

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) has been prepared by management as of November 26, 2025. The MD&A provides readers with an understanding of the vision of Titan Logix Corp. ("Titan" or "the Company"), its business strategy and core purpose and compares Titan's 2025 financial results with the previous year. The following MD&A of the consolidated results of operations, financial position, and changes in cash flows should be read in conjunction with the Company's audited consolidated financial statements and accompanying notes for the year ended August 31, 2025. The Company prepares and files its consolidated financial statements in Canadian dollars and in accordance with International Financial Reporting Standards (IFRS). The consolidated financial statements and MD&A, as well as additional information regarding Titan Logix Corp., are available at www.sedarplus.ca and on the Company's website at www.titanlogix.com. Titan Logix Corp.'s board members and its audit committee have reviewed and approved this MD&A narrative.

NOTICE TO READER – FORWARD LOOKING INFORMATION

Information contained in this MD&A may contain forward-looking statements. These forward-looking statements may include, among others, statements regarding our plans, costs, objectives or economic performance, or the assumptions underlying any of the foregoing. Forward-looking statements are based on information available at the time they are made, on the date of this report, and should not be read as guarantees of future performance or results as they are subject to risks and uncertainties, many of them beyond our control. We do not undertake any obligation to publicly update or to revise any forward-looking statements except as expressly required by applicable securities laws.

CORPORATE OVERVIEW

Founded in 1979, Titan Logix Corp. ("Titan" or "the Company") is a public company listed on the TSX Venture Exchange and its shares trade under the symbol TLA.

For over 25 years, Titan Logix Corp. has designed and manufactured mobile liquid measurement solutions to help businesses reduce risk and maximize efficiencies in bulk liquids transportation. Titan is a market leader in mobile liquid measurement, known for their high level of accuracy, rugged design, and solid-state reliability. Our solutions are designed for hazardous and non-hazardous applications, and we serve customers in a wide range of applications including petroleum, environmental solutions, chemical, and agriculture. We proudly deliver our mobile tanker solutions to market through partnerships with Original Equipment Manufacturers (OEMs), dealers, and private fleets across Canada, the United States, and Mexico.

Titan currently serves the petroleum, chemical, and water markets with the TD100™ series products (transmitter, probe and display), offering fleet operators accurate level measurement, reliable overfill protection, and a variety of automation, integration, and control capabilities for their tanker truck operations. Titan's core markets include crude oil, used oil and aviation fuel. Building on our years of success in the crude oil market, our strategy is to grow our business into other liquid commodity verticals through investment in market, product, and channel partner development.

NON-IFRS MEASURES

The Company uses certain measures in this MD&A that do not have a standardized meaning as prescribed by IFRS and thus are prohibited from being disclosed in the consolidated financial statements. These measures, which are derived from information reported in the Company's consolidated financial statements, may not be consistent to similar measures presented and disclosed by other reporting issuers. However, management believes that this information provides increased insight into the Company's execution of its strategic plan to address the broader mobile liquid markets.

Management believes that presenting these measures in this MD&A are important to help illustrate underlying trends in its business and its current and past operating performance on a more consistent basis, by excluding the impact of certain, non-cash, non-operating or non-recurring balances that it believes does not have a material impact on the Company's core operations. The non-IFRS measures described and presented in this MD&A are Adjusted EBITDA, Operating EBITDA and Product research and development expenses.

Adjusted EBITDA and Operating EBITDA

Adjusted EBITDA and Operating EBITDA is described and presented to assess the operating performance of the Company more clearly excluding the effect of specific non-cash and non-operating items as well as items which are either non-recurring or not directly related to the Company's core operations in management's estimation. Management's measure of Adjusted EBITDA excludes from the Company's net earnings, the effect of; finance income and interest on leases, income taxes, depreciation and amortization expenses, gains and losses on disposal of assets, unrealized gains and losses on marketable securities and limited recourse capital notes, and non-cash stock-based compensation. Management's measure of Operating EBITDA includes the same adjustments in calculating Adjusted EBITDA, plus the exclusion of specific product research and development expenses to support strategic growth initiatives.

