TITAN LOGIX CORP.

FISCAL 2025 SECOND QUARTER FINANCIAL REPORT

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three- and six-months ended February 28th, 2025

Notice of Reader of Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements and related notes for the period ended February 28, 2025, 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.

Condensed Consolidated Interim Statements of Financial Position
(unaudited)

	February 28 2025 $	August 31 2024 $
ASSETS		
Current assets		
Cash and cash equivalents *(note 5)*	**13,133**	3,292
Short term investments (note 5)	**-**	7,781
Accounts receivable	**1,080**	1,345
Inventories	**2,108**	1,726
Prepaid expenses	**108**	200
Marketable securities *(note 6)*	**449**	715
Total current assets	**16,879**	15,059
Non-current assets		
Limited recourse capital notes *(note 7)*	**-**	1,860
Property, plant and equipment	**135**	151
Right-of-use assets	**616**	687
Intangible assets	**762**	541
Deferred tax assets	**674**	724
Total assets	**19,066**	19,022
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**604**	736
Income tax payable	**6**	51
Current portion of lease obligations	**138**	133
Total current liabilities	**748**	920
Non-current liabilities		
Lease obligations	**530**	600
Total liabilities	**1,278**	1,520
Shareholders' equity		
Share capital *(note 8)*	**5,741**	5,730
Contributed surplus	**1,069**	990
Retained earnings	**10,978**	10,782
Total shareholders' equity	**17,787**	17,502
Total liabilities and shareholders' equity	**19,066**	19,022

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

On behalf of the Board

"Helen Cornett" Director

"Grant Reeves" Director

Condensed Consolidated Interim Statement of Net and Comprehensive Earnings (Loss)

(unaudited)

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Revenue	**1,496**	1,751	**3,656**	3,265
Cost of sales	**(772)**	(928)	**(1,729)**	(1,662)
Gross profit	**724**	823	**1,927**	1,603
Expenses				
Selling, general and administrative expenses	**(598)**	(535)	**(1,163)**	(1,129)
Engineering, product research and development expenses	**(331)**	(302)	**(692)**	(616)
Depreciation of property, plant and equipment	**(9)**	(9)	**(18)**	(17)
Depreciation of right-of-use assets	**(16)**	(16)	**(32)**	(29)
Amortization of intangible assets	**(51)**	(51)	**(101)**	(94)
Gain (loss) on foreign exchange	**25**	1	**51**	35
Total expenses	**(979)**	(911)	**(1,956)**	(1,849)
Operating loss before other items	**(255)**	(89)	**(28)**	(247)
Other items				
Unrealized gain (loss) on marketable securities	**106**	121	**7**	(303)
Unrealized gain (loss) on limited recourse capital notes	**(31)**	55	**-**	67
Realized gain on sale of financial instruments	**32**	-	**41**	-
Finance income *(note 9)*	**128**	**172**	**281**	**352**
Interest on leases	**(12)**	**(14)**	**(25)**	**(28)**
Loss on disposal of property, plant and equipment	**(11)**	-	**(11)**	(1)
Total other items	**212**	333	**293**	87
Earnings (loss) before income taxes	**(43)**	244	**265**	(160)
Income tax expense	**(8)**	-	**(69)**	-
Earnings (loss) and comprehensive earnings (loss)	**(51)**	244	**196**	(160)
Earnings (loss) per share *(note 11)*				
Basic and diluted	**(0.00)**	0.01	**0.01**	(0.01)

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

	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 *(note 8)*	-	-	89	-	**89**
Exercise of stock options *(note 8)*	18,241	11	(11)	-	**-**
Net income	-	-	-	196	**196**
Balance at February 28, 2025	28,554,373	5,741	1,069	10,978	**17,787**

	Common Shares #	Share Capital $	Contributed Surplus $	Retained Earnings $	Shareholders' Equity $
Balance at August 31, 2023	28,536,132	5,730	912	10,236	**16,878**
Share-based compensation *(note 8)*	-	-	31	-	**31**
Net loss	-	-	-	(160)	**(160)**
Balance at February 29, 2024	**28,536,132**	**5,730**	**943**	**10,076**	**16,749**

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

TITAN LOGIX

Condensed Consolidated Interim Statements of Cash Flows

(unaudited)

