Management's Discussion and Analysis
Q1 Fiscal 2024

November 30, 2023

TITAN LOGIX

This Management's Discussion and Analysis (MD&A) has been prepared by management as of January 17, 2024. It updates the annual MD&A included in our 2023 annual report and should be read in conjunction with the unaudited condensed consolidated interim financial statements and notes for the period ended November 30, 2023, as well as the audited consolidated financial statements and MD&A included in the Company's 2023 annual report for fiscal year ended August 31, 2023. The Company prepares and files its condensed consolidated interim financial statements in Canadian dollars and in accordance with International Financial Reporting Standards (IFRS). This MD&A compares the Company's fiscal 2024 first quarter results to the previous year's first quarter. We have not provided an update where an item is not material or where there has been no material change from the discussion in our annual MD&A.

The condensed consolidated interim financial statements and MD&A for the three months ended November 30, 2023 as well as the 2023 annual audited financial statements and MD&A and 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 the discussion in this MD&A.

CAUTIONARY NOTE - FORWARD-LOOKING STATEMENTS

Some of the 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 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 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 EBITDA, Operating EBITDA and Product research and development expenses.

EBITDA and Operating EBITDA

EBITDA and Operating EBITDA is described and presented to more clearly assess the operating performance of the Company by excluding the affect 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 EBITDA excludes from the Company's net earnings, the affect of; income taxes, finance income and interest on leases, gains and losses on disposal of assets, unrealized gains and losses on marketable securities and limited recourse capital notes, depreciation and amortization expenses, non-cash stock-based compensation. Management's measure of Operating EBITDA includes the same adjustments in calculating EBITDA, further adjusting for product research and development expenses.

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 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 EBITDA and Operating EBITDA to the Operating income (loss) before other items per the interim consolidated financial statements for the periods presented:

Fiscal Year	Q1 2024	Q1 2023
Operating income (loss) before other items	**(158,253)**	**242,795**
Add: Depreciation and amortization	86,710	86,559
Add: Non-cash stock-based compensation	11,766	16,183
EBITDA	**(59,777)**	**345,537**
Add: Product research and development expenses	265,658	14,006
Operating EBITDA	**205,881**	**359,543**

Product Research and Development Expenses

In distinguishing between EBITDA and Operating EBITDA, Management excludes the impact of the 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, removes the recurring engineering expenses required to maintain the current core product line from the total to isolate the product research and development expenses on activities to support the Company's diversification and growth into new markets are, which are excluded in Management's calculation of Operating EBITDA:

Fiscal year	**Q1 2024**	**Q1 2023**
Engineering, product research and development expenses	**314,607**	81,361
Less: Recurring engineering expenses	**(48,949)**	(67,355)
Product research and development expenses	**265,658**	**14,006**

Q1 FISCAL 2024 RESULTS OF OPERATIONS

	November 30,			
	2023	2022	Increase (Decrease)	
	$	$	$	%
Revenue	**1,513,858**	1,503,120	10,738	1
Cost of sales	(733,840)	(666,499)	(67,341)	10
Gross profit	**780,018**	836,621	(56,603)	(7)
Gross margin (%)	**52%**	56%		(4)
Operating EBITDA (1)	**205,880**	359,543	(153,664)	(43)
Product research and development expenses	**(265,638)**	(14,006)	(251,632)	1,797
EBITDA (1)	**(59,758)**	345,537	(405,296)	(117)
Net earnings (loss)	**(404,169)**	414,685	(818,854)	(197)
EPS – Basic and Diluted	**(0.01)**	0.01	(0.02)	

(1) See non-IFRS measures

RESULTS REVIEW

Revenues and Gross Profit

Revenues increased by $10,738 in the current fiscal quarter or 1% to $1,513,858 as compared to $1,503,120 in the same period of fiscal 2023. While revenues were consistent for both periods, revenues from the US market increased by $68,596 to 70% of the total revenue for the quarter, with revenues from the Canadian market declining by $57,858 to 30% of total revenues for the current fiscal quarter compared to 66% and 34% respectively in the same quarter in the 2023 fiscal year. In the current quarter, sales of the Company's core product line represented 99.5% of the total revenues for the quarter.

Cost of sales as a percentage of revenues increased by 4% to 48% of revenues in the current period compared to 44% in the same period of fiscal 2023 driven by higher input costs on key components of the Company's products in the current quarter when compared to the same period in fiscal 2023. The increase in cost of sales results in a decrease in the company's Adjusted Gross Margin by 4% to 53% compared to 57% in the first quarter of fiscal 2023.

