TITAN LOGIX CORP.

FISCAL 2025 FIRST QUARTER FINANCIAL REPORT

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the 3 months ended November 30th, 2024

Notice of Reader of Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements and related notes for the period ended November 30, 2024, have been prepared by and are the responsibility of management of Titan Logix Corp. The auditors of Titan Logix Corp. have not audited or reviewed these interim condensed consolidated financials.

(In 000's of CAD $, excluding per share amounts, except where otherwise noted)

	November 30, 2024 $	August 31 2024 $
ASSETS		
Current assets		
Cash and cash equivalents (note 5)	**11,118**	3,292
Short term investments (note 5)	**-**	7,781
Accounts receivable	**1,597**	1,345
Inventories	**1,848**	1,726
Prepaid expenses	**146**	200
Marketable securities (note 6)	**344**	715
Total current assets	**15,054**	15,059
Non-current assets		
Limited recourse capital notes	**1,890**	1,860
Property, plant and equipment	**146**	151
Right-of-use assets	**651**	687
Intangible assets	**659**	541
Deferred tax assets	**674**	724
Total assets	**19,074**	19,022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**554**	736
Income tax payable	**63**	51
Current portion of lease obligations	**136**	133
Total current liabilities	**753**	920
Non-current liabilities		
Lease obligations	**565**	600
Total liabilities	**1,318**	1,520
Shareholders' equity		
Share capital	**5,730**	5,730
Contributed surplus	**997**	990
Retained earnings	**11,029**	10,782
Total shareholders' equity	**17,756**	17,502
Total liabilities and shareholders' equity	**19,074**	19,022

The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board

"Helen Cornett"
Director

"Grant Reeves"
Director

Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss)

(Unaudited)

(In 000's of CAD $, excluding per share amounts, except where otherwise noted)

For the three months ended November 30,	2024	2023
	$	$
Revenue (note 12)	**2,160**	1,514
Cost of sales	**(957)**	(734)
Gross profit	**1,203**	780
Expenses		
Selling, general and administrative expenses	**(566)**	(594)
Engineering, product research and development expenses	**(361)**	(315)
Depreciation of property, plant and equipment	**(9)**	(8)
Depreciation of right-of-use assets	**(16)**	(13)
Amortization of intangible assets	**(51)**	(44)
Gain on foreign exchange	**26**	35
Total expenses	**(977)**	(938)
Operating earnings (loss) before other items	**226**	(158)
Other items		
Unrealized loss on marketable securities (note 6)	**(97)**	(424)
Gain on sale of marketable securities (note 6)	**9**	-
Unrealized gain on limited recourse capital notes (LRCNs)	**30**	12
Finance income (note 7)	**153**	180
Interest on leases	**(13)**	(13)
Loss on impairment of property, plant and equipment	**-**	(1)
Total other items	**82**	(246)
Earnings (loss) before income taxes	**308**	(404)
Income tax expense	**(61)**	**-**
Earnings (loss) and comprehensive earnings (loss)	**247**	(404)
Earnings (loss) per share (note 9)		
Basic and diluted	**0.01**	(0.01)

The accompanying notes are an integral part of these consolidated financial statements.

(In 000's of CAD $, excluding per share amounts, except where otherwise noted)

	Common Shares #	Share Capital $	Contributed Surplus $	Retained Earnings $	Total Shareholders' Equity $
Balance at August 31, 2024	28,536,132	5,730	990	10,782	**17,502**
Share-based compensation	-	-	7	-	**7**
Earnings and comprehensive earnings	-	-	-	247	**247**
Balance at November 30, 2024	**28,536,132**	**5,730**	**997**	**11,029**	**17,756**

	Common Shares #	Share Capital $	Contributed Surplus $	Retained Earnings $	Total Shareholders' Equity $
Balance at August 31, 2023	28,536,132	5,730	912	10,236	16,878
Share-based compensation	-	-	12	-	12
Earnings and comprehensive earnings	-	-	-	(404)	(404)
Balance at November 30, 2023	28,536,132	5,730	923	9,832	16,485

The accompanying notes are an integral part of these consolidated financial statements.

(In 000's of CAD $, excluding per share amounts, except where otherwise noted)

