

MONTREAL, Quebec (FSCwire) - MONTREAL, Quebec August 5, 2016; [Argex Titanium Inc.](#) (TSX:RGX) (the Corporation; or Argex;) is pleased to announce that it will pay accrued interest of \$450,000 on its 8% convertible unsecured debentures (the Debentures) due on December 31, 2015, March 31, 2016 and June 30, 2016 through the issuance of an aggregate of 5,084,745 common shares to the holders of the Debentures. In this regard, Argex has sent a notice in prescribed form to the registered holders of the Debentures and to CST Trust Company, the debenture agent.

The 5,084,745 shares will be issued at a price of \$0.0885 per share, representing the volume weighted average trading price (VWAP) of Argex's shares on the Toronto Stock Exchange for the five trading days ended August 3, 2016. In accordance with the Debenture Indenture, the shares will be delivered on or before September 30, 2016.

Argex also announces that after obtaining approval from the holders of more than 66 2/3% of the principal amount of the Debentures, the Corporation and CST Trust Company, as debenture agent, entered into a First Supplemental Indenture amending certain terms and conditions of the Debentures. A copy of the First Supplemental Indenture is available under the Corporation's profile on SEDAR at www.sedar.com.

As previously announced, the conversion price of the Debentures has been reduced to \$0.11 per share from \$1.14 per share. In addition, should the VWAP of the common shares of the Corporation for a period of five trading days be at least \$0.11, or should at least 50% of the principal amount of the Debentures have been converted by the holders thereof into common shares, Argex will have the right, but not the obligation, to compel the conversion of all or any part of the Debentures into common shares at the conversion price of \$0.11 per share. In order to do so, Argex will be required to send a notice to the holders of the Debentures at least 15 business days prior to the forced conversion date.

The Debentures were also amended to provide that interest payments may be made, at the option of the Corporation, through the issuance of common shares. The issue price of shares issued in any such payment will be equal to the VWAP of Argex's shares on the Toronto Stock Exchange for the five trading days immediately preceding the date on which Argex sends a notice in prescribed form to the holders of the Debentures.

About Argex Titanium

[Argex Titanium Inc.](#) has developed an advanced chemical process for the volume production of high grade titanium dioxide (TiO₂) for use in high quality paint, plastics, cosmetics and other applications. The Corporation's unique proprietary process takes relatively inexpensive and plentiful source material from a variety of potential vendors, and produces TiO₂ along with other valuable by-products. Argex's process provides a significant cost and environmental advantage over current legacy TiO₂ production methods.

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