Selling, general and administration expeneses

Operating expenses consist of general and administrative expenses and sales and marketing expenses directly associated with the Company's current core manufacturing business. In the first quarter of fiscal 2024, operating expenses increased by $69,605 or 13% to $593,804 compared to $524,199 in the same period of fiscal 2023. The increase over the comparative period was isolated primarily to an executive transition period due to the planned retirement of the Company's previous CFO and onboarding of the replacement as well as certain other general administrative expenses that have increased comparatively over the last fiscal year as the company has grown.

Foreign exchange (gains) and losses

Changes in the value of the Canadian dollar during the period and management of conversion of receipts from U.S. revenue resulted in a gain of $34,629 on foreign currency exchange in first quarter of fiscal 2024 consisting of a realized gain on exchange of $46,789 and an unrealized loss of $12,168. This compares to a gain of $76,823 on foreign currency exchange in the previous period consisting of a realized gain on exchange of $34,966 and an unrealized gain of $41,857.

Engineering, product research and development expenses

Engineering, product research and development expenses increased by $233,246 to $314,607 from $81,361 in the same period in fiscal 2023. In fiscal 2023, the Company communicated that it was embarking on a strategic growth strategy which included product and market development initiatives to diversify the Company's business into identified, addressable, mobile liquid markets outside of the crude and used oil segments. In addition to that, the strategy also included developing a cloud-connected product offering to bring new value to existing customers, and a differentiated offering to adjacent markets.

Throughout fiscal 2023, the Company commenced these initiatives and began to incur costs directly associated with them and this effort has increased in the first quarter of fiscal 2024.In the current fiscal quarter, the direct costs associated with these initiatives was $265,638 primarily from staffing additions to support the engineering product research and development expenses, specifically towards new markets. In the comparative period of fiscal 2023, efforts and costs associated with these initiatives were just commencing, resulting in only $14,006 of expense being incurred during that period.

As the Company continues to progress on these initiatives, it expects that a portion of the costs incurred will be product development in nature and satisfying the necessary criteria for capitalization and amortization over a longer time horizon. When the Company concludes that specific items meet the required criteria, it intends to capitalize the relevant expenses. In the current quarter, the company capitalized $57,657 of development costs.

Other non-operating items

Other non-operating items include unrealized gains (losses) on fair value changes in financial instruments, finance income, interest on leases, gains (losses) on disposals of property, plant and equipment and non-cash stock-based compensation. While amounts reporting in these categories can be material from time to time, they are either non-cash in nature or are not affected by or have an affect on the, the normal operations of the Company.

The Company recorded an unrealized loss of $412,107 in the current fiscal quarter compared to an unrealized gain of $48,500 recorded in the same period of fiscal 2023. The loss in the current fiscal quarter was driven by a loss of $424,375 recorded on the shares of Bri-Chem due to a decline in the market price of $0.175 per share of Bri-Chem's shares to $0.305 per share versus $0.48 per share at the end of the 2023 fiscal year. This loss was partially offset by a modest gain in the fair value of the LRCN's the Company holds in the amount of $12,268. In the comparative period of fiscal 2023, the Company recorded an unrealized gain of $48,500 on the shares it holds of Bri-Chem as the market share price increased by $0.02 to $0.64 per share from $0.62 at the end of fiscal 2022. The Company did not hold the LCRN's in the comparative period of fiscal 2023.

The Company recorded finance income of $180,418 in the current fiscal quarter, compared to $126,392 in the comparative quarter if fiscal 2023. The increase in finance income $54,026 was driven by increasing interest rates realized on various GIC's or other short-term investment products in the current fiscal quarter as compared to the same period in fiscal 2023.

SUMMARY OF QUARTERLY RESULTS

($000's, except per share amount)

Fiscal year	**2024**	**2023**				**2022**		
	Q1	**Q4**	**Q3**	**Q2**	***Q1***	Q4	Q3	Q2
Revenue	**1,514**	1,561	1,628	1,522	***1,503***	1,324	1,292	1,088
Gross profit	**780**	670	778	799	***837***	721	713	629
Gross margin	**52%**	43%	48%	52%	***56%***	54%	55%	58%
Operating EBITDA	**206**	(71)	125	235	**360**	288	236	53
EBITDA	**(60)**	(270)	(1)	200	**346**	288	236	53
Net earnings (loss)	**(404)**	(10)	(412)	90	**415**	1,022	403	(137)
EPS – Basic and Diluted	**(0.01)**	(0.00)	(0.01)	-	***0.01***	0.04	0.01	(0.00)

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 continually focuses 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 $17,790,151 on November 30, 2023, as compared to $18,347,317 on August 31, 2023. Cash and short-term investments increased by $86,387 to $11,678,194. Accounts receivable decreased by $135,377 and inventories decreased by $21,725. Total liabilities decreased by $164,764. As at November 30, 2023, Titan had positive working capital (current assets less current liabilities) of $14,123,547 compared to $14,536,282 at August 31, 2023.