Adjusted EBITDA and Operating EBITDA should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of liquidity or cash flows. The Company's method of calculating Adjusted EBITDA and Operating EBITDA will likely differ from methods by which other companies calculate it and, accordingly, the measure used herein may not be comparable to measures used by other companies.

The table below provides a reconciliation of the Company's Adjusted EBITDA and Operating EBITDA to the Operating income (loss) before other items per the interim consolidated financial statements for the periods presented:

Fiscal Period Ended	Q4 2025	Q4 2024	2025F	2024F
Operating income (loss) before other items	(535)	(181)	(952)	(425)
Add back: Depreciation and amortization	101	96	390	380
Add back: Non-cash stock-based compensation	7	24	103	78
Adjusted EBITDA	(427)	(61)	(459)	33
Add back: Product research and development expenses (1)	388	317	1,388	1,115
Operating EBITDA	(39)	256	929	1,148

Product Research and Development Expenses

In distinguishing between EBITDA and Operating EBITDA, Management excludes the impact of specific product research and development expenses included in the Company's engineering, product research and development expense line reported in its financial statements. The table below separates recurring engineering expenses required to maintain the current core product line from product research and development expenses on activities to support the Company's diversification and growth into new markets, which are excluded in Management's calculation of Operating EBITDA:

Fiscal Period Ended	Q4 2025	Q4 2024	2025F	2024F
Engineering, product research and development expenses	(406)	(366)	(1,494)	(1,314)
Add back: Recurring engineering expenses	18	49	106	199
Product research and development expenses	(388)	(317)	(1,388)	(1,115)

BUSINESS OUTLOOK

The 2025 fiscal year was a dynamic year for Titan, with a mix of challenges and milestone accomplishments for the company. Market demand was soft during the second and third quarter of the fiscal year, primarily due to uncertainty in trade policy and tariffs. We saw signs of recovery during the fourth fiscal quarter, but the company did not see year-over-year revenue growth for the first time in three years. Sales activity on new OEM builds started to pick up in the fourth quarter, and we expect that will continue into the new fiscal year.

The company celebrated the launch of a new product line for the refined petroleum market at the end of the fiscal year. This milestone achievement will help to diversify Titan's business into several new, liquid verticals outside of crude oil. The company has been focused on validating our new product line in the refined petroleum market by conducting pilot trials directly with fleet operators. The commercial launch of our new product line will enable sales through Dealer & OEM channels, leveraging their expertise and sales footprint across North America. Titan is a known brand with a strong reputation for accurate tank level measurement and reliable overflow protection, and we will focus our sales, marketing, and training efforts on these channel opportunities in the first half of the new fiscal year.

In the first quarter of fiscal 2025, the company launched its first suite of connected apps, Titan Install and Titan Portal, as part of our technology modernization strategy. The launch has been a major success for the company, reducing the installation complexity for dealers and OEMs, and increasing the quality and reliability of our products. We expect that all products sold by the middle of fiscal 2026 will be installed using our connected apps.

Titan continues to execute its strategy growth plan by deploying resources across three key areas:

- **Product and market development** to expand Titan's reach into addressable mobile liquid markets beyond crude oil, specifically, the refined petroleum market.
- **Development of cloud-connected products** to enhance the value delivered to existing customers and to create differentiated offerings for new markets.
- **Evaluation of strategic investments and acquisitions** that align with Titan's long-term roadmap.

With the launch of Titan's connected apps and the new product line for the refined petroleum market, the company expects to shift focus from R&D investments to market penetration and adoption during the course of the new fiscal year. With the launch of our connected products, the company is also exploring opportunities for growth through integration, partnerships, and other channels to market.

SELECTED ANNUAL FINANCIAL INFORMATION

Years ended August 31 (audited)	2025 \$	2024 \$	2023 \$
Revenue	6,754	6,857	6,214
Operating loss before other items	(952)	(425)	(165)
Net earnings (loss) before income taxes	(521)	(88)	83
Net earnings (loss)	(436)	546	83
EPS – Basic and diluted	(0.02)	0.02	0.00
Total assets	17,893	19,022	18,347
Long-term liabilities	457	600	681
Dividends	nil	nil	nil

