

## Titanium Corporation Reports the Third Quarter Ended September 30, 2021 Results and Provides a Project Update

CALGARY, Alberta, Oct. 27, 2021 (GLOBE NEWSWIRE) -- **Titanium Corporation Inc. (the “Company” or “Titanium”) (TSX-V: TIC)** today released its results for the three and nine month periods ended September 30, 2021.

During the first nine months of 2021, the joint Titanium and Canadian Natural Resources Limited (“Canadian Natural”) project team completed critical milestones related to the CVW™ Horizon Project (“Project”) related to the Class 3 cost estimate update for the Project, including engineering validation, optimization, and economics, which remains under review. The ongoing review includes Project costs, environmental and operational benefits and overall Project economics. Also, during the period, the Company submitted government milestone reports, collected over \$3.0 million of non-repayable government funding contributions and filed additional grant applications.

Even with some positive signs of economic recovery and a strong oil price recovery, uncertainty remains as new projects and capital spending programs are reviewed. Announced industry priorities during 2021 have been on debt repayment, returning cash to shareholders through dividends and share buy backs, plus annual sustaining capital expenditures. Early indications are that these priorities will continue into 2022. The COVID-19 pandemic also continued in the third quarter of 2021 with the “fourth wave”. Canada, and particularly Alberta, experienced worsening infection numbers, hospitalizations and new restrictions. Throughout 2021, new projects and capital spending have been constrained by related pandemic health concerns, public health restrictions and economic volatility. Given these factors, the Company expects a delay in decisions on the next steps for the Project.

The pandemic and economic impacts of the last two years have resulted in delayed timelines and increased costs for the Project. Delays are also affecting Government funding that has been awarded to our Project. Certain of the Government funding programs have time limitations and will expire before our Project can be completed. The Company is in discussions regarding potential extensions. The Company is also applying to new Government funding programs for the Project which have potential for significant funding. The application, review and award processes for new funding programs will continue well into 2022.

During the third quarter of 2021, the Company and Canadian Natural’s joint project team continued to review and refine the Project costs, and the economic, environmental and operational benefits. These activities included developing various economic modeling scenarios, reviews of engineering details on operational improvements and cost savings, and assessment of the potential value of addressing environmental mitigation opportunities. Further technical studies are being undertaken in certain of these areas to identify and quantify the additional potential benefits and value for the Project. This work will extend into 2022 and potentially result in modifications and additions to the process and associated engineering changes. Completing continuing technical work and new government funding applications are important in connection with evaluating the Project prior to determining next steps.

“Our Project timing continues to be impacted by the industry priorities, economic uncertainties and the COVID-19 pandemic” commented Scott Nelson, Titanium’s President and CEO. “We are continuing to assess and apply for potential funding from several government programs toward the next phases of the Project.”

### **Highlights for the quarter ended September 30, 2021**

- During the third quarter, the Company continued ongoing Project engineering activities and pursuing government funding for the Project. The Company continues to focus on minimizing expenses.
- In August 2021, the Company announced the deferral of its annual general and special meeting of shareholders of Titanium, which had been rescheduled for August 2021, after initially being scheduled for June 2021. The Company was granted an extension by the Court of Queens Bench of Alberta permitting the Company to hold its annual general and special meeting at any time on or before December 30, 2021. The delay was necessary to allow for ongoing discussions between Titanium’s key shareholders and the Board of Directors focused on potential financing options for the Company. Depending on the evaluation and outcome of these discussions, certain directors of Titanium may remove their names for re-election and the Board of Directors may choose to nominate alternative directors. While the Board of Directors will endeavor to hold the shareholder meeting as soon as possible, these discussions and the evaluation are ongoing, and a new date for the shareholder meeting will be announced as soon as possible.

### **FINANCIAL OVERVIEW**

The Company is focused on achieving long-term financial success by implementing its CVW™ technologies in commercial operations at oil sands sites. The Company is working with Canadian Natural to review and plan for a potential implementation at Canadian Natural’s Horizon site. However, until these Project activities are completed to the satisfaction of the parties, commercial arrangements and investment decisions are made and facilities constructed and operating, the Company expects to continue to incur losses. Currently, quarterly losses are comprised of Project engineering costs and general and administrative (“G&A”) expenditures. Changes in quarterly results are dependent on Project activity and the timing of payments related to Project cost recovery.

