Titan Logix Corp. Reports its Fiscal 2024 Third Quarter Financial Results

Edmonton, Alberta, July 17, 2024 – Titan Logix Corp., (TSX Venture: TLA) ("Titan" or the "Company"), a technology company specializing in mobile liquid measurement solutions, announces its interim results for the three- and nine-month periods ended May 31, 2024.

"We are seeing sustained demand for the TD100™ series products in the crude and used oil markets, and we expect to see similar demand in the upcoming quarter" says Nick Forbes, CEO at Titan. "We are also seeing traction with our market diversification strategy, having completed 2 successful pilot trials in the Refined Fuels market in the third quarter, and we expect to close an additional 4 pilots in the fourth quarter.

The third quarter sales results were primarily driven by strong demand from the crude oil market segment. We are seeing a good mix of new construction and retrofits, where fleets are upgrading from legacy products to the TD100™ and Finch II-W with Bluetooth capability. The balance of sales activity in the quarter came from the Used Oil segment and new market opportunities in Refined Fuels and Lubricants.

In the third quarter we completed 2 pilot trials in the Refined Fuels market segment. In the fourth quarter we are expecting to close 4 additional pilot trials. Each pilot trial is expected to take 3-5 months, equipping 1-5 trucks with Titan TD100™ system and Titan's Rack Control Module (RCM). We expect that upon successful completion of a pilot trial, a customer will spec the Titan TD100™ system onto new fleet builds resulting in a recurring revenue stream in future years. Our objective is to successfully complete 20 pilot trials per year in the Refined Fuels market to achieve our revenue targets in our long-term strategic plan.

Our investment strategy is to commit the necessary resources to penetrate new mobile liquid market segments, and the development of value-added products and software solutions to these market segments. The Company invests its non-operating cash reserves in conservative interest-bearing accounts and marketable securities. Acquisition opportunities are considered where it complements our growth strategy or enables the monetization of our connected strategy."

Q3 FISCAL 2024 HIGHLIGHTS

- Revenues for the third quarter of fiscal 2024 increased by 18% to $1,925,730 compared to $1,627,934 in the third quarter of fiscal 2023 and in the nine-month period increased by 12% to $5,190,567 compared to $4,652,962 in the comparative period. The Company continues to see increased demand for its core product line as Tanker OEMs remain at peak production capacity.
- Gross Profit increased to 1,003,660 or 52% of revenue in the third quarter of fiscal 2024 compared to $777,794 or 48% of revenue in the third quarter of fiscal 2023. During the nine-month period ended, gross profit increased to $2,606,575 or 50% of revenue compared to $2,413,567 or 52% of revenue. The increase in gross profit resulted from an increase in volume compared to the same nine-month period in 2023.
- The Company incurred product research and development expenses(1) in the current quarter of $285,357 on activities to support the Company's diversification and growth into new markets compared to $125,555 incurred in the same period of fiscal 2023. During the nine-month period ended, product research and development expenses(1) increased to $798,478 compared to $174,259 incurred in the comparative period. In fiscal 2023, the Company unveiled a strategic growth plan focused on updating its core product line and diversifying its business.
- The Company's net loss decreased by $193,809 to $218,462 in the third quarter of fiscal 2024 compared to a net loss of $412,271 in the third quarter of fiscal 2023 driven by the increased revenue and resulting gross profit. Through nine months, net earnings (loss) decreased by $471,011 to a net loss of $378,360 compared to net earnings of $92,651 in fiscal 2023. The decrease in net earnings over the comparative period was driven by increased product research and development expenditures and non-cash fair value losses recorded in other non-operating items, specifically an unrealized loss of $727,500 recorded in the current fiscal year on the Company's investment in shares of Bri-Chem Corporation compared to an unrealized loss of $533,500 recorded in the same period of fiscal 2023.
- The performance of the core business improved in the third quarter with reported Operating EBITDA(1) of $410,344 in the third quarter of fiscal 2024 versus $125,373 in the comparative period. Through the nine-months ended, Operating EBITDA(1) increased by $172,064 to $891,712 compared to $719,648 for the nine-months ended May 31, 2023.