FISCAL 2025 OPERATING RESULTS

	Three months ended				Twelve Months Ended			
	2025	2024	Increase (Decrease)		2025	2024	Increase (Decrease)	
	\$	\$	\$	%	\$	\$	\$	%
Revenue	1,609	1,666	(58)	(3)	6,754	6,857	(103)	(2)
Cost of sales	(1,139)	(810)	(330)	(41)	(3,650)	(3,394)	(256)	8
Gross profit	469	857	(388)	(45)	3,104	3,463	(359)	(10)
Gross margin (%)	29%	51%		(22)	46%	51%		(5)
Operating EBITDA (1)	(39)	256	(295)	115	929	1,148	(219)	(19)
Product research and development expenses (1)	(388)	(317)	(71)	(22)	(1,388)	(1,115)	(273)	24
Adjusted EBITDA (1)	(427)	(61)	(366)	(603)	(459)	33	(492)	(1,514)
Net earnings (loss)	(211)	924	(1,135)	123	(436)	546	(982)	(180)
EPS – Basic and Diluted	(0.01)	0.03	(0.04)		(0.02)	0.02	(0.03)	

(1) See non-IFRS measures above.

SUMMARY OF OPERATING RESULTS

Revenues and Gross Profit

The Company had a strong start to the current fiscal year; however, its momentum stalled in the second quarter by the uncertainty and the impact of tariffs on sales to the U.S. That momentum remained stalled throughout the third and fourth quarters of fiscal 2025 resulting in revenues falling just short of fiscal 2024, after 3 consecutive years of revenue growth.

Revenues decreased by \$58 in the current fiscal quarter or 3% to \$1,609 as compared to \$1,666 in the same fiscal quarter of 2024. Year-to-date, revenues have decreased by \$103 or 2% to \$6,754 compared to \$6,857 in fiscal 2024. Revenues from the US market decreased by \$371 accounting for 62% of the total revenue for the fiscal year, compared to 67% for the fiscal 2024 year, with revenues from the Canadian market increasing by \$267 accounting for 38% of total revenues for the current fiscal year, compared to 33% of total revenues for the 2024 fiscal year. Sales of the Company's core product line represented 99% of total revenues for the current fiscal year.

Cost of sales as a percentage of revenues increased to 71% of revenues in the fourth quarter of fiscal 2025 compared to 49% of revenues in the fourth quarter of fiscal 2024. For the full fiscal 2025-year, cost of sales as a percentage of revenues increased by 5% to 54% of revenues compared to 49% of revenues for the full fiscal 2024 year.

The Company updates its standard costs of inventory annually and recognized a negative adjustment in the fourth quarter of \$61 or 2.6% of the total inventory balance, compared to a positive adjustment of \$71 recorded in comparative period. The Company also incurred erroneous tariff expenses of \$52 in the quarter and approximately \$200 related to a product quality issue that has since been resolved. Excluding these above noted impacts, cost of sales as a percentage of revenues would have been 51% in the fourth quarter.

Selling, general and administrative expenses

Selling, general and administrative expenses consist of general and administrative expenses and sales and marketing expenses directly associated with the Company's current core business. In the fourth quarter of fiscal 2025, selling, general and administrative expenses decreased by \$82 to \$516 or 12% compared to \$598 in the same period of fiscal 2024. For fiscal 2025, selling, general

and administrative expenses decreased by \$29 to \$2,253 or 1% compared to \$2,282 in fiscal 2024. The comparative decrease in the fourth quarter of fiscal 2025 is the driving factor of the full year comparative decrease, driven by lower variable and discretionary expenditures.

Product research and development expenses

In 2023, the company unveiled a strategic growth plan focused on updating its core product line and diversifying its business beyond the crude and used oil market segments. This initiative targets identified, addressable mobile liquid markets. Throughout fiscal 2023, the Company commenced these growth initiatives and began to incur costs, which increased significantly in fiscal 2024 and to a greater extent, in fiscal 2025.

Product research and development expenses increased by \$71 or 22% to \$389 in the fourth quarter, compared to \$317 in the fourth quarter of fiscal 2024. In fiscal 2025, product research and development expenses increased by \$273 or 24% to \$1,388 compared to \$1,115 in previous fiscal year. The increases are primarily from staffing additions, both permanent and contract, to support the product research and development initiatives which include modernization efforts of its existing core product line and the development of new products to diversify its product offering for entry and sustained presence in new mobile liquid markets. In the fourth quarter, in addition to the product research and development expenses, the Company capitalized \$117 of development costs, relating to new product development, increasing the total costs capitalized for the current fiscal year to \$656 compared to \$141 and \$384 respectively in the comparative periods of fiscal 2024.

