TITAN MINING CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE SIX MONTHS ENDED JUNE 30, 2022

This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand Titan Mining Corporation ("Titan", "we", "our" or the "Company"), our operations, financial performance, and current and future business environment. This MD&A is intended to supplement and complement our audited consolidated financial statements for the year ended December 31, 2021, prepared in accordance with International Financial Reporting Standards ("IFRS").

Additional information regarding Titan, including the risks related to our business and those that are reasonably likely to affect our financial statements in the future, is contained in our continuous disclosure materials, including our most recent Annual Information Form ("AIF"), consolidated financial statements and Management Information Circular, which are available on the Company's website at www.titanminingcorp.com and under the Company's profile on the SEDAR website at www.sedar.com.

This MD&A is dated August 10, 2022. All dollar amounts reported herein are in US dollars unless otherwise indicated.

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(In thousands of US Dollars, unless otherwise indicated)

OUR BUSINESS

Titan Mining Corporation is a natural resource company engaged in the acquisition, exploration, development and production of mineral properties. Our corporate office is in Vancouver, British Columbia, and our shares are listed on the Toronto Stock Exchange under the symbol "TI".

The Company's principal asset is a group of 100%-owned, high-grade zinc mines located in the Balmat–Edwards mining district in northern New York State, near Gouverneur and 35 miles south of the Port of Ogdensburg. These past-producing operations (the Empire State Mine's #2, #3, #4, Hyatt, Pierrepont and Edwards mines, collectively the "Empire State Mine" or "ESM"), were acquired on December 30, 2016, and had been on care and maintenance since 2008. Titan declared commercial production at ESM on January 1, 2020. The Company also continues to maintain its unpatented mining claims in New Mexico, USA.

FINANCIAL AND OPERATIONAL SUMMARY

	Three months ended June 30,			Six months ended June 30,		
Financial Performance	**2022**	**2021**	**Change**	**2022**	**2021**	**Change**
Net income before tax	$ 5,924	$ 1,963	$ 3,961	$ 3,306	$ 827	$ 2,479
Operating cash inflow before changes in non-cash working capital	$ 9,421	$ 1,486	$ 7,935	$ 11,519	$ 3,866	$ 7,653

Financial Condition	**June 30, 2022**	**December 31, 2021**
Cash and cash equivalents	$ 11,021	$ 6,041
Working capital	$ 16,803	$ 10,796
Total assets	$ 78,497	$ 77,625
Equity	$ 19,402	$ 17,023

	Three months ended June 30,			Six months ended June 30,		
Operating Data	**2022**	**2021**	**Change**	**2022**	**2021**	**Change**
Payable zinc produced (mlbs)	16.5	10.6	5.9	26.5	22.1	4.4
Payable zinc sold (mlbs)	15.0	11.0	4.0	25.4	22.9	2.5
Average provisional zinc price (per lb)	$ 1.74	$ 1.35	$ 0.39	$ 1.67	$ 1.28	$ 0.39

HIGHLIGHTS

Significant events and operating highlights for the second quarter ended June 30, 2022 and up to the date of this MD&A include the following:

- ESM experienced zero lost time injuries in the second quarter of 2022.
- Tons milled and payable pounds of zinc produced increased 20% and 63% respectively compared to the prior quarter due to mining more tons at higher grades than planned. Tons mined during the second quarter were higher than the prior quarter as operations normalized from a water inflow event that occurred during heavy rains in March. Higher than expected ore grades were encountered in the Mahler and New Fold mining zones.

(In thousands of US Dollars, unless otherwise indicated)

- Preparation of the surface mining area was suspended due to delays in permitting. While the project is still expected to receive approval and be fully permitted by the end of the third quarter, delivery of ore to the mill will likely be delayed until the first quarter of 2023 while the haul road is completed during the fourth quarter of 2022.
- As a result of permitting delays affecting the start of production from the open pit mine, the Company expects to produce 52-56 million payable pounds of zinc at a C1 cash cost of $0.99/lb – $1.03/lb and an AISC of $1.03/lb - $1.08/lb compared to 64-68 million payable pounds of zinc at a C1 cash cost of $0.94/lb-$0.98/lb and an AISC of $0.98/lb - $1.03/lb as previously guided.(1)
- Closed a $40 million revolving credit facility with National Bank of Canada, consolidating the Company's debts with Augusta Investments Inc. and Bank of Nova Scotia.
- Declared a fourth special cash dividend of C$0.01 per share in the second quarter of 2022, which was paid in the third quarter of 2022.