For the three months ended November 30,	2024 $	2023 $
Cash provided by (used in)		
Operating activities		
Net earnings (loss)	**247**	(404)
Non-cash items included in net earnings		
Gain on sale of marketable securities (note 6)	**(9)**	-
Depreciation of property, plant and equipment	**10**	10
Depreciation of right-of-use assets	**36**	33
Amortization of intangible assets	**51**	44
Unrealized loss on marketable securities (note 6)	**97**	424
Unrealized gain on limited recourse capital notes	**(30)**	(12)
Share-based compensation	**7**	12
Loss on impairment of property, plant and equipment	**-**	1
Deferred tax asset utilization	**50**	-
Finance income (note 7)	**(153)**	(180)
Changes in non-cash working capital (note 10)	**(490)**	67
Net cash used in operating activities	**(184)**	(6)
Investing activities		
Proceeds (purchase) of short term investments (note 5)	**7,781**	(1,460)
Finance income received (note 7)	**153**	180
Proceeds from the sale of marketable securities (note 6)	**283**	-
Purchase of property, plant and equipment	**(6)**	(8)
Investment in intangible assets	**(168)**	(58)
Net cash provided (used) by investing activities	**8,043**	(1,345)
Financing activities		
Payment of lease obligation	**(32)**	(23)
Net cash used in financing activities	**(32)**	(23)
Net increase (decrease) in cash and cash equivalents	**7,826**	(1,374)
Cash and cash equivalents, beginning of period	**3,292**	9,771
Cash and cash equivalents, end of period	**11,118**	8,397

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF OPERATIONS

Titan Logix Corp. (the "Company") is a public company incorporated and domiciled in Canada and its common shares trade on the TSX Venture Exchange under the symbol TLA. The head office for the Company is located in Edmonton, Alberta, Canada. The address of the Company's registered office is #2600 10180 101 Street, Edmonton, AB T5J 3Y2.

For over 25 years, Titan Logix Corp. has designed and manufactured mobile liquid measurement solutions to help businesses reduce risk and maximize efficiencies in bulk liquids transportation. Titan's TD Series of tank level monitors are a market leader in mobile fluid measurement, and are known for their high level of accuracy, rugged design, and solid-state reliability. Our solutions are designed for hazardous and non-hazardous applications, and we serve customers in a wide range of applications including petroleum, environmental solutions, chemical, and agriculture.

2. BASIS OF PRESENTATION

Statement of compliance

These unaudited condensed consolidated interim financial statements for the three months ended November 30, 2024, and November 30, 2023, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). They have been prepared in accordance with IAS 34, "Interim Financial Reporting" and do not contain all necessary annual disclosures in accordance with IFRS.

The unaudited condensed consolidated interim financial statements of the Company for the three months ended November 30, 2024, were authorized for issue in accordance with a resolution of the directors on January 22, 2025.

Principles of consolidation

These unaudited condensed consolidated interim financial statements include the financial statements of Titan Logix Corp. and its wholly owned subsidiary, Titan Logix USA Corp. The financial statements for the subsidiary are prepared for the same reporting period as the parent company using consistent accounting policies. All intercompany transactions and balances have been eliminated in the preparation of these unaudited condensed consolidated interim financial statements.

Functional and presentation currency

The unaudited condensed consolidated interim financial statements are presented in Canadian dollars which is the functional currency of Titan Logix Corp. and its subsidiary.

Comparative figures

Certain prior year balances have been reclassified to conform with current period presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements, in all material respects, follow the same accounting policies and method of application as the annual audited consolidated financial statements of the preceding fiscal year. Accordingly, these unaudited condensed consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the year ended August 31, 2024.

4. FINANCIAL INSTRUMENTS – FAIR VALUE MEASUREMENT

The Company's financial instruments consist of cash and cash equivalents, short term investments, accounts receivable, marketable securities, limited recourse capital notes, accounts payable and accrued liabilities and lease liabilities. The carrying amounts of the current financial assets and current financial liabilities recognized in the Company's consolidated financial statements at the end of the reporting period approximate their fair value due to their short period to maturity. Using the effective interest rate method, the fair value of the lease liability approximates the carrying value as the effective interest rates approximates the market interest rates. The fair value of the LRCNs is determined with reference to quoted market bids provided by a third-party independent dealer in the secondary market, as the LRCNs are not listed on any securities exchange. It has been determined that broker pricing is appropriate for these investments as there is sufficient trading volume to demonstrate that the fair values quotes are appropriate.

(In 000's of CAD $ excluding securities and per share amounts, except where otherwise noted)

5. CASH AND CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS

Cash and cash equivalents include the following components:

As at	**November 30, 2024 $**	August 31 2024 $
Cash on hand and balances with banks	**844**	294
Guaranteed investment certificates (GICs) and other high interest deposits	**10,273**	10,779
Total cash and cash equivalents and short-term investments	**11,118**	11,073
Cash and cash equivalents	**11,118**	3,292
Short-term investments	**-**	7,781

Short term investments consist of guaranteed investment certificates (GICs) not cashable within three months of their acquisition. At November 30, 2024, all GICs held by the Company were cashable within three months of their acquisition date, resulting in classification as Cash and cash equivalents and were invested at interest rates from 3.75% to 5.7% (2023 – 5.7% - 6.0%).