As the Company continues to progress on these initiatives, eligible development costs will be capitalized when the Company concludes that the required capitalization criteria have been met.

Operating EBITDA and Adjusted EBITDA

Operating EBITDA decreased by \$295 in the fourth quarter of fiscal 2025 or 115% to a loss of \$39 compared to Operating EBITDA of \$256 in the fourth quarter of fiscal 2024. For fiscal 2025, Operating EBITDA decreased by \$219 or 19% to \$929 compared to \$1,148 for fiscal 2024. The decrease in the fiscal quarter and year-over year was due to gross profit and gross profit margins in the current quarter when compared to the same period in fiscal 2024.

The Company's Adjusted EBITDA loss increased by \$366 in the fourth quarter of fiscal 2025 to a loss of \$427 compared to an Adjusted EBITDA loss of \$61 in the fourth quarter fiscal 2024. This decrease was driven by decreased gross profit and the modest increase in product research and development expenses. For fiscal 2025, the Company's Adjusted EBITDA decreased by \$492 to a loss of \$459 compared to Adjusted EBITDA of \$33 in fiscal 2024, also due to decreased gross profit and the increase in product research and development expenditures when compared to the previous fiscal year.

Other non-operating items

Other non-operating items consist of both realized and unrealized fair value gains and losses from marketable securities and limited recourse capital notes (LRCNs), and losses from the disposal of items of property plant and equipment.

The Company's marketable securities consist entirely of shares of Bri-Chem Corp. (BRY), of which the Company owns 1,496,000 shares. In fiscal 2025, the Company recorded a realized fair value gain on the sale of 929,000 shares of BRY of \$9 for proceeds of \$283. The company recorded an unrealized fair value loss of \$52 on the shares for the 2025 fiscal year, a decrease of \$397 or 88% from loss recorded in fiscal 2024 of \$449. The market value of shares of BRY decreased by \$0.035 per share in fiscal 2025 as opposed to the decrease of \$0.185 per share in fiscal 2024. In fiscal 2025, the Company disposed of the full 1,900,000 units of LRCNs held. The company recorded a realized fair value gain of \$32 on the LRCNs, which is a year-over-year decrease of \$94 when compared to the unrealized fair value gain of \$126 in the 2024 fiscal year.

Finance income (net)

Finance income (net) consists in finance income from investments in GICs, high interest deposits and LCRNs less the interest expense portion on lease liability payments. Finance income decreased by \$213 or 30% to \$503 in fiscal 2025 compared to \$716 recorded in fiscal 2024. The decrease in interest rates in fiscal 2025 was the main factor in the decrease from the comparative

period. Interest on leased assets decreased by \$7 to \$48 in fiscal 2025 compared to \$55 recorded in fiscal 2024. In the fourth quarter of fiscal 2025, Finance income decreased by \$73 to \$109 compared to \$182 while interest expense decreased by \$2 in the current quarter compared to fiscal 2024.

Income tax recovery

Income tax recovery of \$85 was recorded for the 2025 fiscal year based on an increase in deferred tax assets, driven largely by the net loss before tax for the current fiscal year, which is significantly lower than the net recovery of \$634 recorded in the previous fiscal year which was driven by recording \$724 of previously unrecognized deferred tax assets.

SUMMARY OF QUARTERLY RESULTS

Fiscal year	2025				2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Revenue	1,609	1,489	1,496	2,160	1,666	1,926	1,751	1,514
Gross profit	469	708	724	1,203	856	1,004	823	780
Gross margin	29%	48%	48%	56%	51%	52%	47%	52%
Operating EBITDA	(39)	83	221	664	256	411	275	206
Adjusted EBITDA	(427)	(285)	(77)	330	(61)	125	28	(60)
Net earnings (loss)	(211)	(421)	(51)	247	924	(219)	245	(404)
EPS – Basic and Diluted	(0.01)	(0.01)	(0.00)	0.01	0.03	(0.00)	0.01	(0.02)

