



Titan Logix Corp. Reports Fiscal 2017 Second Quarter Financial Results and Announces Change of Directors

Edmonton, Alberta, April 13, 2017 – Titan Logix Corp., (TSX Venture: TLA) (“Titan” or the “Company”), a high technology company specializing in advanced technology fluid management solutions, announces its results for the second quarter ended February 28, 2017 and a change to the Company’s board of directors.

Financial Highlights Summary (in Canadian dollars)

	Three months ended		Six months ended	
	February 28, 2017	February 29, 2016	February 28, 2017	February 29, 2016
Revenue	\$ 872,145	\$ 945,112	\$ 1,695,804	\$ 2,522,899
Gross profit (GP)	\$ 348,702	\$ 169,422	\$ 621,774	\$ 779,172
GM %	40%	18%	37%	31%
Operating loss before other items and income tax	\$ (344,026)	\$ (1,000,345)	\$ (705,045)	\$ (1,503,515)
Net loss before income tax	\$ (326,923)	\$ (966,702)	\$ (308,129)	\$ (1,434,213)
Net loss	\$ (326,923)	\$ (658,805)	\$ (308,129)	\$ (1,009,660)
EPS (diluted)	\$ (0.01)	\$ (0.03)	\$ (0.01)	\$ (0.04)

Financial Position	As at February 28 2017	As at August 31, 2016
Working capital	\$ 15,551,883	\$ 15,860,627
Total assets	\$ 17,315,306	\$ 17,701,465
Long-term liabilities	\$ 30,288	\$ 91,058
Total equity	\$ 16,846,926	\$ 17,042,206

“Our product development initiatives to enhance the market leading Titan Brand are progressing as planned,” said CEO, Douglas Carruthers. “Our engineering and sales teams are targeting new product releases in the final quarter of this fiscal year. I am pleased Titan’s existing product sales are meeting our expectations in this slower market.”

QUARTERLY HIGHLIGHTS

- Revenues were \$872,145 for the second quarter of fiscal 2017 ended February 28, 2017, an increase over the revenues of each of the last three quarters, which were \$823,659, \$706,279 and \$743,622 respectively.
- Gross profit as a percentage of sales is recovering and trending towards previously experienced levels. The gross margin for the second quarter of fiscal 2017 was 40%, an increase from the last three quarters which were 33%, 2% and 13% respectively.
- Operating expenses for the second quarter of fiscal 2017 decreased to \$692,728 compared to the fiscal 2016 comparable second quarter’s expenses of \$1,169,767, reflecting management’s cost reduction initiatives.
- Net loss for the second quarter of fiscal 2017 decreased to \$326,923 compared to the fiscal 2016 comparable second quarter’s net loss of \$658,805.

- Product development continued with positive results on the development of Titan's next generation of products and other high potential products.

Titan Logix Corp.'s revenue is largely derived from sales of its Guided Wave Radar product line of technologies employed to automate essential measurement and control processes safely and efficiently. These technologies are sold primarily into the mobile tanker truck market, servicing upstream/midstream customers and designated as Titan's "On the Road" solution offering. Product revenue is derived from sales throughout Canada and the U.S. The Company's revenue for the second quarter of fiscal 2017 ended February 28, 2017 decreased by \$72,967 or 8% to \$872,145, as compared to \$945,112 for the comparable three-month period in fiscal 2016. Revenues for the first six months of fiscal 2017 decreased by 33% to \$1,695,804 from sales of \$2,522,899 in the comparative period. This decrease in revenue in the quarter and year-over-year reflects continued weaker demand for the Company's products in Canada and the U.S. resulting from lower oil and gas prices.

Cost of sales decreased by \$252,247 or 33% to \$523,443 in the second quarter of fiscal 2017, and decreased by \$669,697 or 38% to \$1,074,030 for the six-month period ended February 28, 2017. The lower cost of sales was due to reduced product shipments, a decrease in technical service and support engineering related costs, and labour savings achieved due to a reduction in the workforce. These savings partially offset production overhead costs related to spare capacity of the production facility.

The operating loss before other items and income taxes was \$344,026 for the current quarter and \$705,045 for the first six months of fiscal 2017. This compares to an operating loss before other items and income taxes of \$1,000,345 and \$1,503,515 respectively in the comparative prior periods of fiscal 2016. The improvement in the current fiscal quarter and year-to-date is primarily attributable to the reduction in total expenses, including general and administration, marketing and sales and engineering, and to a lesser degree the reduction in production costs included in cost of sales and the resulting improvement in gross profit. Due to cost reduction initiatives in the prior fiscal year total expenses decreased by \$477,039 in the current fiscal quarter and \$955,868 year-over-year. The operating loss reduction was partially offset by a decrease in the gain on foreign exchange in the second quarter and first six months of fiscal 2017 as compared to the previous year's comparable periods. Despite significant improvements in its cost structure in the current fiscal quarter and year-over-year the Company incurred an operating loss, largely due to continued weaker demand for the Company's products and the resulting decrease in revenues.

The net loss in the second quarter of fiscal 2017 was \$326,923 (\$0.01 loss per diluted share) compared to a net loss of \$658,805 (\$0.03 loss per diluted share) for the comparable period of fiscal 2016. The net loss for the second quarter of the previous year was reduced by an income tax recovery of \$307,897. There was no income tax recovery recorded in fiscal 2017 due to uncertainties of the realization of tax loss carry forwards. Net loss and comprehensive loss in fiscal 2017's first six months was \$308,129 (\$0.01 per diluted share) after tax, compared to a loss of \$1,009,660 (\$0.04 per diluted share) after tax reported for the first six months of fiscal 2016. This reduced net loss is tied to the decrease in operating expenses. In addition, the Company recorded a gain on sale of assets of \$310,963 in the first six months of fiscal 2017 related to the sale of the TPZ 3310 and 3500 controller product lines sold in conjunction with the closing of Titan's under performing Saskatchewan warehouse and service facility. The net loss for the first six months of the previous year was reduced by an income tax recovery of \$424,553.