In addition to its ongoing working capital requirements, the Company must secure sufficient funding for continued work on the

Project and commercialization of its technology. The Company may be constrained in its ability to meet its obligations as they come due. The Company expects its current cash position will not be adequate to cover expected ongoing operating expenses over the next 12-month period and the Company is reviewing further funding and financing opportunities. The Company's financial statements are reported with a going concern assumption and disclosure regarding such going concern uncertainty is disclosed in the Company's financial statements.

**Cash Flow** - The Company's aggregate cash position was \$1.0 million as at September 30, 2021, as compared to \$2.7 million as at December 31, 2020. The decrease in cash of \$2.7 million is the result of funding the Company's engineering programs and G&A expenses during the quarter. The Company did not report any activities from investing or financing. Cash used in operating activities for the three months ended September 30, 2021 was \$0.6 million, compared to a use of cash of \$0.4 million for three-month ended September 30, 2020.

**Net Loss** – For the three months ended September 30, 2021, the Company reported a net loss of \$0.1 million or \$0.01 loss per share, comparable to the net loss for the comparable quarter ended September 30, 2020, of \$0.8 million or \$0.01 loss per share. The net loss for the current quarter consisted of G&A expenses of \$0.4 million, partially offset by a recovery of research and development (“R&D”) expenses of \$0.2 million in the current period.

**Research & Development** – Gross and net R&D expenses for the three months ending September 30, 2021 were lower, as compared to comparative three months ended September 30, 2020. Gross R&D expenses for the current quarter were \$0.2 million as compared to \$0.4 million for the prior quarter ended September 30, 2020. R&D spending in the current quarter consisted primarily of compensation for technical staff, on-going minerals testing and evaluations, optimization engineering work and updating cost estimates. The R&D spending is offset by recoveries of Project costs, related to government grant funding received during the quarter, reported at \$0.5 million, as compared to the prior quarter ended September 30, 2020, where no government grants were received. The timing of government grants is not tied directly to the actual spending and only recorded when received.

**General & Administrative** - G&A expenses for the three months ending September 30, 2021 were consistent at \$0.3 million, as compared to \$0.3 million for the comparative three months ended September 30, 2020. G&A expenses consist primarily of compensation and benefits, and consulting and professional costs.

To view the Company's management discussion and analysis and interim unaudited financial statements for the three and nine month periods ended September 30, 2021, please visit our website at [www.titaniumcorporation.com](http://www.titaniumcorporation.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

## **MANAGEMENT CHANGE**

Effective November 1, 2021, Ingrid Meger will be joining Titanium as the VP Finance and CFO and Hansine Ullberg will be departing to pursue a new opportunity. Ms. Meger is a CPA,CA with seven years of public accounting experience followed by six years as a consulting CFO to energy industry clients. Ms. Meger's appointment is subject to the approval of the TSX Venture Exchange.

## **About Titanium Corporation Inc.**

Titanium is a clean technology innovator focused on providing solutions to the mining sector of Canada's oil sands industry. Titanium Corporation's CVW™ technology provides sustainable solutions to reduce the environmental footprint of the oil sands industry. Our technology reduces the environmental impact of oil sands froth treatment tailings, while economically recovering valuable products that would otherwise be lost. CVW™ recovers bitumen, solvents, heavy minerals and water from tailings, preventing these commodities from entering tailings ponds and the atmosphere: volatile organic compound and greenhouse gas emissions are materially reduced; hot tailings water is improved in quality for recycling; and residual tailings can be thickened more readily. A new minerals industry would be created with the production and export of zircon and titanium, essential ingredients in the ceramics and pigment industries.

The Company's shares trade on the TSX-V under the symbol “TIC”.  
For more information, please visit the Company's website at [www.titaniumcorporation.com](http://www.titaniumcorporation.com).

