

NOT FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAW.

[Titanium Corporation Inc.](#) (the "Company" or "Titanium") (TSX VENTURE:TIC) announces that it has entered into loan agreements (the "Loan Agreements") with Mossco Capital Inc., an affiliated Canadian resident corporation controlled by Mr. Moss Kadey ("Mossco") and with David Macdonald ("Macdonald" and together with Mossco, the "Lenders"), two of its independent directors pursuant to which the Lenders agreed to lend to Titanium the aggregate principal amount of up to \$1,500,000 (collectively, the "Loans").

"We are very pleased to have the continued support of two of our major shareholders in arranging these flexible credit facilities to assist in funding the commercialization phase of our Company's technology," commented Scott Nelson, Titanium's President and CEO. "Our technology offers a ready-to-implement solution to both environmental and cost structure challenges that the oil sands industry is facing during this period of low prices."

The Loans, when drawn, are repayable in full by Titanium to the Lenders on October 9, 2017. Titanium may permanently repay all or part of the Loans at any time without notice or penalty. Mossco agreed to advance up to \$1,000,000 and Mr. Macdonald agreed to advance up to \$500,000. The proceeds from the Loans are to be used for general corporate purposes as approved by the Company's Board of Directors in its annual budget.

Interest accrues on the Loans at the rate of 12% per annum from the date of advance, standby fees at the rate of 3% per annum on any undrawn balances of the Loans (both payable monthly), and drawdown fees of 2.0% at the time of each advance of \$500,000.

Titanium's obligations in respect of the Loans will be secured by a general security agreement granted by Titanium to each Lender under which Titanium will grant security interests over all of its present and after-acquired personal property and a floating charge over all of its real property. Titanium and the Lenders will also enter into an intercreditor agreement to confirm the pari passu ranking of the Loans and security, including the right to payment, priority of security and realization in respect of security.

The Lenders' obligations to advance the Loans are subject to customary conditions precedent, including a requirement that Titanium has less than \$500,000 cash on hand on the date of the borrowing notice issued to the Lenders, and that there will have been no adverse material change in the business, operations, assets or ownership of Titanium since the date of the Loan Agreements. The Loan Agreements contain Titanium representations and warranties, covenants and events of default customary for transactions of this nature.

In connection with the Loans, Titanium issued 750,000 non-transferable common shares purchase warrants ("Warrants") of Titanium to the Lenders, which were allocated proportionally to the Lenders on the basis of their committed amounts under the Loans. Each Warrant entitles the holder to acquire one common share ("Common Share") of Titanium at a price of \$1.35 per Common Share prior to October 9, 2017. At the time of issuance, the exercise price of the Warrants was equal to the closing price of the Common Shares on the TSX Venture Exchange ("TSXV") on the date of execution of the Loan Agreements. The Warrants, and underlying Common Shares, are subject to a four-month hold period from the date of issuance, which expires on February 9, 2016.

The terms and conditions of the Loan Agreements and related agreements were reviewed and unanimously approved by all of the independent directors of Titanium, other than the Lenders. The Company received legal advice of its outside legal counsel in connection with entering into of the Loan Agreements, related agreements and the issuance of the Warrants, but did not engage a financial advisor.

The transactions contemplated by the Loan Agreements and related agreements and the issuance of the Warrants have been conditionally accepted by the TSX Venture Exchange and constitute "related party transactions" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). In entering into the transactions, Titanium relied upon the exemptions from the formal valuation and minority approval requirements of MI 61-101 under Sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101.

The Loans and related issuance of the Warrants remain subject to the final approval of the TSXV. Closing of the transactions contemplated by the Loan Agreements and related agreements, including the Warrants, occurred simultaneously with the execution and delivery of such documents. Titanium considered a simultaneous signing and closing to be reasonable given that third party approvals, other than the conditional acceptance of the TSXV, were not required.

About Titanium Corporation Inc.

Titanium Corporation's CVW™ technology provides sustainable solutions to reduce the environmental footprint of the oil sands industry. The Company's technology reduces the environmental impact of oil sands tailings while economically recovering valuable products that would otherwise be lost. CVW™ recovers bitumen, solvents and minerals 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 will be created commencing with the production and export of zircon, an essential ingredient in ceramics. The Company's shares trade on the TSX Venture Exchange under the symbol "TIC". For more information, please visit the Company's website at www.titaniumcorporation.com.

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This news release contains forward looking statements. More particularly, this news release contains statements concerning the anticipated draw downs of the Loans, the anticipated use of the funds from the Loans, that the Company will satisfy all conditions precedent for any advancements of the Loans and the anticipated final approval of the TSX Venture Exchange of the Loan Agreements, related issuance of the Warrants and the listing of the underlying Common Shares. Although Titanium believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because Titanium can give no assurance that they will prove to be correct. Since forward looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The intended use of the funds from the Loans by Titanium might change if the board of directors of Titanium determines that it would be in the best interests of Titanium to deploy the funds for some other expenditures.

The forward looking statements contained in this news release are made as of the date hereof and Titanium undertakes no obligation to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

The securities distributed have not been and will not be registered under the United States Securities Act of 1933, as amended and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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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