FINANCIAL CONDITION AND LIQUIDITY

The Company's principal cash requirements are for ongoing operating costs, working capital and product development costs. The Company intends to fund its liquidity needs primarily from cash flow from operations and when necessary, from cash on hand. Management continues to work on maintaining an optimal inventory level and the timely collection of accounts receivable to minimize its working capital requirements. As well, the Company will continue to focus on cost management and control programs. The Company expects that current cash balances and funds from operations will be sufficient in the near-term to meet anticipated obligations and to fund intended capital expenditures and product development. As needed, the Company will assess and select funding mechanisms for long term growth including additional R&D projects, expansion of the distribution channels and corporate development activities.

Total assets of the Company were \$17,893 on August 31, 2025, as compared to \$19,022 on August 31, 2024, a reduction of \$1,129, driven by the EBITDA loss for the year and a return of capital to shareholders under the Company's Normal Course Issuer Bid. The Company's cash and cash equivalents including short-term investments increased by \$588 to \$11,661 at August 31, 2025, compared to \$11,073 at August 31, 2024. The Company sold its investment in LRCNs in fiscal 2025 for proceeds of \$1,892, with those proceeds initially increasing cash and cash equivalents including short-term investments, offset in part by a return of capital to its shareholders of \$759 and its EBITDA loss of \$458 for fiscal 2025. At August 31, 2025, Titan had positive working capital (current assets less current liabilities) of \$14,396 compared to \$14,141 on August 31, 2024.

Normal Course Issuer Bid

On April 14, 2025, the Company announced the implementation of a Normal Course Issuer Bid ("NCIB"). Under the NCIB, the Company may purchase for cancellation up to 1,759,649 common shares representing approximately 10% of the public float of its issued and outstanding common shares as of April 17, 2025, commencing on that date and ending on April 16, 2026, or such earlier date as the NCIB is completed or terminated at the Company's discretion. To facilitate the NCIB, the Company has implemented an Automatic Share Purchase Plan ("ASPP") with its designated broker, Raymond James Ltd. In accordance with TSXV Policy 5.6 and applicable securities laws.

As of August 31, 2025, the Company repurchased and cancelled 970,000 common shares at an average price of \$0.76 per share plus transaction costs under the NCIB. These repurchases reflect management's confidence in the Company's long-term prospects and represents an efficient return of capital to shareholders. As of August 31, 2025, the Company had remaining authorization to repurchase and cancel 789,649 shares under the NCIB.

Summary of Cash Flows**Operating Activities**

Net cash flows used in operating activities totalled \$510 in fiscal 2025, compared to \$720 used in fiscal 2024. This decrease in cash flows generated in operating activities is primarily due to the increase in the operating loss offset by the changes in non-cash operating working capital accounts.

Non-cash working capital generated or consumed is largely a result of the timing of cash receipts and payments in the normal course of business. Non-cash working capital generated in the amount of \$10 in fiscal 2025, compared to \$633 non-cash working capital consumed in fiscal 2024. A detailed breakdown of the changes in the Company's non-cash working accounts for the current and previous fiscal year is outlined in note 20 of its audited, consolidated financial statements.

Investing Activities

Net cash flows generated from investing activities for fiscal 2025 totalled \$4,772 compared to net cash flows used in investing activities of \$5,655 in fiscal 2024. In fiscal 2025, balances classified as short-term investments at August 31, 2024, matured and only \$5,000 of that balance was re-invested in facilities with cashable terms greater than 90 days from the purchase date, with the remaining \$2,781 being reclassified to cash and cash equivalents. In fiscal 2024, \$5,960 was reclassified to short-term investments based on the underlying terms of the instruments purchased.

The Company generated \$1,892 from selling its entire LRCN position, \$503 of finance income from the GIC and high-interest deposits its invested in, and \$283 from the sale of its marketable securities, specifically 929,000 shares of Bri-Chem Corp., while investing \$656 in deferred development costs and \$31 in property, plant and equipment. In fiscal 2024, finance income of \$716 was generated with \$384 invested in deferred development costs and \$27 invested in property, plant and equipment.