(1) C1 cash cost, All-In Sustaining Cost ("AISC") per payable pound sold and Sustaining Capital Expenditures are non-GAAP measures. These terms are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See *Non-GAAP Performance Measures* below for additional information.

OPERATIONS REVIEW

		2022		2021				
		Q2	**Q1**	**FY(1)**	**Q4**	**Q3**	**Q2**	**Q1**
Production								
Ore mined	tons	111,758	88,696	390,632	107,932	105,483	88,022	89,194
Ore milled	tons	110,416	92,268	387,438	106,270	105,854	90,249	85,064
Feed grade	zn %	9.1	6.7	7.5	7.0	7.6	7.3	8.3
Recovery	%	96.5	96.3	96.5	96.5	96.5	96.40	96.4
Payable zinc	mlbs	16.5	10.1	47.5	12.1	13.2	10.6	11.5
Concentrate grade	zn %	60.4	58.2	59.3	58.9	59.6	59.7	59.1
Zinc concentrate produced	tons	16,040	10,191	47,066	12,125	13,016	10,469	11,456
Sales								
Payable zinc	mlbs	15.0	10.4	48.3	12.7	12.7	11.0	11.9
Average provisional zinc price	$/lb	$ 1.74	1.57	$1.34	$1.44	$1.35	$1.35	$1.25
C1 cash cost per payable zinc pound sold(2)	$/lb	$ 0.93	$1.25	$0.93	$0.96	$0.86	$0.88	$0.99
Sustaining capital expenditures(2)	$/lb	$ 0.01	$0.17	$0.07	$0.05	$0.14	$0.12	$0.01
AISC(2)	$/lb	$ 0.94	$1.42	$1.00	$1.01	$ 1.00	$1.00	$1.00

(1) The full-year figure may not equal the sum of the quarters due to rounding.
(2) C1 cash cost, All-In Sustaining Cost ("AISC") per payable pound sold and Sustaining Capital Expenditures are non-GAAP measures. These terms are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers. See *Non-GAAP Performance Measures* below for additional information.

Mining efforts in the second quarter of 2022 focused on the Mud Pond Apron, Mahler, New Fold and N2D zones. Waste development continued to advance on the New Fold and Mahler ramp systems to access high grade material expected to be mined in the second half of 2022. Tons mined increased compared to the prior quarter as operations normalized after experiencing a water inflow event in March due to heavy rains compounded by spring thaw. Higher grade feed to the mill was largely sustained by mining in Lower Mahler and N2D, where ore grades were better than anticipated.

Work on projects was minimal with no new equipment purchases and preparation of the surface mining temporarily suspended due to permitting delays.

EXPLORATION UPDATE

Empire State Mine

Historic Data

The review, compilation, digitization and modelling of historic data collected over approximately 100 years by the previous operators of ESM continues to contribute to the exploration success at ESM, with several near-mine mineralized zones identified, including the N2D zone and three zones of near-surface mineralization (Hoist House, Turnpike and Pumphouse). Hoist House is interpreted to be the unmined extension of the historic #2 zone, Turnpike is interpreted to be the unmined extension of the historic #1 zone and Pumphouse is interpreted as being an unmined lens of mineralization adjacent to the historic #2 zone. All three zones are located on ESM surface and mineral tenure one mile south of the ESM #4 milling complex.

Titan's exploration team has continued to generate additional near-mine and district targets using historic soil, stream sediment, drilling, and geophysical data. These historic data sets are also being utilized to identify as well as look for additional near-surface mineralization in the vicinity of the other historic mining areas (Hyatt, Pierrepont, Edwards, and Rossie-Macomb), which are being prioritized for drill testing in 2022. The team continues to research and consolidate mineral rights interests in high priority target areas. Surface sampling and mapping is scheduled to continue in these priority areas in the third quarter of 2022.

2022 Drill Programs

Underground:

Drill programs in the second quarter of 2022 focused on advancing definition drilling in Mud Pond Apron, and exploration drilling at Mud Pond Main, and New Fold. All underground drilling was completed with Company owned underground drills by Company employees. A total of 9 holes totaling 3,103 ft of definition drilling was completed at Mud Pond Main. The results from the definition program will be used to refine the current mine plan in preparation for development in H2/2022 and beyond. Additionally, 12 underground exploration holes at New Fold and Mud Pond Apron have been completed, totalling 6,891 ft in Q2 2022.

