



October 19, 2012

TITUS CAPITAL CORP. ANNOUNCES THE EXECUTION OF AN AGREEMENT IN PRINCIPLE REGARDING A QUALIFYING TRANSACTION TO ACQUIRE A PROPERTY OF MERIT

Titus Capital Corp. ("Titus" or the "Company") is pleased to announce a proposed qualifying transaction, pursuant to which Titus will acquire an interest in an oil and gas project known as the Prevail Project (the "Prevail Project" or the "project") in south-western Saskatchewan. Subsequent to the transaction, the Company, which was previously a Capital Pool Corporation (CPC), will be involved in the oil and gas resource exploration and development sector.

Agreement in Principle

Titus signed an Agreement in Principle on October 15, 2012 (the "Agreement in Principle" or the "agreement") with Term Oil Ltd. ("Term Oil") of Regina, Saskatchewan, an arms' leaseholder of oil properties in southern Saskatchewan, providing for the acquisition of a thirty percent (30%) undivided interest in the Prevail Project. Consideration for the interest is a work program commitment of \$750,000 to reactivate three selected wells and drill one infill location. This transaction constitutes Titus' qualifying transaction pursuant to the applicable policies of the TSX Venture Exchange (the "TSXV") and is hereinafter referred to as the "Qualifying Transaction". The Qualifying Transaction will not be subject to the approval of the shareholders of the Company. The Qualifying Transaction is an arm's length transaction. Term Oil and Titus and its officers are not related parties pursuant to the applicable securities laws and TSXV policies.

Conditions to be Satisfied

The conditions to be satisfied or completed prior to or upon the completion of the Qualifying Transaction include the following:

- (a) the completion of a due diligence review of the Project by Titus;
- (b) the receipt of all necessary consents and approvals;
- (c) the receipt of all requisite regulatory approvals from the TSXV and the securities regulatory authorities with respect to the Qualifying Transaction;
- (d) the confirmation that no adverse material change in the business, affairs, financial conditions or operations of Titus will have occurred between the date of the Agreement in Principle and the Closing Date;
- (e) Titus will have a maximum of 12,720,000 Shares issued and outstanding on a fully diluted basis prior to the Closing Date;
- (f) Titus will have net assets of a minimum of \$750,000 held in escrow to be transferred to Term Oil upon closing of the Qualifying Transaction; and
- (g) all directors and officers of Titus holding office as of the date of the Agreement in Principle will remain as such subsequent to the completion of the Qualifying Transaction.

Share Capital

In connection with its IPO in 2010, Titus granted to Union Securities Ltd. of Vancouver, Canada a non-transferable agent's option to acquire 250,000 common shares at a price of \$0.10 per share, exercisable until November 30, 2012. Additionally, Union was granted a non-transferable agent's option to acquire 445,200 common shares at a price of \$0.20 per share in connection with the subsequent private placement. These options are exercisable until May 13, 2013.

Concurrent to the acquisition, Titus does not intend to raise additional working capital.

Following the Qualifying Transaction, there will be an aggregate of 12,720,000 Titus issued and outstanding. This will be comprised of 2,800,000 shares issued as seed capital at \$0.05 per share, 2,500,000 shares issued at the closing of Titus' initial public offering on November 30, 2012 at a price of \$0.10 per share and 7,420,000 issued as private placement shares at \$0.20 per share.

In addition, Titus will have 695,200 agent's options to acquire Titus Shares and 200,000 incentive stock options to acquire Gold Key Shares.

Following the Qualifying Transaction, the current shareholders of Titus will hold approximately 78.0% of the issued and outstanding Titus Shares.

Prevail Project

The Prevail Property consists of various working interests in 2280 acres of land in southwestern Saskatchewan, containing eight producing well and a number of shut-in and/or suspended wells. Production is subject to either Crown or freehold royalties, and in one case, a gross overriding royalty. Oil bearing zones lie in Lloydminster Sand, which is a clastic unit of Lower Cretaceous age and is part of the Mannville Group. The zone was formed within a shoreline to shallow shelf environment and in this area is approximately 10m thick. Total gross remaining proved developed producing heavy oil reserves of 80 MSTB have been estimated for the Lloydminster Zone based on decline analysis of their past production performance. Additional probable reserves of 117 MSTB have been estimated for the same Lloydminster Zone. Total production from the eight wells currently averages 59 STB/d as is expected to gradually decline to each well's economic limit.

Corporate Structure

Post Qualifying Transaction, the directors of Titus will consist of Reza Mohammed BSc. (as President, Chief Executive Officer and Director), Anita Algie BSc. Honours (as Director and Chief Financial Officer), Peter Born (as Director) and Gilbert Schneider (as Director).

Reza Mohammed - President, CEO, Director

Reza Mohammed has over 16 years of experience in the venture capital markets and has completed three CPC Qualifying Transactions. Mr. Mohammed, who has expertise in venture capital and corporate finance, is currently the Preseident & CEO of Deloro Resources Ltd. (DLL-TSXV) and Portia Exploration Ltd. (PEL.P-TSXV) and was formerly the President & CEO of Alderon Resource Corp. (ADV—TSXV), Aroway Minerals Inc. (ARW-TSXV), and August Metal Corp. (AGP-TSXV).

Anita Algie – Director, CFO

Miss Algie, is head of compliance, CFO and Director of the Company. Ms. Algie has over 9 years of experience in management, listings, corporate structure and mergers and acquisitions for exploration and resource based public companies. Miss Algie has successfully completed two CPC Qualifying Transactions . She is currently also President &CEO of Unity Energy Corp. (UTY-TSXV), Patrone Gold Corp. (AUR-TSXV) and a director of Deloro Resources Ltd. (DLL-TSXV) and Portia Exploration Ltd. (PEL.P-TSXV). Ms. Algie was formerly a director of Alderon Resource Corp. (ADV—TSXV), Aroway Minerals Inc. (ARW-TSXV), and August Metal Corp. (AGP-TSXV).

Gilbert Schneider - Director

Mr. Schneider is a self-employed businessman. He has been involved in a number of CPC's and successfully completed Qualifying Transactions. Mr. Schneider is also presently the President, Chief Executive Officer, Chief Financial Officer, Secretary and a director of AXEA Capital Corp, a CPC which commenced trading in July 2008 and is presently in the final stages of completing its Qualifying Transaction. Mr. Schneider is also presently a director of BOE Capital Corp, a CPC which completed its QT and is now known as Athabasca Uranium Inc.

Dr. Peter Born - Director

Dr. Born is a registered professional geologist with the Association of Professional Geoscientists of Ontario and is a Fellow of the Geological Association of Canada. He brings over 30 years of exploration/mining experience to the Company. He worked previously as Senior Geologist and then Resource Geologist with Western Mining International (WMI). He is currently working with RPS Energy Canada

Dr. Born obtained a Ph.D. in Earth Sciences from Carleton University with expertise in Precambrian Sedimentary Geology, Basin Analysis, Sedimentology, Stratigraphy and Sedimentary Ore deposits from Carleton University in Ottawa, Ontario in March 1996. He obtained his M. Sc. In Geology from Laurentian University in Sudbury, Ontario in October 1979 and his B. Sc. in Geology from Carleton University in Ottawa, Ontario in November 1976. He is currently a director of Unity Energy Corp., Grandview Gold Inc., August Metal Corporation and BOE Capital Corp.

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Completion of the transaction is subject to a number of conditions, including but not limited to TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the capital pool company should be considered highly speculative. The TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.