Business Outlook

Titan's revenue from its current primary market - mobile tank gauging for the crude oil industry - is linked to the economic conditions of the energy industry and the level of drilling activity. The oilfield fluid transport market focuses on the transportation of various liquids involved in oilfield operations such as well fracturing chemicals, produced water, waste liquids, and crude oil. New drilling activity employs mobile tankers to deliver necessary process fluids to well sites. The initial well head activity requires offsite transfer of process water for treatment or disposal. The production well heads not directly connected to pipeline networks require mobile transfer of crude oil to pipeline terminals and processing. Each stage stimulates mobile tanker activity. These liquids are transported in various mobile tankers. Each of these tankers requires a level measurement and overflow prevention system to enable rolling-stock inventory management, ensure against overfills (which would result in high-impact environmental incidents), protect equipment against damage, improve the efficiency of the operation and help ensure driver safety. Titan's TD80™ provides this functionality.

The 2016-17 recovery of the market price of WTI Crude Oil from the 2014 extreme lows is resulting in some uptick in U.S. and Canadian drilling activity as operators increase their drilling programs. However, the oil price collapse

in 2014, stranded a significant backlog on dealer lots of tanker trucks and trailers suitably equipped with level gauges. This backlog must be absorbed before the new tanker construction market will begin to recover. Titan is seeing a slight pickup in its customer's activity in reaction to the higher and more stable commodity prices; however, there are no short-term expectations of significant improvements to revenues. Titan continues to maintain its market share for level measurement and control devices in a significantly smaller crude oil tanker construction market in the face of continuing low crude oil prices. The Company follows oil rig drilling activity and crude oil prices as a long-range market indicator for its forecasting.

Titan's proprietary TD80/Finch II/RCM technologies continue to be widely accepted. Leveraging Titan's large install base and market share, the Company is focused on generating new revenue stream opportunities via existing tanker retrofit sales and by exploring new market alternatives for product sales in other than crude oil applications. The Company is also prospecting new opportunities in both the complimentary upstream and downstream storage tank markets.

Titan has taken the necessary progressive steps to position itself within this new market reality:

- It has undertaken cost reduction measures that include a significant reduction in its work force while retaining core engineering, sales and support teams. The impacts of these cost reduction initiatives are beginning to be realized in fiscal 2017 and compensation savings of approximately \$1.3 million, as compared to fiscal 2016, are expected.
- It closed its Saskatchewan warehouse and service facility and divested of its TPZ and 3500 Controller product lines allowing for resources to be more focused on current and upcoming market opportunities and products.
- It has completed an intensive review of its R&D program and is now focused on high potential product development.
- It continues to explore and develop strategic partnerships that will allow it to expand into new markets.
- It continues to explore new business opportunities to leverage Titan's expertise and capital.

Titan maintains a strong balance sheet that will support strategic initiatives going forward.

Change of Directors

Titan Logix Corp. announces the appointment of Mr. Alvin Pyke as a director of the company effective April 12, 2017. Mr. Pyke is President, CEO and founder of Helical Pier Systems Ltd. Helical Pier Systems Ltd provides design, manufacturing and installation services across the North American landscape to the oil and gas industry, electrical power transmission and distribution companies, and commercial projects. Mr. Pyke is a professional engineer and entrepreneur with over 30 years of corporate experience.

"I welcome Alvin and the expertise he brings to our Board," said Grant Reeves, Chairman. "His experience with technology along with his extensive leadership experience is an excellent complement to our existing Board."

In addition, the Company announces the resignation of Charles Buehler from the board of directors effective April 12, 2017. Mr. Buehler served as a Director since June 2015, was Chairman of the Board from December 2015 until January 2017, and played an invaluable role on the Board providing guidance through his experience with public boards and corporate governance along with his extensive business acumen.

Grant Reeves, Chairman stated, "On behalf of our Company and Directors, I would like to sincerely thank Charles for his many contributions to Titan. All of us at Titan Logix wish Mr. Buehler all the best in the future."

About Titan Logix Corp.:

Founded in 1979, Titan Logix Corp. ("Titan" or "the Company") is a developer, manufacturer and marketer of innovative fluid measurement and management solutions. The Company's products include Guided Wave Radar (GWR) gauges for level measurement and overflow prevention (particularly for use in mobile tanker applications), level gauges for storage tanks, and communication systems for remote alarming and control. Titan's products are currently used in the oil and gas, waste fluid collection, chemical and aviation industries.

Titan's products are part of a complete asset management solution. The full solution consists of Titan's products integrated with best-in-class third party solutions to enable our complete fluid management throughout each stage of their fluid handling processes. This is captured by our slogan "Advanced Technology Fluid Management Solutions, In the Field, On the Road, In the Office"™.

- In the Field: "In the Field" refers to Titan's solution offerings for storage tanks and process vessels.
- On the Road: "On the Road" refers to Titan's solution offerings for mobile tanker trucks and trailers.
- In the Office: "In the Office" refers to Titan's solution offerings that enable customers to monitor their fluid assets remotely from the convenience of their dispatch center or other back office environment through a wired or wireless connection.

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

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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 actual performance of the company is subject to a number of risks and uncertainties and could differ materially from what is currently 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, 2016 which is available at www.sedar.com. 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 particular time, whether as a result of new information, future events or otherwise, except as required by applicable securities law.

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