## **Disclosure regarding forward-looking information**

*This news release includes forward-looking statements about expected future events, including, but not limited to, the occurrence and timing of future steps with respect to the Project and the Company's expectation that there may be delays in decisions on the next steps for the Project; the discussion of Titanium's research and development and commercialization plans, the advantages of the Company's technology and the creation of a mineral sands industry; the timing expectations for completion of the engineering project activities; the scope of activities that will be undertaken; the timing expectation for making an investment decision and proceeding with detailed engineering and construction of facilities; the Company's ongoing engagement with stakeholders; the Company's continuing cash conservation program and expectations regarding the Company's current cash position and the ability to continue as a going concern; the Company's ongoing evaluation of financing opportunities, including grant and financing opportunities from applicable government programs and entering into funding agreements related thereto and the continued ability of the Company to do the same; the expected next steps for the Company; the advantages of the Company's technology in assisting with sustainability of the energy industry in Alberta and Canada; the effect of market conditions on the Company, and the anticipated timing of holding Titanium's annual meeting and potential changes to the matters coming before the annual and special meeting of the shareholders, including the election of directors. This forward-looking information generally can be identified by use of forward-looking words such as “may”, “will”, “expect”, “estimate”, “anticipate”, “believe”, “project”, “should” or “continue” or the negative thereof or similar variations.*

*These forward-looking statements are based on various assumptions including, but not limited to, the condition of the global economy, including trade, public health (including the ongoing impact of COVID-19) and other geopolitical risks, including the fact that any estimates of project next steps, as well as the detailed engineering and construction period may be affected by the COVID-19 pandemic, the condition of the global economy and commodity prices, in particular crude oil prices; the stability of the economic and political environment in which the Company operates; the success of the validation and optimization engineering project activities, including the expected assessment of engineering reviews for next steps as part of the project activities, including the costs and economic and environmental benefits of the Project, the ability of the Company to enter into commercial contracts with oil sands producers and to achieve commercialization of the CVW™ technology, including the anticipated scope of such commercial contracts; the focus on optimization of the concentrator facility and design and engineering of a tailings thickener and associated facilities, including the expected timing of completion thereof and commencement of optimization of the minerals facility; the ability of the Company to enter into commercial contracts with other strategic partners in relation to building and operating facilities, as required; the ability of the Company to continue with its cost reduction initiatives and to be supported by its current cash position; the ability of the Company to retain qualified staff; the ability of the Company to obtain financing on acceptable terms, including available grant and financing opportunities from government programs and finalizing funding agreements for such government programs, as well as any additional funding requirements required to complete the detailed engineering phase; the translation of the results from the Company's research, pilot programs, front-end engineering design ("FEED") project activities, validation and optimization engineering project activities and studies into the results expected on a commercial scale; the belief that the Company's technology will provide important environmental and economic benefits that will assist with the recovery of a resilient and sustainable energy industry in Alberta and Canada; the anticipated timing for the commencement and completion of detailed engineering and construction once all validation and optimization engineering project activities are completed and a final decision to proceed with the project has been made; expectations regarding the discussions ongoing with key shareholders and the transactions that may result therefrom; the estimated timing of the annual and special meeting of the shareholders; the timing, location and extent of changes to the matters coming before the annual and special meeting of the shareholders, including the election of directors; future oil and minerals prices and the impact of lower prices on activity levels and cost savings of oil sands producers; the impact of increasing competition; the ability to protect and maintain the Company's intellectual property; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which the Company operates; and the ability of the Company to successfully market its CVW™ technology. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Titanium cautions that future events may be affected by a number of factors, many of which are beyond its control and results may vary substantially from what Titanium currently foresees.*

*The Company has not commercially demonstrated its technologies and there can be no assurance that such research, pilot programs, FEED project activities, validation and optimization, engineering project activities and related studies will prove to be accurate nor that such commercialization efforts will be successful, as actual results and future events could differ materially from those expected or estimated in such forward-looking information. As a result, the Company cannot guarantee that any forward-looking information will materialize and cautions you against relying on any of this forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information.*

*Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements contained in this news release are made as of the date of this news release and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities law.*

*Neither the 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.*

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