Financing Activities

Net cash flows used in financing activities in fiscal 2025 totalled \$892 consisting of \$759 used to repurchase and cancel 970,000 of the Company's common shares and \$133 used in the principal repayment of lease obligations compared to \$103 in fiscal 2024 which consisted only of principal repayment of lease obligations.

CONTRACTUAL OBLIGATIONS

The Company has no commitments for future capital assets and its only financial obligations are operating leases for office equipment, office spaces and its manufacturing facility.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the current or comparable reporting period.

OUTSTANDING SHARE DATA

Titan Logix Corp. has authorization to issue an unlimited number of common shares with no par value. The common shares of the Company trade on the TSX Venture Exchange under the symbol "TLA".

Issued and Outstanding

	November 26, 2025	August 31, 2025	August 31, 2024
Common shares issued and outstanding	27,351,373	27,584,373	28,536,132
Options outstanding	1,550,000	1,550,000	1,350,000

Subsequent to August 31, 2025, and up to November 26, 2025, the Company has repurchased an additional 238,500 common shares at an average cost of \$0.52 per share plus transaction costs, bringing the total up to 1,208,500 repurchased under the NCIB, at an average price of \$0.71 per share plus transaction costs with 1,202,500 of the shares cancelled, with the remaining 6,000 scheduled to be cancelled in the normal course. As of November 26, 2025, the Company has remaining authorization to repurchase and cancel 551,149 shares under the NCIB.

The Company recorded stock-based compensation expense of \$103 in respect of the stock options granted and vested (2024 - \$78). During the year ended August 31, 2025, 50,000 stock options were exercised on a net basis, resulting in the issuance of 18,241 common shares and 250,000 stock options were granted at an exercise price of \$0.65, vesting immediately and expire on February 6, 2030. The weighted average grant date fair value of \$0.30 was estimated, using the Black-Scholes pricing model. Also, during the year, 316,667 of stock options previously issued, vested as the criteria for the options to vest was met. As at November 25, 2025, 716,667 of the options outstanding are exercisable.

BUSINESS RISKS AND UNCERTAINTIES

Titan Logix Corp. faces a number of risks that have the potential of affecting its financial condition, results of operations and cash flow. In addition to risks described elsewhere in this MD&A, the Company is exposed to various business risks which include but are not limited to the following:

Industry Factors

Titan is highly dependent upon exploration and development activity in the oil and gas industry and therefore is exposed to all of the risks associated with the uncertainties of that industry. The demand and price for Titan products depend on the activity level in the oil and gas sector, which is influenced by numerous factors over which Titan has no control, including: commodity prices; expectations about future commodity prices; the ability of oil and gas companies to raise equity capital or debt financing; supply and demand; and local and international economic, regulatory and political conditions. Global demand for hydrocarbon related products such as gasoline and natural gas impacts the worldwide drilling activity. Reduction in drilling activity results in lower demand for Titan's products.

The primary catalysts to expenditures and activity levels in the energy industry are oil and gas prices which, in turn, are influenced by supply and demand expectations. The ability to forecast the price of crude oil or natural gas is extremely difficult as many global factors affecting commodity prices are beyond the control of the Company. The Company attempts to mitigate the risk factor by assessing current drilling activity reports and future predictions from the industry associations and reporting bodies when creating product demand forecasts. OEM production levels will vary in accordance with market demand. Reduced production levels may result in a reduced demand for Titan's products.

Economic Downturns

Economic downturns can have a negative impact on Titan's business since customers may reduce capital expenditure programs or may experience difficulty in paying for products purchased. The demand for the products distributed by the Company can vary in accordance with general economic cycles. Downturns in the North American economy, a primary market for the Company's future growth, or lack of continued improvement in the economy could have a material adverse effect on the Company's financial condition and on the results of operations.

Pandemics

The occurrence of pandemics, such as the outbreak of the novel coronavirus COVID-19 in any of the areas in which the Company, its customers or its suppliers operate could cause interruptions in the Company's operations. In addition, pandemics, natural

disasters or other unanticipated events could negatively impact the demand for, and price of, oil and natural gas which in turn could have a material adverse effect on the Company's business, financial condition, results of operations and cash flows.