TITAN LOGIX

Financial Highlights Summary

(in Canadian dollars)

	Three months ended		Nine months ended	
	2024	2023	2024	2023
	$	$	$	$
Revenue	**1,925,730**	1,627,934	**5,190,567**	4,652,962
Cost of sales	(922,070)	(850,140)	(2,584,342)	(2,239,395)
Gross profit	**1,003,660**	777,794	**2,606,225**	2,413,567
Gross margin (%)	**52%**	48%	**50%**	52%
Operating EBITDA (1)	**410,344**	125,373	**891,712**	719,648
Product research and development expenses (1)	**(285,357)**	(125,555)	**(798,478)**	(174,259)
EBITDA (1)	**124,987**	(182)	**93,234**	545,389
Net earnings (loss)	**(218,462)**	(412,271)	**(378,360)**	92,651
EPS – Basic and Diluted	**(0.01)**	(0.01)	**(0.01)**	0.00

Financial Position	**As at May 31, 2024**	**As at August 31, 2023**
Working capital	**$ 14,027,849**	**$ 14,536,282**
Total assets	**$ 18,024,808**	**$ 18,347,317**
Long-term liabilities	**$ 644,115**	**$ 681,476**
Total equity	**$ 16,554,095**	**$ 16,877,549**

(1) See non-IFRS measures below.

The Company's interim consolidated financial statements and the management's discussion and analysis ("MD&A") which includes the Company's Business Outlook, for the three- and nine-month periods ended May 31, 2024, are available on SEDAR+ at www.sedarplus.ca and the Company's website, www.titanlogix.com.

NON-IFRS MEASURES

The Company uses certain measures in this MD&A that do not have a standardized meaning as prescribed by IFRS (International Financial Reporting Standards) and thus are prohibited from being disclosed in the consolidated financial statements. These measures, which are derived from information reported in the Company's consolidated financial statements, may not be consistent with similar measures presented and disclosed by other reporting issuers. However, management believes that this information provides increased insight into the Company's strategic plan to address the broader mobile liquid markets. Readers are cautioned that these non-IFRS measures should not be construed as alternatives to other measures of financial performance calculated in accordance with IFRS.

The table below provides a reconciliation of the Company's EBITDA and Operating EBITDA to the Operating income (loss) before other items per the interim consolidated financial statements for the periods presented:

Fiscal Period Ended	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Operating income (loss) before other items	**2,098**	**(112,297)**	**(244,791)**	**217,689**
Add: Depreciation and amortization	99,357	85,412	**283,118**	258,111
Add: Non-cash stock-based compensation	23,532	26,703	54,907	69,589
EBITDA	**124,987**	**(182)**	**93,234**	545,389
Add: Product research and development expenses *(1)*	285,357	125,555	798,478	174,259
Operating EBITDA	**410,344**	**125,373**	**891,712**	719,648

The table below, removes the recurring engineering expenses from the total to isolate the product research and development expenses excluded in Management's calculation of Operating EBITDA:

Fiscal Period Ended	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Engineering, product research and development expenses	**332,626**	274,251	**948,759**	495,716
Less: Recurring engineering expenses	**(47,269)**	(148,696)	**(150,281)**	(321,457)
Product research and development expenses	**285,357**	**125,555**	**798,478**	174,259

A detailed definition of these non-IFRS measures can be reviewed in the Company's MD&A

About Titan Logix Corp.:

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.

Founded in 1979, Titan Logix Corp. is a public company listed on the TSX Venture Exchange and its shares trade under the symbol TLA.

Information in this press release that is not current or historical factual information may constitute forward looking information within the meaning of securities laws. Implicit in this information are assumptions regarding our future operational results. These assumptions, although considered reasonable by the company at the time of preparation, may prove to be incorrect. Readers are cautioned that the actual performance of the company is subject to many risks and uncertainties and could differ materially from what is expected as set out above. For more exhaustive information on these risks and uncertainties you should refer to our Management Discussion and Analysis in respect of the year ended August 31, 2023, which is available at www.sedarplus.ca. In addition, the occurrence of pandemics, such as the outbreak of the novel coronavirus COVID-19 in any of the areas in which the Company, its customers or its suppliers operate could cause interruptions in the Company's operations. In addition, pandemics, natural disasters, or other unanticipated events could negatively impact the demand for, and price of, oil and natural gas which in turn could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows. The forward-looking information contained in this press release is based on our current estimates, expectations, and projections, which we believe are reasonable as of the current date. You should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any time, whether a result of new information, future events or otherwise, except as required by applicable securities law

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