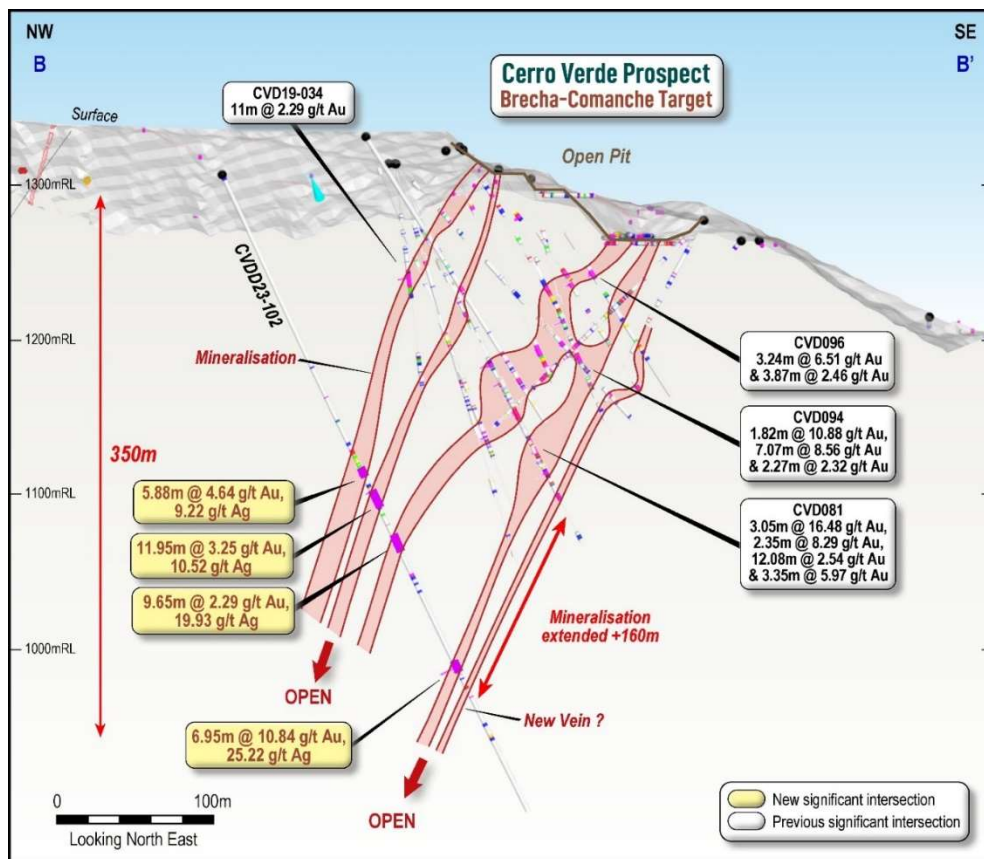


Figure 4. Brecha-Comanche cross section B-B' displaying drilling, mineralisation and significant intersections

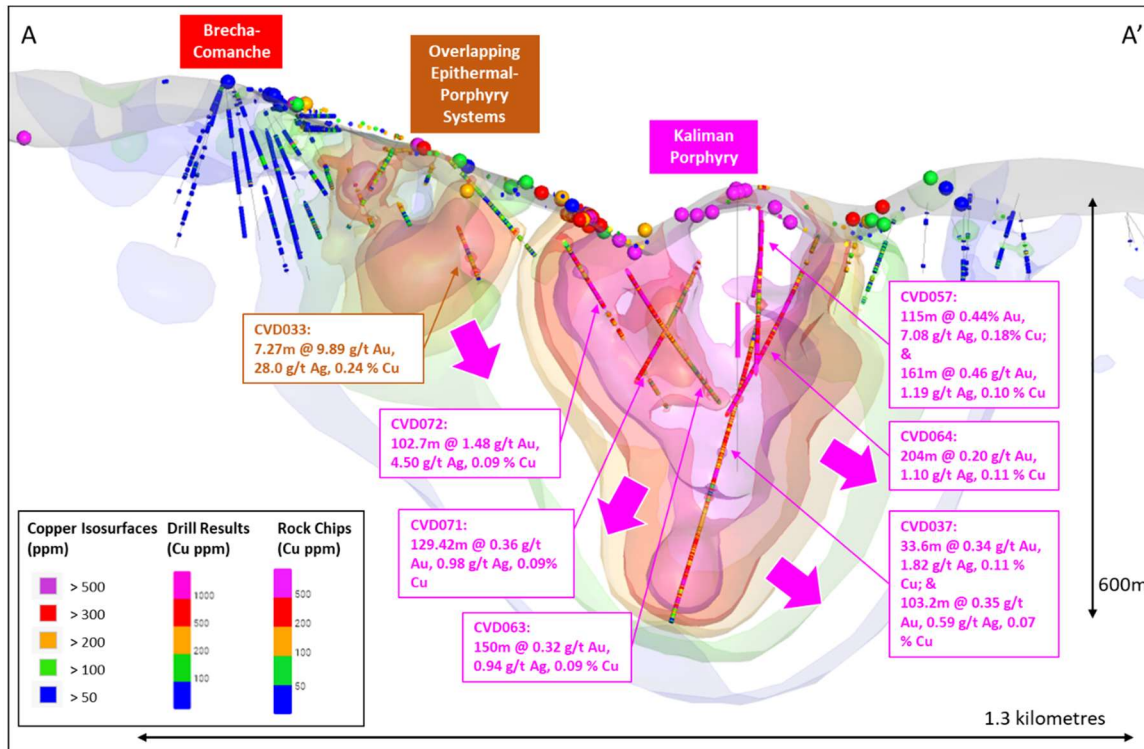


Figure 5. Long Section through Brecha-Comanche and Kaliman porphyry mineral systems, displaying drilling, copper isosurfaces and significant intersections

Dynasty Mineral Resource Estimate

Post quarter end¹ a maiden JORC Compliant MRE for the Dynasty Project was published, with the following highlights:

- Indicated and Inferred Mineral Resource Estimate of **43.54 Mt at 2.23 g/t Au & 15.7 g/t Ag** for a contained **3.12 million ounces of gold and 21.98 million ounces of silver**
- **Significant high-grade component of 17.3Mt @ 3.77 g/t Au, 24.0g/t Ag** for a contained **2.09 million ounces of gold and 13.33 million ounces of silver**
- **Over half of Mineral Resources contained within 100 metres from surface**
- **39% Indicated and 61% Inferred Resources**, with majority of Indicated resources at Cerro Verde, which is largely credited to the additional drilling and QAQC work completed by Titan over this area and gives confidence that the same classification can be achieved through moderate drilling and geological workstreams at other resource areas.
- **Papayal and Trapichillo vein systems exhibit extremely high gold and silver grades**, albeit relatively low tonnes, which is largely a function of sparse drilling. These areas will be a focus for resource growth, with drilling set to commence in the coming months.
- **Dynasty Gold Project significantly derisked with completion of JORC compliant Mineral Resource**, providing a robust 3D model for targeting resource growth and initiating future mine development studies.
- **Substantial depth extensions to the epithermal Au-Ag vein system confirmed to 350m** in latest drill results at Brecha-Comanche (Cerro Verde), providing the confidence to test, and potentially add substantial resources through delineating depth extensions across the project.