Supply Shortages

Titan manufactures products using components supplied by a number of major suppliers. It is not customary in the industrial products distribution industry to have long-term contracts with major suppliers. Supply shortages can occur at times because of production difficulties, unanticipated demand or delivery delays and may have a short-term adverse material effect on Titan's results of operations and subsequent financial condition.

Environmental and Insurance Risk

Titan manufactures and sells products that have an impact on the environment. The Company maintains high quality standards at its production facilities and uses only reputable suppliers for raw materials and other products. Titan also maintains insurance coverage for its assets and operations, including general liability, product pollution, property, business interruption, boiler and machinery, automobile, directors and officers and other insurance. However, product failures could result in warranty and liability claims and the loss of customers. Correcting such failures or paying for such claims could require significant capital resources and have an adverse effect on operating results.

Key Employees

Future success depends on the continued efforts and performance of Titan's executive team, management team and key employees. Failure to attract and retain key employees with the necessary skills could have an adverse material impact upon the future of the business, its operating results, and its financial condition. Labour shortages may limit the growth of the Company's business and could negatively affect margins and profitability.

Employee Safety and Health

The Company's employees may face health and safety risks and hazards in the workplace, which could result in injury or lost time in the course of their employment. Alternatively, the Company could be exposed to civil and/or statutory liability to employees arising from injuries or deaths because of inadequate health and safety policies and practices. The Company cannot fully protect against all these risks, nor are all these risks insurable. The Company may become liable for damages arising from these events against any non-insured risks.

Entering New Business Lines

The Company may enter into new business lines with new acquisitions or other opportunities for growth. There is no guarantee that these new business lines will be successful in the marketplace to which they are directed. Management makes its best efforts to research and forecast future profitability of any new business ventures prior to commencing in any new endeavor, however there are underlying risks at the time of entry. The success of a new venture is also dependent on the areas of sales and marketing, customer demand, market stability, existing barriers to entry, and other factors of product introduction.

Markets and Competition

Titan is continually pursuing new customers and markets in a highly competitive environment. The market is expected to remain competitive. Titan's competition varies by product line, customer classification and geographic market. Certain companies that compete with Titan have more established and larger sales and marketing organizations, larger technical staff and significantly greater financial resources than Titan. There can be no assurance that the Company's marketing strategy will be successful.

A significant portion of the Company's revenue is derived from one product line. Consequently, a sudden decline in demand for, or production of, the product could have a material adverse effect on the Company's financial condition and results of operations.

Credit Risk

Credit risk arises from the possibility that the entities to which the Company provides services may experience financial difficulty and be unable to fulfill their obligations. Financial instruments that potentially subject the Company to credit risk include cash and cash equivalents, accounts receivable and investment in secured loan. The Company's cash on deposit and short-term investments are held with reputable financial institutions, from which management believes the risk of loss is low. The Company's maximum exposure to credit risk is as indicated by the carrying amount of its cash, cash equivalents, accounts receivable and investment in secured loan. The Company has a credit policy and regularly monitors its credit risk exposure and takes steps to

mitigate the likelihood of these exposures resulting in actual loss. The Company carries out credit evaluations of its customers who receive credit and carries adequate provisions for possible losses arising from credit risk associated with financial assets.

Trade Relations and Tariffs

Our sales and procurement strategy expose us to the effects of trade protection measures, including the imposition of tariffs and other trade barriers, mainly in the United States as well as other markets we operate. The scope, breadth, timing and duration of current and potential future tariffs remain highly uncertain, as does the potential for retaliatory trade actions by other countries. New or increased tariffs could significantly increase our component costs as well as increase the cost to acquire our products to international customers which we might not be able to fully pass on to our customers due to competitive market conditions, which may result in reduced sales, compressed margins and reduced profitability. Furthermore, a volatile trade environment creates general economic uncertainty, which could lead to a decline in customer confidence, reduced demand for our products and potentially a slowdown in overall economic growth, any of which could materially and adversely affect our business, financial condition, and results of operations.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they fall due or to fund the programs and commitments that the Company has planned. The Company manages liquidity risk through management of its capital structure in conjunction with cash flow forecasting including anticipated investing and financing activities. The Company believes that internally generated cash flows and current cash balances will be sufficient to cover its normal operating and capital expenditures for the current fiscal year.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash and cash equivalents and its investment in secured loan. The Company manages interest rate risk by maximizing the interest earned in excess funds while maintaining the liquidity necessary to maintain day-to-day operating cash flow requirements.