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Cash provided by (used in)				
Operating activities				
Net earnings (loss)	**(51)**	244	**196**	(160)
Non-cash items included in net earnings (loss)				
Gain on sale of financial instruments	**(32)**	-	**(41)**	-
Depreciation of property, plant and equipment	**10**	10	**21**	21
Depreciation of right-of-use assets	**35**	36	**71**	69
Amortization of intangible assets	**51**	51	**101**	94
Unrealized loss (gain) on financial instruments	**(75)**	(176)	**(7)**	236
Loss on disposal of property, plan and equipment	**11**	-	**11**	1
Share-based compensation *(note 8)*	**82**	20	**89**	31
Deferred tax expense	**-**	-	**50**	-
Finance income *(note 9)*	**(128)**	(172)	**(281)**	(352)
Changes in non-cash working capital *(note 12)*	**288**	(91)	**(203)**	(23)
Net cashflows from (used in) operating activities	**191**	(77)	**6**	(83)
Investing activities				
Proceeds (purchase) of short term investment	**-**	(1,219)	**7,781**	(2,680)
Proceeds on sale of fixed income securities (note 7)	**1,892**	-	**1,892**	-
Proceeds on sale of maketable securities *(note 6)*	**-**	-	**283**	-
Finance income received *(note 9)*	**128**	172	**281**	352
Investment in intangible assets	**(154)**	(84)	**(322)**	(142)
Purchase of property, plant and equipment	**(9)**	(8)	**(15)**	(16)
Net cashflows from (used in) investing activities	**1,857**	(1,140)	**9,900**	(2,486)
Financing activities				
Payment of lease obligation	**(33)**	(40)	**(65)**	(76)
Net cashflows used in financing activities	**(33)**	(40)	**(65)**	(76)
Net increase (decrease) in cash and cash equivalents	**2,015**	(1,257)	**9,841**	(2,644)
Cash and cash equivalents, beginning of period	**11,118**	12,872	**3,292**	9,267
Cash and cash equivalents, end of period	**13,133**	11,615	**13,133**	6,623

The accompanying notes are an integral part of these unaudited condensed consolidated interim 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 February 28, 2025, and February 29, 2024, 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- and six- months ended February 28, 2025, were authorized for issue in accordance with a resolution of the directors on April 4, 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	February 28 2025 $	August 31 2024 $
Cash on hand and balances with banks	**947**	294
Guaranteed investment certificates (GICs) and other high interest deposits	**12,186**	10,779
Total cash and equivalents and short term investments	**13,133**	11,073
Cash and equivalents	**13,133**	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 February 28, 2025, 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 3.20% to 5.7% (2024 – 5.7% to 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:

	Number of Shares	February 28 2025 Fair Value $	Number of Shares	August 31 2024 Fair Value $
Bri-Chem Corp.	**1,496,000**	**448,800**	2,425,000	715,375
	1,496,000	**448,800**	2,425,000	715,375

On September 6, 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. For the six months ended February 28, 2025, the Company recorded an unrealized gain of $7 (2024 – unrealized loss – $303) attributable to changes in the fair value of the shares of Bri-Chem Corp.

7. LIMITED RECOURSE CAPITAL NOTES

The Company's investment in limited recourse capital notes (LRCNs) are reported at their fair market value and are as follows:

	Number of units	February 28 2025 Fair Value $	Number of units	August 31 2024 Fair Value $
Limited recourse capital notes	-	-	1,900,000	1,860,556
	-	-	1,900,000	1,860,556

On January 24, 2025, the Company sold its entire LRCN position for gross proceeds $1,892 as the fair value of the notes increased by $32 in the current year.

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

8. SHARE CAPITAL

On January 27, 2025, 50,000 stock options were exercised resulting in additional 18,241 common shares being issued, bringing the total number of common shares issued and outstanding up to 28,554,373. On February 7, 2025, and additional 250,000 stock options were granted, vesting immediately at an exercise price of $0.65 per share expiring on February 6, 2030. The fair value of the options granted was estimated on the grant date using the Black Scholes pricing model with the following weighted average assumptions; an expected life of 5 years, share volatility of 50.1% and a risk-free interest rate of 2.59%. The weighted average grant date value of $0.30 per common share was estimated on February 7, 2025, using the Black Scholes Option Pricing Model.

At February 28, 2025, the Company has 1,500,000 options outstanding, which expire on dates between January 2027 and February 2030. Stock-based compensation of $89 was recorded in the six-months ended February 28, 2025 (2024 - $31) of which $82 was recorded in the current three-month period ended February 28, 2025 (2024 - $20).