¹ Refer to ASX Release dated 6 July 2023

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- Several high conviction areas for resource additions identified with minimal drilling required.** Significant drill intercepts were excluded from the resource due to uncertainty in geological interpretation in some areas. Minimal drilling required to improve geological understanding in these areas, representing potential near-term future resource additions.

Table 1. Dynasty Project Open Pit Mineral Resource Estimate reported by Prospect Area

Prospect	Indicated					Inferred					Total				
	Tonnes (M)	Grade (g/t)		Contained Metal (Moz)		Tonnes (M)	Grade (g/t)		Contained Metal (Moz)		Tonnes (M)	Grade (g/t)		Contained Metal (Moz)	
		Au	Ag	Au	Ag		Au	Ag	Au	Ag		Au	Ag	Au	Ag
Cerro Verde	15.17	2.01	13.51	0.98	6.59	13.63	2.15	12.44	0.94	5.45	28.80	2.08	13.00	1.92	12.04
Iguana	2.41	2.36	16.08	0.18	1.25	8.52	1.92	13.00	0.53	3.56	10.93	2.02	13.68	0.71	4.81
Trapichillo	0.05	1.89	9.28	0.00	0.01	2.89	3.83	39.80	0.36	3.70	2.94	3.80	39.31	0.36	3.71
Papayal	0.46	3.04	48.24	0.05	0.72	0.41	6.24	53.80	0.08	0.71	0.87	4.54	50.85	0.13	1.43
Total	18.09	2.09	14.73	1.21	8.57	25.44	2.33	16.40	1.90	13.41	43.54	2.23	15.70	3.12	21.98

Notes: Reported ≥ 0.5 g/t Au. Some rounding errors may be present. Tables are rounded as the final steps. Totals are not calculated after rounding. M – million. Oz- ounce. g/t – grams per tonne.

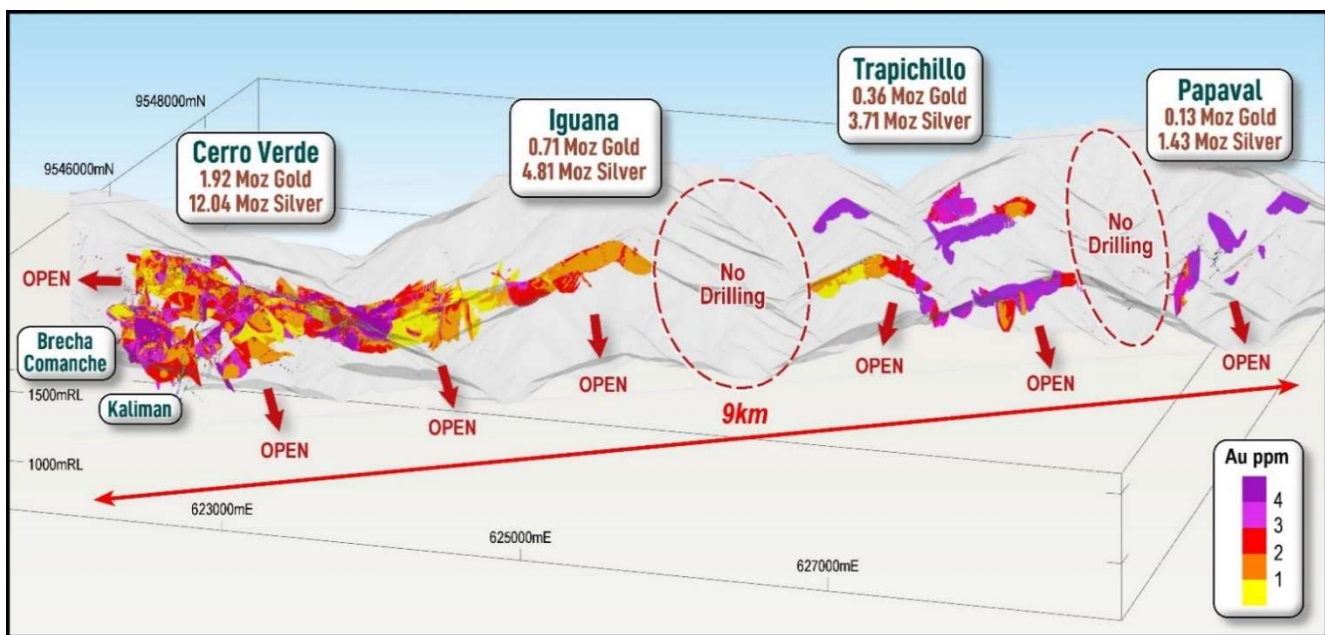


Figure 6. Dynasty Resource Oblique view looking north displaying Mineral Resources ≥ 0.5 g/t Au

Regional & Generative Activities

Generative work programs including mapping and surface geochemical sampling continued to unveil new areas of mineralisation at Dynasty, adding further support to the potential to add considerable ounces to the existing resource through systematic exploration.

Soil sampling, and BLEG stream sediment sampling continued over the broader project area as part of the generative strategy, to develop new regional targets.

An important milestone recently achieved has been re-securing access to the Papayal and Trapichillo prospects, where the geology team is now rapidly advancing surface geochemistry and confirmatory mapping across the epithermal vein corridor. This area is sparsely and shallowly tested by historical drilling and trenching and provides a significant opportunity to rapidly grow resources.

Titan's CSR team has been at the fore of establishing positive and mutually beneficial engagement and support with the many communities and stakeholders in our project areas providing a solid foundation for advancement of the Dynasty Project.

A total of 347 hectares of mapping and 435 soil samples were taken, with results of this work to refine priority targets and inform the next campaign of drilling, focusing on the high grade gold at the Trapachillo and Papayal prospects.

Results from an orientation soil geochemical survey over the Kaliman porphyry and La Zanja prospects were received and are being reviewed to determine next steps for soil geochemical sampling and other follow-up exploration work programs.

Linderos Project

In November 2022, Titan completed a maiden campaign of eight diamond drill holes for 3,702m at the Copper Ridge Porphyry prospect (Copper Ridge). Drilling was designed to target porphyry mineralisation highlighted by surface mapping, soil and channel sample geochemistry, and limited shallow historical drilling undertaken at the prospect.

Assay results were received for the balance of the drill holes, adding further wide intersections of disseminated and vein hosted copper-molybdenum±gold±silver mineralisation from surface to approximately 500 metres vertical.

Mineralisation is hosted within a diorite porphyry, with vein hosted and disseminated chalcopyrite-pyrite-pyrrhotite-molybdenite, and secondary biotite plus green-grey sericite and pervasive quartz-alkali feldspar defining an early to transitional potassic alteration.