Exploration drilling at Mud Pond Main and New Fold will continue into Q3 2022.

Surface:

In the second quarter of 2022, surface exploration drilling focused on testing the near mine Abbot Target, and the regional Beaver Creek target. 1 hole totalling 3,487 ft was drilled at Abbot, targeting the extension of the 6/7 contact up-dip from New Fold. Trace zinc mineralization was encountered, along with graphitic carbon in Unit 2. Four holes were completed at Beaver Creek totalling 3,308 ft. Beaver Creek drilling was targeting structures historically mined for lead, zinc mineralization was encountered, assay results are pending.

Drilling in the third quarter of 2022 will be focused on regional and near mine targets, with regional drilling continuing to test the Beaver Creek – Maple Ridge – North Gouverneur structural trend. Near Mine drilling focussed on testing the extension of mineralization at West Ridge will also resume in Q3.

Permitting:

Permitting related to the potential open pits will require a modification to the Mine Land Use Plan ("MLUP") and mine permit. Open pit mining is contemplated within the existing MLUP whereby pit development could commence following New York State Department of Environmental Conservation approval of modifications to the MLUP and mine permit. Additionally, areas subject to disturbance of reclaimed lands that have been released from bonding will require the modification to be reviewed under the State Environmental Quality Review Act (SEQR), which will affect timing of permit issuance. Further amendments of the Water Withdrawal and Stormwater Pollution Discharge Elimination System permits may be required subject to further review of the Company's existing allowances under such permits.

(In thousands of US Dollars, unless otherwise indicated)

New Mexico

The Company began prospecting for base metals in an area of New Mexico in 2017. In 2018, the Company completed the first phase of its drilling program and was encouraged by the results. Annual claim maintenance fees have been renewed since allowing the Company to maintain control of the current land position while evaluating future exploration activities. No additional exploration activities were performed on the property during the second quarter of 2022.

TREND ANALYSIS

Summary of Quarterly Results

	2022		2021				2020	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenues ($)	20,128	13,963	16,399	14,985	13,265	10,945	11,327	9,135
Net income (loss) ($)	5,924	(2,618)	1,385	(1,458)	1,963	(1,136)	(893)	(1,458)
Basic & diluted income (loss) per share ($)	0.04	(0.02)	-	(0.01)	0.01	(0.01)	(0.01)	(0.01)
Cash and cash equivalents ($)	11,021	3,236	6,041	5,357	6,163	5,882	7,502	7,018
Total assets ($)	78,497	74,755	77,625	77,810	75,340	75,683	78,896	78,625
Total liabilities ($)	59,095	60,352	60,602	60,814	58,202	60,198	61,255	59,090

Note: The sum of the quarters in the table above may not equal the full-year amounts disclosed elsewhere in this document due to rounding.

Seasonality has a limited impact on the Company's operating results.

Total assets increased in the fourth quarter of 2020 mainly due to an increase of cash, trade and other receivables, inventories, other current assets, and right-of-use assets, net of a reduction of ending value of mineral properties, plant and equipment.

Total assets decreased in the first two quarters of 2021 mainly due to a reduction in cash, depreciation and depletion of mineral properties, plant and equipment, and right-of-use assets. Total assets increased in the third quarter of 2021, mainly due to increase of trade and other receivables, inventories, and other current assets, offset by decrease of cash and cash equivalents, mineral properties, plant and equipment, and right-of-use assets. Total assets increased in the fourth quarter of 2021, mainly due to increase of cash and cash equivalents, trade and other receivables, prepaid expenses, and other non-current assets, offset by decrease of inventories, mineral properties, plant and equipment, and right-of-use assets.

Total assets decreased in the first quarter of 2022 mainly due to a decrease of cash, mineral properties, plant and equipment, trade and other receivables, and right-of-use assets, net of additions of inventories and other current assets. Total assets increased in the second quarter of 2022 mainly due to an increase of cash and inventory, offset by decrease of trade and other receivables, other current assets, mineral properties, plant and equipment, and right-of-use assets.

The decrease in net losses throughout 2020 was as a result of the Company ramping up production and increasing revenues from zinc concentrate sales.