6. MARKETABLE SECURITIES

Marketable securities consist of shares of publicly traded companies and are reported at their fair market value. The Company's investments at fair market value are as follows:

		November 30, 2024		August 31, 2024
	Number of Shares	**Fair Value $**	Number of Shares	Fair Value $
Bri-Chem Corp.	**1,496,000**	**344**	2,425,000	715
	1,496,000	**344**	2,425,000	715

On September 6th, 2024, the Company sold 929,000 shares of Bri-Chem Corp. for $0.305 per share for proceeds of $283, resulting in a realized gain of $9 (2023 - $nil). For the three months ended November 30, 2024, the Company recorded an unrealized loss of $97 (2023 - $424) attributable to changes in the fair value of the shares of Bri-Chem Corp.

7. FINANCE INCOME

For the three months ended November 30,	**2024 $**	2023 $
Interest from investments in GICs and other high interest deposits	**130**	154
Interest from investments in LRCNs	**20**	20
Other interest income	**3**	6
Total finance income	**153**	180

(In 000's of CAD $ excluding securities and per share amounts, except where otherwise noted)

8. NATURE OF EXPENSES

The Company presents certain expenses in the Condensed Consolidated Statements of Earnings (Loss) and Comprehensive Earnings (Loss) by function. The following table presents these expenses by nature.

For the three months ended November 30,	**2024** $	2023 $
Employee salaries and benefits		
Included in cost of sales	**148**	118
Included in total expenses	**603**	545
Total employee salaries and benefits	**751**	663
Depreciation and amortization		
Included in cost of sales	**21**	22
Included in total expenses	**76**	64
Total depreciation and amortization	**97**	87

9. EARNINGS (LOSS) PER SHARE

The following table sets forth the computation of basic and diluted earnings (loss) per share:

For the three months ended November 30,	**2024** $	2023 $
Net earnings (loss) (numerator for basic and diluted earnings per share)	**247**	(404)
Weighted average number of shares outstanding - basic (denominator for basic earnings per share)	**28,536,132**	28,536,132
Effect of dilutive securities		
Stock options converted to common shares	**421,136**	-
Weighted average number of shares outstanding - diluted (denominator for diluted earnings per share)	**28,957,268**	28,536,132
Basic earnings (loss) per share	**0.01**	(0.01)
Effect of dilutive securities	**0.00**	-
Diluted earnings (loss) per share	**0.01**	(0.01)

The average market value of the Company's shares for the purposes of any dilutive calculations are based on quoted market prices for the period during which the options were outstanding. For the three months ended November 30, 2024, all outstanding options were "in-the-money" meaning that the exercise price was less than the average market price for the period. For the three months ended November 30, 2023, all options were anti-dilutive based on the net loss recorded for the period.

(In 000's of CAD $ excluding securities and per share amounts, except where otherwise noted)

10. CHANGE IN NON-CASH OPERATING WORKING CAPITAL

For the three months ended November 30,	**2024** $	2023 $
Accounts receivable	**(252)**	135
Inventories	**(122)**	22
Prepaid expenses	**54**	53
Income tax payable	**12**	-
Accounts payable and accrued liabilities	**(181)**	(142)
	(490)	67

11. RELATED PARTY TRANSACTIONS

Key Management Personnel Compensation

The Company's key management personnel include its directors and executive. Compensation to key management personnel of the Company for the period was as follows:

For the three months ended November 30,	**2024** $	2023 $
Salaries and short-term employee benefits	**193**	216
Share-based compensation	**7**	12
	200	228

During the three months ended November 30, 2024, and 2023, there were no long-term employee benefits or post-employment benefits recognized. Short-term employee benefits consist of salaries, consulting fees, bonuses, director fees, and all other short-term benefits.

12. SEGMENTED REPORTING

The Company operates substantially all its activities in one reportable segment, mobile liquid measurement solutions, which include the developing, manufacturing and marketing of mobile liquid measurement solutions. Operating segments are defined as components of the Company for which separate financial information is available that is evaluated regularly by the chief operating decision makers in allocating resources and assessing performance. The chief operating decision maker of the Company is the Chief Executive Officer.

Segmented information is provided on the basis of geographic segments as the Company sells into two primary geographic regions: Canada and the United States.

Revenues	**2024** $	2023 $
Canada	**666**	460
United States and other	**1,494**	1,054
	2,160	1,514

For the three months ended November 30, 2024, revenue from a single customer made up 21% of total revenue (2023 – 15%). At November 30, 2023, all non-current assets were held in Canada.

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Exchange Listing:

The Toronto Venture Stock Exchange (TSX-V)
Stock Symbol: TLA

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Directors:

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Helen Cornett, CPA, CA
Audit Committee Chairperson

Victor Lee, P.Eng.
Executive Compensation and Corporate Governance Committee Chairperson

Robert Tasker, BASc, Engineering, MBA

Officers:

Nicholas Forbes
Chief Executive Officer

Michael Martin, CPA, CA
Chief Financial Officer

Auditors:

Kingston Ross Pasnak LLP

www.titanlogix.com