Pleasingly, six out of the eight diamond drillholes were mineralised to the end of hole, highlighting strong potential for lateral and depth extensions.

Evidence that the Copper Ridge porphyry has the potential to host higher-grade copper and gold mineralisation is supported by intersections including **76m grading 0.5% Cu Eq from 132m** in CRDD22-003 and **22m grading 0.5% Cu Eq from 524m** in CRDD22-006.

Significant intersections returned from Copper Ridge Porphyry include:

- CRDD23-003:
 - 308m grading 0.4% Cu Eq² from 54m, and
 - 91m grading 0.3% Cu Eq from 484m to EOH.
- CRDD23-001:
 - 52m grading 0.3% Cu Eq from 82m
- CRDD22-006:
 - 72m grading 0.4% Cu Eq from 21m, and
 - 51m grading 0.4% Cu Eq from 373m, and
 - 22m grading 0.5% Cu Eq from 524m
- CRDD22-004:
 - 186m grading 0.3% Cu Eq from 196m, which also contains a gold rich zone of 80m

² Copper Equivalent (Cu Eq) values – Requirements under the JORC Code

- Assumed commodity prices for the calculation of Copper Equivalent (Cu Eq) is Cu US\$3.00/lb, Au US\$1,700/oz, Mo US\$14/lb and Ag US\$20/oz
- Recoveries are assumed from similar deposits: Cu = 85%, Au = 65%, Ag = 65%, Mo = 80%
- Cu Eq (%) was calculated using the following formula: $((Cu\% \times Cu \text{ price } 1\% \text{ per tonne} \times Cu \text{ recovery}) + (Au(g/t) \times Au \text{ price per g/t} \times Au \text{ recovery}) + (Mo \text{ ppm} \times Mo \text{ price per g/t} \times Mo \text{ recovery}) + Ag \text{ ppm} \times Ag \text{ price per g/t} \times Ag \text{ recovery}) / (Cu \text{ price } 1\% \text{ per tonne} \times Cu \text{ recovery})$. **Cu Eq (%) = Cu (%) + (0.54 x Au (g/t)) + (0.00037 x Mo (ppm)) + (0.0063 x Ag (ppm))**
- TTM confirms that it is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

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grading 0.4% Cu Eq from 286m

- o CRDD22-007:
 - 88m grading 0.3% Cu Eq from 266m
 - Within a broader intersection of 172m grading 0.2% Cu Eq from 196m to end of hole, ending in mineralisation.

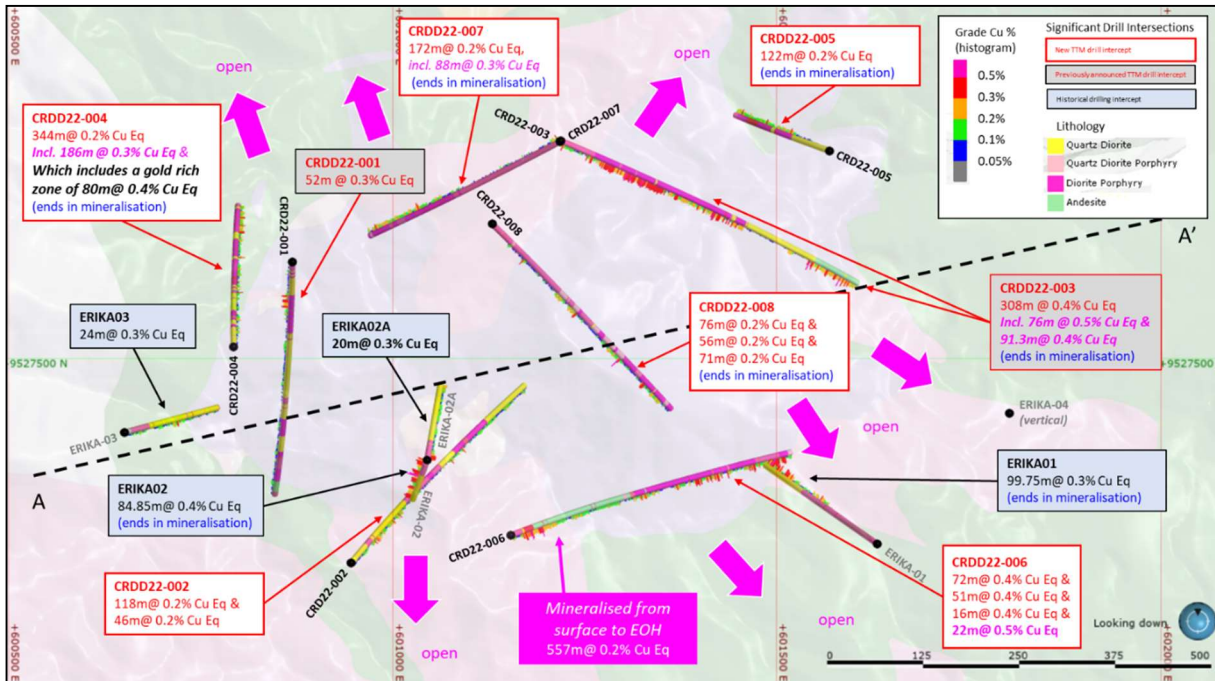


Figure 7. Copper Ridge plan view displaying interpreted geology and drilling displaying geology on drill trace and copper histogram on left, and significant intersections- new and previously announced.