The continuity of the Company's outstanding and exercisable options is as follows:

		February 28 2025		August 31 2024
	Number of options outstanding #	**Weighted average exercise price $**	Number of options outstanding #	Weighted average exercise price $
Outstanding, beginning of period	**1,350,000**	**0.51**	1,300,000	0.51
Granted	**250,000**	**0.50**	200,000	0.50
Forfieted	**-**	**0.00**	(150,000)	0.57
Exercised	**(50,000)**	**0.49**	-	0.00
Outstanding, end of period	**1,550,000**	**0.52**	1,350,000	0.50
Exercisable, end of period	**716,667**	**0.55**	200,000	0.48

The following table summarizes information about stock options outstanding as at February 28, 2025:

Exercise price	**Options outstanding**	**Average remaining life** (in years)	**Options vested**	**Options not vested**
$0.47	150,000	1.90	150,000	-
$0.50	600,000	2.50	200,000	400,000
$0.51	350,000	2.75	116,667	233,333
$0.50	200,000	3.74	-	200,000
$0.65	250,000	4.95	250,000	-
Total, end of year	**1,550,000**		**716,667**	**833,333**

9. FINANCE INCOME

	Three months ended		**Six months ended**	
	2025	2024	**2025**	2024
	$	$	**$**	$
Interest from investments in GICs and other high interest deposits	**105**	151	**235**	306
Interest from investments in LRCNs	**18**	20	**38**	40
Other interest income	**5**	1	**8**	5
	128	172	**281**	352

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

10. 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:

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Employee salaries and benefits				
Included in cost of sales	**(218)**	(131)	**(366)**	(249)
Included in total expenses	**(514)**	(566)	**(1,117)**	(1,111)
Total employee salaries and benefits	**(732)**	(697)	**(1,483)**	(1,360)
Depreciation and amortization				
Included in cost of sales	**(21)**	(22)	**(42)**	(44)
Included in total expenses	**(75)**	(75)	**(151)**	(140)
Total depreciation and amortization	**(96)**	(97)	**(193)**	(184)

11. EARNINGS (LOSS) PER SHARE

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

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Net earnings (loss)	**(51)**	**244**	**196**	(160)
Weighted average number of shares outstanding - basic	**28,542,618**	28,536,132	**28,539,357**	28,536,132
Effect of dilutive securities				
Stock options converted to common shares	**-**	2,972	**170,618**	-
Weighted average number of shares outstanding - diluted	**28,542,618**	28,539,104	**28,709,975**	28,536,132
Basic earnings (loss) per share	**(0.00)**	0.01	**0.01**	(0.01)
Effect of dilutive securities	**0.00**	0.00	**0.00**	0.00
Diluted earnings (loss) per share	**(0.00)**	0.01	**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 six-months ended February 28, 2025, all outstanding options were "in-the-money" meaning that the exercise price was less than the average market price for the period. For the six-months ended February 29, 2024, 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)

12. CHANGE IN NON-CASH OPERATING WORKING CAPITAL

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Accounts receivable	**517**	(366)	**265**	(231)
Inventories	**(260)**	143	**(382)**	165
Prepaid expenses	**38**	1	**92**	54
Accounts payable and accrued liabilities	**48**	132	**(132)**	(11)
Income tax payable	**(55)**	-	**(45)**	-
	288	(91)	**(203)**	(23)

13. RELATED PARTY TRANSACTIONS

The Company did not have transactions with related parties in either the 2025 or 2024 fiscal periods ended. 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:

	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Salaries and short-term employee benefits	**209**	231	**402**	446
Share-based compensation	**82**	20	**89**	31
	291	250	**491**	478

During the three- and six-months ended February 28, 2025, and comparative periods, 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.

14. 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**.**

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	Three months ended		Six months ended	
	2025	2024	**2025**	2024
	$	$	**$**	$
Canada	**615**	616	**1,281**	1,076
United States and other	**881**	1,135	**2,375**	2,189
	1,496	1,751	**3,656**	3,265

For the six months ended February 28, 2025, revenue from a single customer made up 13% of total revenue (2024 – 14%). At February 28, 2025, all non-current assets were held in Canada.

TITAN LOGIX

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Exchange Listing:

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

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Victor Lee, P.Eng.
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Robert Tasker, BASc, Engineering, MBA

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Nicholas Forbes
Chief Executive Officer

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www.titanlogix.com