Summary of Cash Flows

Operating Activities

Net cash flows generated in operating activities for the three-month fiscal period totalled $7,592, compared to $24,833 in the comparative period. This decrease in cash flows generated in operating activities is primarily due to the decrease in net earnings, partially offset by changes in non-cash operating working capital accounts.

Non-cash operating 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 operating working capital generated in the amount of $67,370 in the three-month fiscal period is largely a result of a decrease in receivables, inventories and prepaid expenses offset by a decrease in accounts payable. This compares with non-cash working capital used in the comparable period in the amount of $320,704, largely a result of cash used to increase inventory levels to meet customer requirements, a reduction of accounts payables.

Investing Activities

Net cash flows used in investing activities for the three-month fiscal period totalled $1,345,476 resulting from finance income earned of $180,418 offset by an increase of $1,460,271 of cash invested in GIC that are not cashable within 90 days end of the period a cash used to purchase capital equipment of $7,996 and deferred development costs of $57,627. Cash flows generated of $3,616,458 in the comparative prior period were the result of finance income earned of $126,392 and the maturity of a $3,500,000 GIC offset partially by capital equipment purchases of $9,934.

CONTRACTUAL OBLIGATIONS & OFF-BALANCE SHEET ARRANGEMENTS

The Company has no commitments for future capital assets and its only financial obligations are operating leases for office equipment, vehicles, office spaces and its manufacturing facility. The Company does not have an off-balance sheet arrangements in any of the periods presented in this MD&A.

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".

	17-Jan-23	31-Aug-23	31-Aug-22
Common shares issued and outstanding	28,536,132	28,536,132	28,536,132
Options outstanding	1,500,000	1,300,000	950,000
Fully diluted shares outstanding	**30,036,132**	**29,836,132**	**29,486,132**

On November 21, 2023, 200,000 stock options were granted at an exercise price of $0.50, with vesting over a period from 1 year to 4 years, provided defined performance metrics are achieved and certain share price targets are achieved, and expire on

November 20, 2028. The weighted average grant date fair value of $0.22 was estimated on November 21, 2023 using the Black-Scholes pricing model. Stock based compensation of $11,766 was recorded during the period related to the vesting of options granted August 31, 2022, and November 24, 2022.

BUSINESS OUTLOOK

The Tanker Truck outlook remains unchanged from the fourth quarter of F23, with a leveling backlog and steady levels of new construction. Tanker OEMs continue to produce at peak rates and report, despite reporting ongoing challenges with supply chain and labour constraints. We are seeing steady demand for Titan's overfill protection from the Crude Oil market, with growth opportunities in Used Oil and Lubricants.

We continue the execution of our strategic growth plan, which focuses on deploying Titan's resources in 3 key areas:

- Product and market development to diversify Titan's business into identified, addressable, mobile liquid markets outside of the crude and used oil segments.
- Develop a cloud-connected product offering to bring new value to existing customers of the TD series products, and a differentiated offering to adjacent markets.
- Evaluate investment, and acquisition opportunities that align with Titan's strategic roadmap.

Our product development efforts to modernize the TD100 series products continue to move forward as planned. Titan has expanded the necessary capability to engineer our product line to fit the specific needs of the Refined Fuels market. Our development efforts are focused on optimizing our system for multi-compartment configurations with a Rack Control Module (RCM), a standard configuration in this market. The development is expected to continue for the remainder of the fiscal year, and will enable greater penetration in the Refined Fuels market, by reducing the complexity on installations and the overall cost to the end fleet. We are excited about the launch of T-Connect, our mobile application that provides customers with per-compartment visibility on a standard smart phone or tablet. The company has started a closed pilot trial with a handful of fleet customers that is expected to continue over the next 2 quarters.

Our investment strategy is to commit the necessary resources to penetrate new mobile liquid market segments, and the development of value-added products and software solutions to these market segments. The Company invests its non-operating cash reserves in conservative interest-bearing accounts and marketable securities. Acquisition opportunities are considered where it complements our growth strategy or enables the monetization of our connected strategy.

BUSINESS RISKS AND UNCERTAINTIES

Titan Logix Corp. faces risks that have the potential of affecting its financial condition, results of operations and cash flow. The Board and management of the Company take prudent measures to mitigate risks which may affect the Company. The Company's sales are substantially derived from one product line and as a result, a sudden or sustained 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. Events which could cause a drop in demand include industry factors, market economic conditions, competition and impact of pandemics as described in the Company's business risks and uncertainties in its 2022 annual report. Events that could cause an interruption in the Company's ability to produce the product include supply shortages and proprietary protections. A complete discussion of business risk factors faced by the Company can be found in the "Business Risks and Uncertainties" section of the MD&A portion of its 2022nnual report.

TITAN LOGIX

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www.titanlogix.com