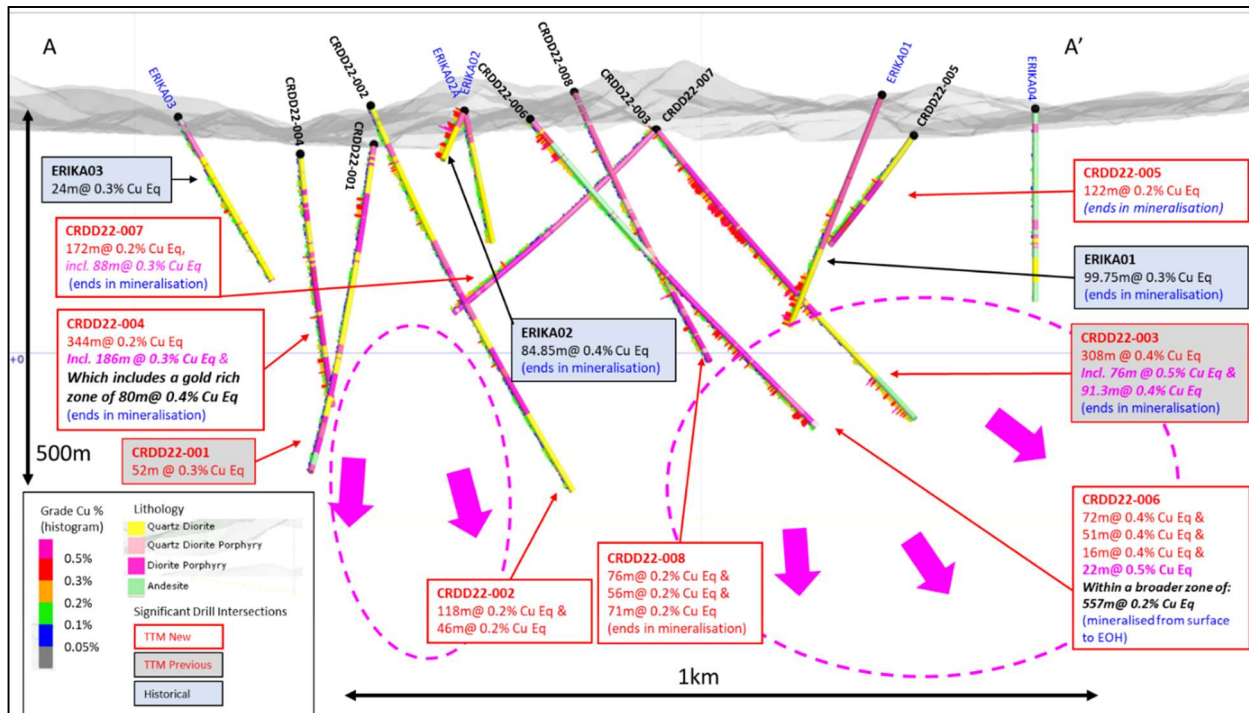


Figure 8. Copper Ridge Long Section looking NNW displaying all drilling and significant intersections including new and historical results

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Late in 2022, Titan completed a maiden campaign of fourteen diamond holes for 1,270 metres at the Meseta Gold prospect (**Meseta**), with multiple, narrow high-sulphidation pyrite-sphalerite-arsenopyrite±galena, massive sulphide veins intersected.

Meseta displays metal zonation and alteration assemblages typical of intermediate sulphidation systems related to proximal porphyry systems, with outcropping porphyry mineralisation identified and confirmed by drilling at the Copper Ridge Porphyry prospect less than 500 metres to the south.

Significant intersections were returned from shallow depths in 12 out of 14 holes, within polymetallic gold, silver, copper, zinc, and lead massive sulphide veins. The better significant intercepts included:

- MGDD22-010:
 - 7.22m grading 13.77 g/t Au, 12.90 g/t Ag, 0.15% Cu, 0.38% Zn from 66.28m, within a broader intersection of 76.5m grading 1.41 g/t Au, 5.63 g/t Ag, 0.27% Zn from surface
- MGDD22-012:
 - 4.88m grading 12.87 g/t Au, 6.04 g/t Ag, 0.11 % Cu, 0.41% Zn from 41.0m
- MGDD22-001:
 - 4.64m grading 5.00g/t Au, 10.33g/t Ag, 0.39% Zn, 0.19% Pb from 51.7m
- MGDD22-003
 - 5.76m grading 3.72g/t Au, 48.69g/t Ag, 0.25% Zn, 0.28% Pb from 36.54m

Pervasive phyllic (quartz-paragonite±pyrite), grading to intermediate argillic (paragonite-illite±chlorite) alteration was observed in drilling.

Mineralisation in veins occurs as massive pyrite, arsenopyrite, with minor galena and sphalerite. Vein thicknesses range from 30 to 80cm with an average of 60cm observed in drill core.

Wall rock mineralisation includes disseminated sulphides of varying concentrations of arsenopyrite, sphalerite, pyrrhotite, and isolated intervals of galena, and chalcopyrite.

Meseta is the first of several epithermal gold targets defined by Titan's reconnaissance works within the Linderos Project to be drill tested, with high priority prospects proximal to porphyry copper-gold sources driving epithermal gold mineralisation.

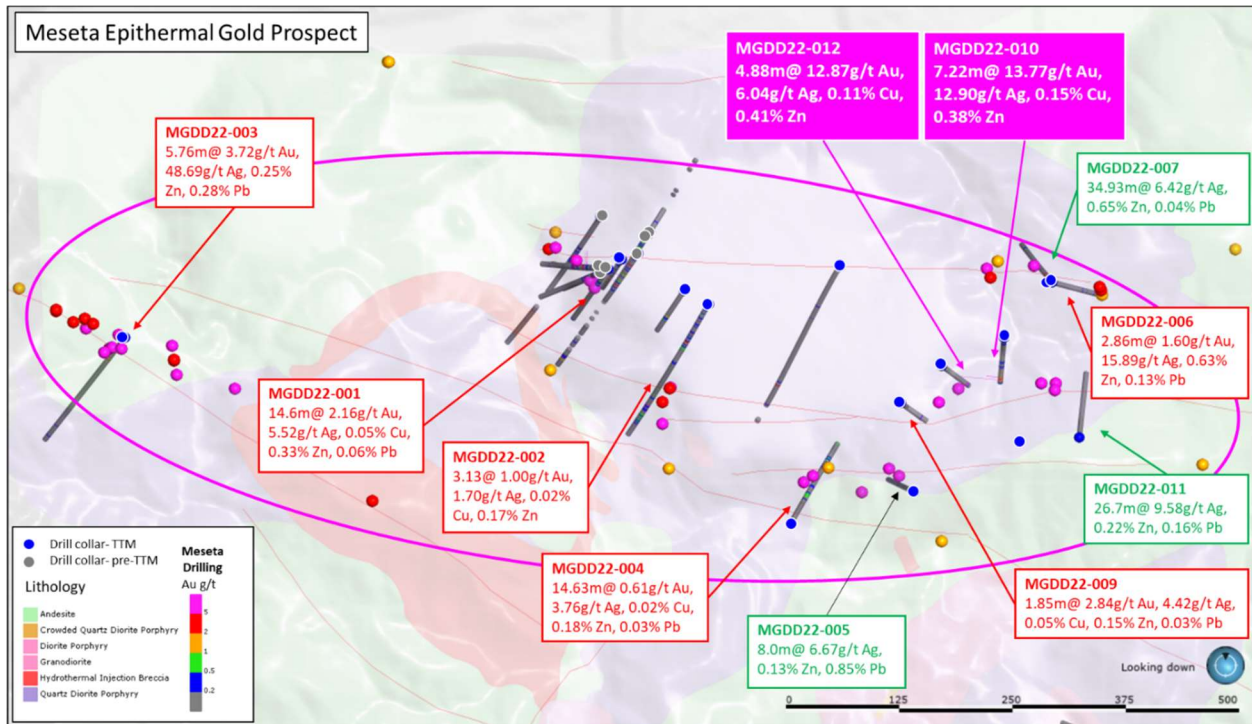


Figure 9. Plan view of the Meseta Gold prospect displaying project geology, drill traces (Au histogram), significant intercepts, and surface rock chips coloured by Au (g/t).

Regional & Generative Activities

Generative activities continued to advance, with the main activities including detailed surface mapping and channel sampling at Copper Ridge and Meseta, along with regional soil sampling across the wider project area.

Surface mapping continued to extend the Copper Ridge porphyry footprint to the west and south, defining the limits of mineralisation and stable hornblende and outer alteration zones. In addition, a vein paragenesis model was created using crosscutting relationships, helping to identify the chronology of the veins observed in the drill core and their relationship to copper and gold mineralisation.