Currency Risk

Foreign currency risk arises from fluctuations in the value of foreign currencies and the degree of volatility of these currencies relative to the Canadian dollar. The Company is subject to foreign currency risk in that it has both current assets and liabilities denominated in foreign currencies. It is management's opinion that a change in foreign currency exchange rates could affect the Company's results of operations and cash flows but would not materially impair or enhance its ability to pay its foreign exchange obligations. The Company does not use hedging tools to reduce its exposure to foreign currency risk.

Equity Price Risk

The Company is exposed to equity price risk as the result of changes in market conditions and fluctuations in market prices that may affect the market value of its securities held mainly for investment purposes. These securities are classified and accounted for as fair value through profit and loss and carried at fair value. The Company is required to measure the fair value of its investment at the end of each reporting period. This process could result in significant write-downs of the Company's portfolio investment over one or more reporting periods, particularly during periods of overall market instability. The Board of Directors is responsible for the management and oversight of its investments. As part of its risk management strategy, extensive corporate governance policies and practices have been applied. The primary investment objective is to optimize the return on surplus cash while preserving the Company's capital.

Product and Technology Enhancements

The Company's future growth depends on its ability to enhance its existing products, to develop new proprietary technology that addresses the varied needs of its prospective customers and to respond to technological advances, emerging industry standards and practices in a timely and cost-effective manner. The development of technology involves significant technical and business risks. There can be no assurance that Titan will be successful in meeting customer demands in respect of performance and costs through continuous improvements in products or that Titan will have the resources available to meet continuing demands. No assurances can be given that Titan's competitors will not achieve technological advantages. The Company may fund additional research and development activities; however, there is no guarantee of return.

Cyber Risk

In the ordinary course of business Titan collects and stores sensitive data, including intellectual property, proprietary business information and identifiable personal information of its employees and customers. Unauthorized access to the Company's computer systems could result in the theft or publication of confidential information or the deletion or modification of records or could otherwise cause interruptions in the Company's operations. In addition, despite the Company's implementation of security measures, its systems are vulnerable to damages from computer viruses, natural disasters, unauthorized access, cyber-attack and other similar disruptions. Any such system failure, accident or security breach could disrupt the Company's operations, decrease performance, increase costs, damage Titan's reputation, and we could be subject to liability. Any of these consequences could have an adverse effect on the Company's business, financial condition, results of operations and cash flow.

Proprietary Protection

Titan relies on confidentiality procedures and other measures to protect its proprietary information (intellectual property). There are risks inherent in maintaining proprietary advantage and efforts to protect it may not prevent attempts to copy aspects of the technology or to obtain and use information, that Titan regards proprietary, by others. Litigation may be necessary to enforce its intellectual property rights or defend against claims of infringement or invalidity. Intellectual property laws provide limited protection. The laws of some foreign countries do not protect proprietary rights as fully as do the laws of Canada. If necessary or desirable, we may seek licenses under the patents or other intellectual property of others. However, there are no assurances that such licenses will be obtained or that the terms of any offered licenses would be acceptable.

Foreign Exchange and Foreign Sales

The Company's products are marketed and sold in the U.S. and some other foreign countries which expose the Company to currency exchange risks. Foreign currency risk arises from fluctuations in the value of foreign currencies and the degree of volatility of these currencies relative to the Canadian dollar. The Company is subject to foreign currency risk in that it has both current assets and liabilities denominated in foreign currencies. It is management's opinion that a change in foreign currency exchange rates could affect the Company's results of operations and cash flows, but would not materially impair or enhance its ability to pay its foreign exchange obligations. The Company does not use hedging tools to reduce its exposure to foreign currency risk. In addition to exchange risk, international sales are subject to inherent risks such as regulatory requirements, delays from custom brokers or government agencies, or other trade barriers. The Company is also subject to risks related to cultural, political, legal and economic factors.

ADDITIONAL INFORMATION

Additional information relating to Titan Logix Corp., including its 2023 Audited Financial Statements, is available on SEDAR at www.sedar.com or on its website, www.titanlogix.com.