

Form 62-103F1

REQUIRED DISCLOSURE UNDER THE EARLY WARNING REQUIREMENTS

Item 1 – Security and Reporting Issuer

**1.1 State the designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.**

Common shares ("**Common Shares**") in the capital of Titanium Corporation Inc. (the "**Company**" or "**Titanium**").

The Company's head office is located at:

Titanium Corporation Inc.  
Suite 700, 903 8th Ave., SW  
Calgary, Alberta T2P 0P7

**1.2 State the name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.**

Not applicable.

Item 2 – Identity of the Acquiror

**2.1 State the name and address of the acquiror.**

As described in greater detail below, Mossco Capital Inc. ("**Mossco**") acquired Common Shares triggering the requirement to file this report. Mossco is an affiliated Canadian resident corporation controlled by Mr. Moss Kadey, an independent director of the Company. Mossco is an investment holding company.

Mossco's head office is located at:

Mossco Capital Inc.  
33 Charles Street East Suite 3604  
Toronto, Ontario  
M4Y 0A2

**2.2 State the date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence.**

On October 5, 2017, Mossco acquired 500,000 Common Shares in connection with the exercise of 500,000 common share purchase warrants (the "**Warrants**") of the Company. The Warrants were issued to Mossco in connection with the entering into of a loan agreement on October 9, 2015, pursuant to which Mossco agreed to lend to Titanium the principal amount of up to \$1,000,000.

**2.3 State the names of any joint actors.**

Mossco is under the control and direction of Mr. Kadey. No other joint actors of Mr. Kadey were involved in the transactions described in this report.

**Item 3 – Interest in Securities of the Reporting Issuer**

**3.1 State the designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquiror's securityholding percentage in the class of securities.**

As described above, Mossco acquired 500,000 Common Shares in connection with the exercise of 500,000 Warrants. Following this acquisition, Mr. Kadey beneficially owns or controls, directly and indirectly, 9,759,167 Common Shares, representing approximately 12.2% of the currently outstanding Common Shares.

Additionally, Mr. Kadey owns, directly or indirectly, collectively, 1,000,000 other warrants, 150,000 options to purchase Common Shares and 214,149 deferred share units of the Company convertible into Common Shares. Assuming the full exercise or conversion, as applicable, of all convertible securities held by Mr. Kadey, Mr. Kadey would beneficially own or control, directly and indirectly, 11,123,316 Common Shares, representing approximately 12.6% of the Common Shares that would then be outstanding.

**3.2 State whether the acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.**

Mossco acquired ownership and control over the Common Shares and exercised the Warrants that triggered the requirement to file this report.

**3.3 If the transaction involved a securities lending arrangement, state that fact.**

Not applicable.

**3.4 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report.**

Prior to the acquisition described above, Mr. Kadey beneficially owned or controlled, directly and indirectly, 9,259,167 Common Shares, representing approximately 11.7% of the currently outstanding Common Shares. See Section 3.1 hereof for a description of Mr. Kadey's post-acquisition holdings of the Company.

**3.5 State the designation and number or principal amount of securities and the acquiror's securityholding percentage in the class of securities referred to in Item 3.4 over which**

**(a) the acquiror, either alone or together with any joint actors, has ownership and control,**

See items 2.2 and 3.1 hereof.

**(b) the acquiror, either alone or together with any joint actors, has ownership but control is held by persons or companies other than the acquiror or any joint actor, and**

Not applicable.

**(c) the acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 3.6 If the acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the acquiror's securityholdings.**

Not applicable.

- 3.7 If the acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement.**

Not applicable.

**State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.**

Not applicable.

- 3.8 If the acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquiror's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.**

Not applicable.

#### **Item 4 – Consideration Paid**

- 4.1 State the value, in Canadian dollars, of any consideration paid or received per security and in total.**

The Common Shares were acquired on the exercise of the Warrants. The Warrants were exercised at a price of \$1.35 per Common Share and resulted in the issuance of 500,000 Common Shares to Mossco for total proceeds of \$675,000. No commissions or placement fees were paid, or are payable, upon the exercise of the Warrants.

- 4.2 In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or received by the acquiror.**

See item 4.1.

- 4.3 If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.**

Not applicable.

#### **Item 5 – Purpose of the Transaction**

**State the purpose or purposes of the acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer. Describe any plans or future intentions which the acquiror and any joint actors may have which relate to or would result in any of the following:**

- (a) the acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;
- (b) a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;
- (c) a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;
- (d) a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;
- (e) a material change in the present capitalization or dividend policy of the reporting issuer;
- (f) a material change in the reporting issuer's business or corporate structure;
- (g) a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;
- (h) a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;
- (i) the issuer ceasing to be a reporting issuer in any jurisdiction of Canada;
- (j) a solicitation of proxies from securityholders;
- (k) an action similar to any of those enumerated above.

Mossco acquired the Common Shares for investment purposes. Mossco and its affiliates may in the future, depending on market and other conditions, increase or decrease their ownership of Common Shares or other securities of the Company, whether in the open market, by privately negotiated agreement or otherwise.

Neither Mr. Kadey, Mossco nor (to Mr. Kadey's knowledge) any of Vivette Kadey (Mr. Kadey's spouse) or the Kadey Family Trust (a trust under the control and direction (either in whole or in part) of Mr. Kadey) has any plans or future intentions that relate to or would result in any of the matters listed above in this Item 5.

#### **Item 6 – Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer**

**Describe the material terms of any agreements, arrangements, commitments or understandings between the acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.**

Not applicable.

#### **Item 7 – Change in material fact**

**If applicable, describe any change in a material fact set out in a previous report filed by the acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.**

Not applicable, except as otherwise disclosed herein.

**Item 8 – Exemption**

**If the acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.**

Not applicable.

**Item 9 – Certification**

**Certificate**

I, as the acquiror, certify to the best of my knowledge, information and belief, that the statements made in this report are true and complete in every respect.

Dated October 17, 2017

**MOSSCO CAPITAL INC.**

Per: (signed) "Moss Kadey"  
Moss Kadey  
President