The geological understanding of the Copper Ridge porphyry and Meseta epithermal gold systems advanced, with a core relogging campaign completed which included the use of immobile element ratios to map the different intrusive phases. The use of immobile element ratios was also completed in surface trenches, tying in downhole and surface mapping of porphyry phases.

Regional soil sampling across the Chorrera and Linderos East concessions advanced, with geochemistry results intended to assist in identification of, and vector towards, any potential mineralised porphyry centres and/ or epithermal gold systems. Once complete, the regional soil geochemical dataset will be a powerful foundation dataset and will assist in identifying priority targets for follow-up work programs and potential drill testing.

An Induced Polarisation (IP) pole-dipole geophysical survey was also completed over the Copper Ridge, Meseta, Nueva Esperanza and Capa Rosa prospects. In total 64 line kilometres were completed on 300 metre spacings. The IP survey is expected to map subsurface sulphide mineralisation, and hydrothermal alteration associated with porphyry and epithermal mineral systems.

A program of SCIP (Sample Core Induced Polarisation) measurements were taken on Copper Ridge and Meseta core samples to facilitate the creation of a constrained 3D IP inversion model. Final 2D and 3D IP inversion models are awaited, and will be used to optimise future drilling campaigns over the Copper Ridge porphyry and surrounding epithermal gold prospects.

Stream sediment samples were collected over the broader Linderos Project, with 112 samples collected and the results expected to identify and focus geological activities within mineralised catchments.

Copper Duke Project

Titan's team of dedicated project geologists have been focussed on exploring the Copper Duke Project, where they have conducted systematic exploration, and collected key layers of geological information, providing a significantly improved geological understanding.

Surface geochemistry, and mapped porphyry stocks have been observed to exhibit wide-spread hydrothermal alteration, quartz veinlets and mineralisation, highlighted the potential for a large-scale porphyry system extending from surface at the Copper Duke Project.

Systematic exploration continued at the Copper Duke Project where activities included surface mapping and trenching at the the El Huato and Lumapamba prospects. Results for surface trenches and channel samples were returned post quarter end, with extensive zones of copper and gold in porphyry, breccia and epithermal style mineralisation identified in the El Huato and Lumapamba prospects.

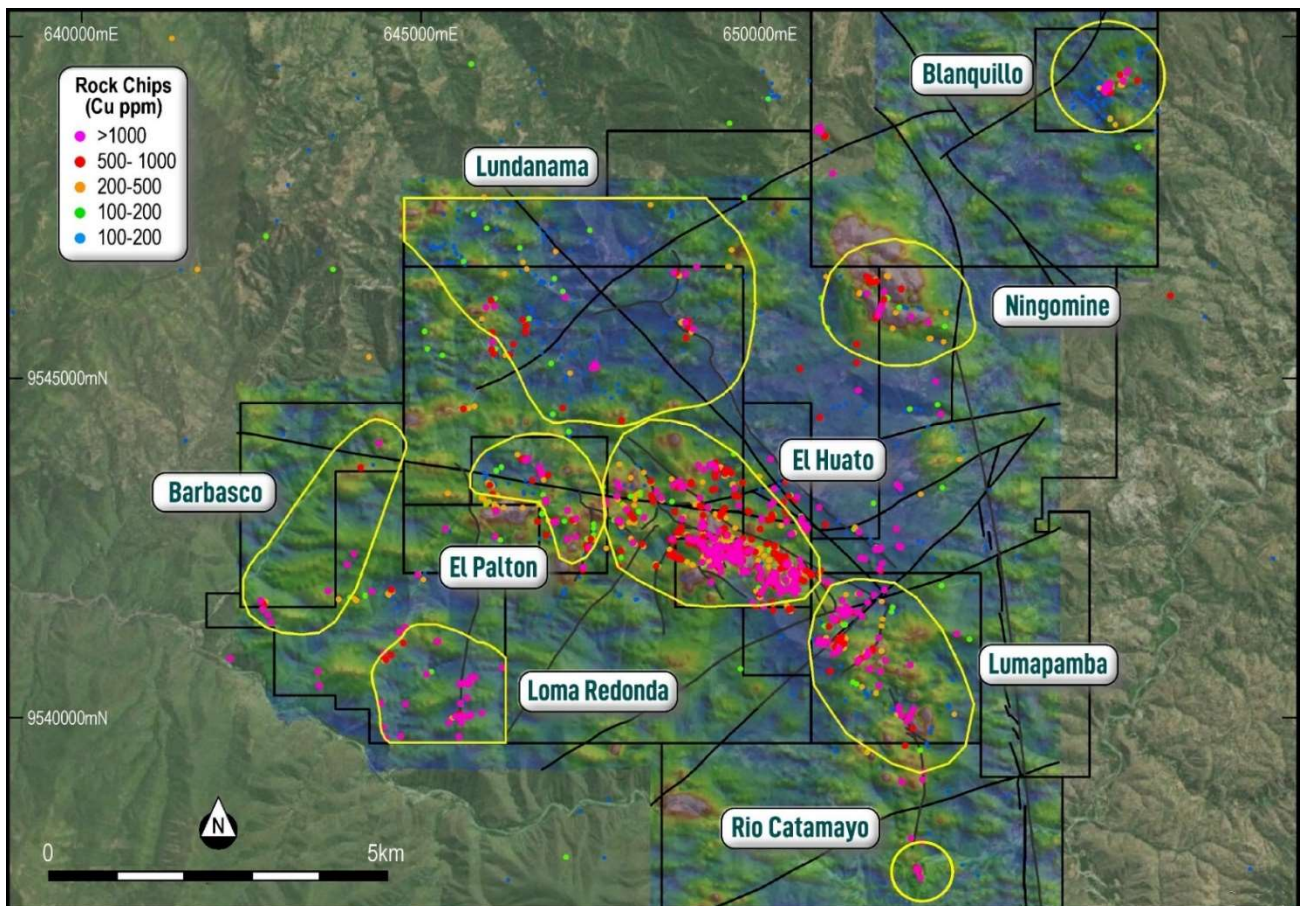


Figure 10. Copper Duke Location map showing aeromagnetic image (analytic signal), regional structures, rock chips (Cu ppm), Titan concessions and prospects.

Results from surface trenching and mapping are aiding improved geological understanding, and vectoring towards the best part of the of the porphyry system. Preparation for drill testing priority targets at Copper Duke are now well advanced, with community engagement and socialisation of proposed future drilling activities underway.

Detailed 1:500 scale geological mapping continued, the focus for mapping being along roads and streams which provide excellent exposure. The aim of the mapping is to characterise wall rock,

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porphyry phases, hydrothermal alteration assemblages, vein intensity and geometry, and the structural framework of mineralised occurrences.

27 trenches were developed for 1,340 metres in the El Huato and Lumapamba prospects with impressive results returned, and copper and gold mineralisation now confirmed at surface over extensive areas.

Significant trench and channel results are detailed below:

El Huato prospect:

- 20m @ 0.90 g/t Au, 0.21 % Cu in HTC22-050,
 - **including 4m @ 2.36 g/t Au, 0.14 % Cu,**
- 50m @ 0.16 g/t Au, 0.09 % Cu in HTT23-003,
 - **including 10m @ 0.48 g/t Au, 0.11 % Cu,**
- 64m @ 0.07 g/t Au, 0.07 % Cu in HTT23-004,
 - **including 22m @ 0.11 g/t Au, 0.12 % Cu,**
- 50m @ 0.10 g/t Au, 0.08 % Cu in HTT23-005,
 - **including 18m @ 0.12 g/t Au, 0.10 % Cu,**
- 100m @ 0.06 g/t Au, 0.09 % Cu in HTC22-042,
 - **including 12m @ 0.10 g/t Au, 0.13 % Cu,**
- 124m @ 0.04 g/t Au, 0.07 % Cu in HTC22-044,
 - **including 34m @ 0.06 g/t Au, 0.10 % Cu.**
-

Lumapamba prospect:

- 20m @ 0.72 g/t Au, 0.10 % Cu in HTC22-037,
 - **including 10m @ 1.20 g/t Au, 0.13 % Cu,**
- 76m @ 0.19 g/t Au, 0.02 % Cu in HTC22-022,
 - **including 8m @ 0.52 g/t Au, 0.03 % Cu, &**
 - **including 16m @ 0.30 g/t Au, 0.01 % Cu,**
- 28m @ 0.28 g/t Au, 0.40 % Cu in HTC22-054,
 - **including 14m @ 0.45 g/t Au, 0.58 % Cu.**
- 38m @ 0.14 g/t Au, 0.06 % Cu HTC22-028,
 - **including 10m @ 0.35 g/t Au, 0.07 % Cu,**
- 6m @ 0.36 g/t Au, 0.60 % Cu in HTC22-034,
- 62m @ 0.10 g/t Au, 0.09 % Cu in HTC23-077.
 - **including 30m @ 0.15 g/t Au, 0.12 % Cu**
-



Plate 2. El Huato Trench HTT23-001: 22-24m- Diorite Porphyry with Stockwork B and D type veinlets.

Copper Field Project

No exploration was completed on the Copper Field Project during the half year.

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



OPERATING RESULTS

The profit from continuing operations of the Group for the half-year ended 30 June 2023 amounted to US\$387 thousand (30 June 2022: loss of US\$825 thousand).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS AND REVIEW OF OPERATIONS

Significant changes in the state of affairs of the Consolidated Entity and review of operations have been described in the prior sections of the Directors Report.

EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to year end, the Group completed a placement of AUD \$5.0 million (before costs), with a further AUD \$0.5 million expected via director participation (subject to shareholder approval).

There has not been any other matter or circumstance that have arisen since the end of the financial period, that has significantly affected or may significantly affect, the operations of the Group, the results of the operations, or the state of the affairs of the Group in the future financial years.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead Auditor's Independence Declaration is set out on the following page and forms part of the Directors' Report for the financial half-year ended 30 June 2023.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'Matt Carr', written over a horizontal line.

Matt Carr
Executive Director
13 September 2023
Perth, Western Australia

Competent Person's Statements

The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Ms Melanie Leighton, who is an experienced geologist and a Member of The Australian Institute of Geoscientists. Ms Leighton is a full-time employee at Titan Minerals and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which she 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'. Ms Leighton consents to their inclusion in the report of the matters based on this information in the form and context in which it appears.

With respect to estimates of Mineral Resources, announced on 6 July 2023, (MRE Announcement) the Company confirms that it is not aware of any new information or data that materially effects the information in the MRE Announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.



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13 September 2023

Board of Directors
Titan Minerals Limited
Suite 1 ,295 Rokeby Road
Subiaco WA 6008

Dear Directors

RE: TITAN MINERALS LIMITED

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Titan Minerals Limited.

As the Audit Director for the review of the interim financial statements of Titan Minerals Limited for the half year ended 30 June 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Authorised Audit Company)

Samir Tirodkar
Director



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
TITAN MINERALS LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the half-year financial report of Titan Minerals Limited ("the Company") and the entities it controlled ("the Group"), which comprises the condensed consolidated statement of financial position as at 30 June 2023, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Titan Minerals Limited, does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2023 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* has been given to the directors of the Company on 13 September 2023.

Material Uncertainty Related to Going Concern

As referred to in Note 2b to the interim financial statements, the interim financial statements have been prepared on the going concern basis. At 30 June 2023, the consolidated entity had cash and cash equivalents totalling \$152,000 and working capital deficiency of \$1,203,000. During the six months ended 30 June 2023, the consolidated entity experienced net cash outflows from operating activities of \$1,534,000. These matters indicate that a material uncertainty exists that may cast significant doubt on the consolidated entity's ability to continue as a going concern. The consolidated entity's ability to continue operations is dependent upon directors raising additional funding either through the issue of equity or debt, realising its receivable balances



in full, and /or through the sale of assets and developing the group's mineral assets. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Titan Minerals Limited, are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 30 June 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD (An Authorised Audit Company)

Samir Tirodkar
Director
West Perth, Western Australia
13 September 2023

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



DIRECTORS' DECLARATION

The Directors of Titan Minerals Limited declare that:

1. As set out in Note 2, the Directors are of the opinion that the financial statements:
 - a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* and other mandatory professional reporting requirements; and
 - b) give a true and fair view of the Group's financial performance for the half-year ended 30 June 2023;
2. in the Directors' opinion, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for on behalf of the Directors by:

A handwritten signature in black ink, appearing to read 'Matt Carr', positioned above a horizontal line.

Matt Carr

Executive Director

13 September 2023

Perth, Western Australia

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the half year ended 30 June 2023

		Half year ended	
		30 June 2023	30 June 2022
		USD	USD
	Notes	\$ 000's	\$ 000's
Expenses			
General and administration		(296)	(538)
Salaries and wages		(302)	(261)
Professional fees		(382)	(476)
Stock-based compensation		(1,071)	6
(Loss) from operations		(2,051)	(1,269)
Other income	4	3,530	465
Finance expense		(107)	(91)
Fair value (loss) of financial assets		-	(102)
Impairment	4	(1,018)	-
Net foreign exchange gain (loss)		33	172
Net profit / (loss) for the period from continuing operations		387	(825)
Profit from discontinuing operations	7	155	2,458
Profit for the period attributable to shareholders of the Company		542	1,633
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation		225	(222)
Total comprehensive profit for the period attributable to shareholders of the Company		767	1,411
(Loss) / profit per share from continuing operations – basic and diluted (cents)		0.027	(0.059)
Profit / (loss) per share from discontinuing operations – basic and diluted (cents)		0.011	0.174

Notes to the condensed consolidated financial statements form part of these financial statements.

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

	Notes	30 June 2023 USD \$ 000's	31 Dec 2022 USD \$ 000's
Assets			
Current assets			
Cash and cash equivalents		152	671
Receivables and prepaid expenses	4	2,950	3,642
Financial assets		310	317
Assets classified as held for sale	7	-	1,024
Inventories		-	178
Total current assets		3,412	5,832
Non-current assets			
Receivables	4	2,557	2,397
Properties, plant and equipment	5	255	235
Exploration and evaluation expenditure	6	40,275	35,477
Total non-current assets		43,087	38,109
Total assets		46,499	43,941
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8	2,394	2,772
Loans payable	9	2,221	1,016
Liabilities classified as held for sale	7	-	108
Total current liabilities		4,615	3,896
Non-current liabilities			
Provision for closure and restoration		494	494
Total non-current liabilities		494	494
Total liabilities		5,109	4,390
Net assets		41,390	39,551
Shareholders' equity			
Issued capital	9	170,463	170,463
Reserves		24,449	23,153
Accumulated losses		(153,522)	(154,065)
Total shareholders' equity		41,390	39,551

Notes to the condensed consolidated financial statements form part of these financial statements.

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half year ended 30 June 2023

	Share Capital US \$000's	Foreign currency translation reserve US \$000's	Share Based Payment Reserves US \$000's	Accumulated losses US \$000's	Total Shareholder (Deficit) Equity US \$000's
Balance at 1 January 2022	170,383	713	21,404	(154,120)	38,380
Net profit for the period	-	-	-	1,633	1,633
Other comprehensive income	-	(222)	-	-	(222)
Total comprehensive profit for the period	-	(222)	-	1,633	1,411
<i>Transactions with owners in their capacity as owners</i>					
Issue of shares	40	-	-	-	40
Share based payments	-	-	(6)	-	(6)
As at 30 June 2022	170,423	491	21,398	(152,487)	39,825
Balance at 1 January 2023	170,463	1,658	21,495	(154,065)	39,551
Net profit for the period	-	-	-	543	543
Other comprehensive income	-	225	-	-	225
Total comprehensive profit for the period	-	225	-	543	768
<i>Transactions with owners in their capacity as owners</i>					
Share based payments	-	-	1,071	-	1,071
As at 30 June 2023	170,463	1,883	22,566	(153,522)	41,390

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Half Year Ended 30 June 2023

	Half-year ended	
	30 June 2023	30 June 2022
	USD	USD
	\$ 000's	\$ 000's
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(1,534)	(1,721)
NET CASH (USED IN) IN OPERATING ACTIVITIES	(1,534)	(1,721)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments of exploration and evaluation costs	(3,689)	(5,091)
Payments for property, plant and equipment acquired	(55)	(116)
Proceeds from the sale of Zaruma sale (including interest)	2,900	600
Proceeds from the sale of subsidiary	350	500
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(494)	(4,107)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,251	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	1,251	-
Net (decrease) increase in cash and cash equivalents	(777)	(5,828)
Cash and cash equivalents at the beginning of the period	671	8,762
Effects of exchange rate changes on the balance of cash held in foreign currencies	258	(227)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	152	2,707

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Titan Minerals Limited is a for-profit listed public company, incorporated in Australia and operates in Australia (corporate office) and in South America. The Group's registered office is in Suite 1, 295 Rokeby Road, Subiaco WA 6008.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The half-year financial report is a general purpose condensed financial report prepared in accordance with the Corporations Act 2001 and AASB 134 "Interim Financial Reporting". Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 134 "Interim Financial Reporting". The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction the annual financial report for the year ended 31 December 2022 and the company's ASX announcements up to the date of release of this financial report.

The financial statements were authorised for issue by the Directors on 13 September 2023.

(a) Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in United States dollars unless otherwise noted.

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and in accordance with that instrument, amounts in the financial statements have been rounded off to the nearest thousand dollars, unless otherwise indicated.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(b) Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity, realisation of assets and the settlement of liabilities in the normal course of business. The Consolidated Entity had net operating cash outflows of \$1,534 thousand (2022: \$1,721 thousand) for the period ended 30 June 2023. The Group is currently in a working capital deficit position of \$1,203 thousand (31 December 2022: surplus of \$1,936 thousand).

The Titan Group is focused on the exploration and evaluation of its three main concession or tenement groups in Ecuador, namely the Dynasty Gold project, Copper Duke project and the Linderos project.

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



The directors have prepared a cash flow forecast, which indicates that Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report. Included in the forecast are capital raisings and asset sales to be finalised within the next 12 months.

Subsequent to year end, the Group completed a placement of AUD \$5.0 million (before costs), with a further AUD \$0.5 million expected via director participation (subject to shareholder approval). The Group also expects to receive the remaining US\$2.5 million from the Group's sale of the sale of Zaruma mine and Portovelo process plant to Pelorus Minerals Limited (refer Note 4 for further details).

The Directors are confident that the Group will have sufficient cash to fund its activities within the next 12 months from the date the financial statements are approved and will be able to meet existing commitments as they fall due. The Directors will also continue to carefully manage discretionary expenditure in line with the Group's cashflow.

Should the Group not achieve additional funding required, there is uncertainty whether the Group would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

3. SEGMENT INFORMATION

Identification of Reportable Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board (the chief operating decision-maker) in assessing performance and in determining the allocation of resources.

The Group's principal activities is exploration and development of gold and copper assets in Ecuador. These activities are all located in the same geographical area being Ecuador. Given there is only one segment being in one geographical area, the financial results from this segment are equivalent to the financial statements of the Consolidated Entity as a whole.

4. RECEIVABLES AND PREPAID EXPENSES

Consolidated

	30 Jun 2023	31 Dec 2022
	US \$000's	US \$000's

CURRENT

Other receivables	450	637
Prepaid expenses	-	105
Consideration receivable – Pelorus Minerals Limited ¹	2,500	2,900
	2,950	3,642

NON-CURRENT

Other receivables ²	2,557	2,397
	2,557	2,397

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



- (1) On 26 July 2021, the Consolidated Group completed the sale of Zaruma mine and Portovelo process plant in Ecuador for US\$15.0 million pursuant to a Share Sale Agreement with Pelorus Minerals Limited.

On 18 October 2022, the Group entered into a revised payment plan for US \$5.0 million as per the following:

- US\$1.0 million received;
- US\$2.0 million by end of October 2022; and
- US\$2.0 million by end of 19 December 2022.

As at 18 October 2022, the amount outstanding was US\$7.5 million, with the difference between the amount outstanding and the revised settlement amount of US\$2.5million impaired.

On 30 March 2023, due to the failure of the other party to meet its obligations under the revised payment plan, the Company issued a letter of default to Pelorus Minerals Limited nullifying the reduced settlement agreement. As a result of the default notice, consideration of US\$2.5 million and interest on delayed payments of US\$1 million was recognised during the period.

During the 6 month period to 30 June 2023, the Company received US\$2.9 million of the outstanding consideration, with the amount owing as at 30 June 2023.

	Consolidated
	30 Jun 2023
	US \$000's
Consideration receivable movement	
Opening at the beginning of the period	2,900
Default notice – recognition of consideration receivable	2,500
Default notice – recognition of default interest	1,018
Receipts – consideration received during the period	(2,900)
Provision for impairment – default interest	(1,018)
Closing at the end of the period	2,500

While the Directors are confident in the recoverability of the US\$2.5 million consideration, there is uncertainty in the recoverability of the US\$1 million of interest. As a result, it has recognised a provision for non-recoverability for the total interest amount.

The Company notes that it retains its security over the Zaruma mine and Portovelo Plant.

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



The below is a break-down of the above transactions impacts in the consolidated statement of profit or loss and other comprehensive income.

	Consolidated
	30 Jun 2023
	US \$000's
Other Income	
Reversal of impairment – consideration	2,500
Default interest recognised	998
Other	32
	3,530
Impairment of default interest	(1,018)

- (2) Other receivables (non-current) relate to VAT recoverable from foreign taxation authorities. The recoverability of this VAT is based on the commencement of mining operations and as such, have been classified as non-current assets.

5. PROPERTIES, PLANT & EQUIPMENT

Amounts denominated in US \$000's	Plant and Equipment US \$000's
Cost:	
Balance as at 31 December 2021	217
Additions	126
Balance as at 31 December 2022	343
Additions	56
Transferred from assets held for sale	-
Balance as at 30 June 2023	399
Accumulated Depreciation and Amortisation:	
Balance as at 31 December 2021	(46)
Depreciation and amortisation	(62)
Balance as at 31 December 2022	(108)
Depreciation and amortisation	(36)
Balance as at 30 June 2023	(144)
Net Book Value	
As at 31 December 2022	235
As at 30 June 2023	255

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



6. EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	30 Jun 2023 US \$000's	31 Dec 2022 US \$000's
Capitalised exploration and evaluation expenditure	40,275	35,477
Reconciliation of carrying amounts at the beginning of the period to the end of the period:		
At the beginning of the period	35,477	38,133
- expenditure for the period	4,304	7,480
- transferred from assets classified as held for sale	494	-
- transferred to assets classified as held for sale	-	(136)
At the end of the period	40,275	35,477

7. DISCONTINUED OPERATIONS

Assets and liabilities classified as held for sale

	Consolidated	
	30 Jun 2023 US \$000's	31 Dec 2022 US \$000's
Assets classified as held for sale		
PP&E – Land surface rights: Zaruma & Portovelo ¹	-	872
Exploration and Evaluation Expenditure – Jerusalem	-	136
Other assets – Jerusalem	-	16
Total Assets classified as held for sale	-	1,024
Liabilities classified as held for sale		
Provision for closure and restoration: Zaruma & Portovelo	-	(108)
Net Assets classified as held for sale	-	916

	Consolidated	
	30 Jun 2023 US \$000's	30 Jun 2022 US \$000's
Zaruma mine & Portovelo plant (Ecuador)	(269)	-
Sale of Jerusalem	425	-
Profit from discontinuing operations	156	-

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	Consolidated	
	30 Jun 2023 US \$000's	31 Dec 2022 US \$000's
CURRENT		
Trade and other payables	2,296	2,017
Government payables – IVA, Taxes, Royalty, Concessions	98	755
	2,394	2,772

Certain trade payables in Ecuador are on deferred payment terms with payment plans agreed between the Company's subsidiaries and a number of suppliers. Other than the above, creditors are typically settled within standard credit terms of 45 days.

Other payables include employee liabilities, social security and PAYG.

9. LOANS PAYABLE

	Consolidated	
	30 Jun 2023 US \$000's	31 Dec 2022 US \$000's
Sophisticated and professional investors loan ¹	995	1,016
Director loan ²	1,226	-
	2,221	1,016

¹In August 2021, the Group entered into an unsecured debt facility with a group of sophisticated and professional investors.

The material terms of the debt facility are:

- Amount: A\$1,500,000.
- Repayment date: 1 April 2023 (extended to 31 December 2023)
- Interest: 15% per annum payable at repayment date
- Facility establishment fee: 5%

The total interest accrued but not paid as at 30 June 2023 is US\$253 thousand (2022: US\$225 thousand).

²During the period, the Group received a loan from Mr Matt Carr of AUD \$1.85 million. The loan was interest-free with no fixed term. The loan was repaid subsequent to the end of the period.

10. ISSUED CAPITAL

	30 June 2023	
	Number	US \$000's
Issued capital		
Ordinary shares fully paid	1,411,273,235	170,463
Movements in shares on issue		
Balance at the beginning and end of the half year	1,411,273,235	170,463

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(a) Shares under option – unlisted

	Number of Options (Unlisted)
Total number of options outstanding as at 1 January 2023 and 30 June 2023	81,120,000

No options were exercised during the period.

	Number of Performance Rights (Unlisted)
Total number of options outstanding as at 1 January 2023	-
Issued during the period	9,000,000
Total number of options outstanding as at 30 June 2023	9,000,000

Refer to Note 10 for further information on the performance rights issued during the period.

11. RELATED PARTY TRANSACTIONS / SHARE BASED PAYMENTS

During the period, Melanie Leighton was appointed as Chief Executive Officer with fixed annual remuneration of AUD \$240,000 (exclusive of superannuation). Ms Leighton was also issued 9,000,000 performance rights as follows:

Vesting category	Vesting Condition	Performance Rights	Expiry Date
Tranche 1	Tranche 1 will vest upon the Company announcing on the ASX platform a minimum 2,000,000 ounces of gold (Au) or gold equivalent (in accordance with clause 50 of the JORC code) at the Dynasty Gold Project in Ecuador.	3,000,000	11 January 2026
Tranche 2	Tranche 2 will vest upon the VWAP of shares being at least \$0.15 for 10 consecutive trading day	3,000,000	11 January 2026
Tranche 3	Tranche 3 will vest upon the executive remaining employed with the Company for 3 years from the commencement date.	3,000,000	11 January 2026

The Tranche 1 and 3 performance right vesting conditions are non-market conditions, therefore the valuation of those performance rights are based on the share price at the date of grant (AUD \$0.07 per share).

INTERIM FINANCIAL REPORT

Half-Year Ended 30 June 2023



The Tranche 2 performance rights were valued using the below inputs:

Vesting Category	Tranche 2
Valuation model	Hoadleys Hybrid ESO Model
Grant date	11 January 2023
Expiry date	11 January 2026
Estimated volatility	91%
Risk-free interest rate	3.27%
Fair value (AUD):	\$0.0427

Other than the above, there were no changes to the nature of related party transactions than as disclosed in the 31 December 2022 annual report.

12. CONTINGENT LIABILITIES

There have been no changes to contingent liabilities and commitments to those disclosed in the 31 December 2022 annual report.

13. SUBSEQUENT EVENTS

Subsequent to year end, the Group completed a placement of AUD \$5.0 million (before costs), with a further AUD \$0.5 million expected via director participation (subject to shareholder approval).

The directors are not aware of any other material subsequent events.