The increase in net losses in the first quarter of 2021 compared to the prior quarter was as a result of a decrease in zinc concentrate sold and increase of the depreciation and depletion expenses. Net loss turned to income in the second quarter of 2021 as a result of higher realized zinc prices and lower concentrate treatment charges and the forgiveness of the Company's Paycheck Protection Program loan ("PPP loan"), partially offset by higher operating, exploration and evaluation expenses and depreciation and depletion expenses. Net income turned to net loss in the third quarter of 2021 as a result of higher general and administration expenses and foreign exchange loss, partially offset by lower exploration and evaluation expenses. Net loss turned to net income again in the fourth quarter of 2021 as a result of higher realized zinc prices and lower general & administration expenses and foreign exchange loss.

Net income turned to net loss in the first quarter of 2022 as a result of a decrease in zinc concentrate sold, and an increase of the operating expenses and foreign exchange loss. Net loss turned to income in the second quarter of 2022 as a result of higher realized zinc prices and lower general and administration expenses and foreign exchange loss, partially offset by higher operating, exploration and evaluation expenses and interest and other finance expenses.

Cash and cash equivalents increased in the fourth quarter of 2020 as a result of as a result of an increase in zinc concentrate sold and a decrease of operating expenses.

Cash and cash equivalents decreased in the first quarter but increased in the second quarter of 2021 as a result of zinc sales at a higher average provisional price and a lower per pound cost of zinc sold. It decreased again in the third quarter of 2021 due to capital asset additions at ESM. Cash and cash equivalents increased in the fourth quarter of 2021 due to higher provisional price, net cash provided in operating activities, and less cash spent on capital assets, partially offset by repayment of debt and dividend distribution.

Cash and cash equivalents decreased in the first quarter of 2022 as a result of a decrease in zinc concentrate sold and an increase of operating expenses. Cash and cash equivalents increased in the second quarter of 2022 as a result of an increase in zinc concentrate sold and a decrease of operating expenses and fewer capital additions at ESM.

FINANCIAL REVIEW

Financial Results

($000's)		Three months ended June 30		Six months ended June 30
Net loss for the 2021 period	$	1,963	$	827
Increase (decrease) in components of income:				
Revenues		6,863		9,881
Cost of sales		(1,173)		(4,134)
Other income		(1,729)		(3,268)
Net income for the 2022 period	$	5,924	$	3,306

During the six months ended June 30, 2022, revenues increased compared to the same period in 2021 as a result of zinc concentrate sold at a higher average provisional price (YTD Q2 2022 – 25.4 mlbs at $1.67/lb vs. YTDQ2 2021 – 22.9 mlbs at $1.28/lb), partially offset by increased negative provisional pricing adjustments (YTDQ2 2022 – negative $1,806 vs. YTDQ2 2021 – negative $1).

During the first two quarters of 2022, operating expenses and depreciation increased with the increased volume of tons milled and inflationary increases, however, cost of sales decreased due to higher volume of work-in-process inventory (YTD Q2 2022: $6,397 vs. YTD Q2 2021: $3,886) compared to the same period in

2021. Further, operating expenses are also partially offset by the decrease of wages and benefits, professional fees and share based compensation.

During the period ended June 30, 2022, other expenses increased compared to the same period of 2021 primarily due to increase of foreign exchange loss, interest and other finance expenses, and other expenses, which was partially offset by a decrease of exploration and evaluation expenses, general and administration expenses.

Revenue

	Three months ended June 30,			Six months ended June 30,		
($000's)	**2022**	**2021**	**Change**	**2022**	**2021**	**Change**
Zinc concentrate sales	$ 26,196	$ 14,538	$ 11,658	$42,454	$29,401	$ 13,053
Zinc concentrate provisional pricing adjustments	(1,636)	16	(1,652)	(1,806)	(1)	(1,805)
Smelting and refining charges	(4,432)	(1,289)	(3,143)	(6,557)	(5,190)	(1,367)
Revenue, net	$ 20,128	$ 13,265	$ 6,863	$34,091	$24,210	$ 9,881

Revenues were higher in the second quarter of 2022 than the same period of 2021 due to higher realized zinc prices higher number of pounds of zinc sold. Specifically, revenues for the three months ended June 30, 2022 include sales of 15.0 million payable pounds of zinc (Q2 2021 – 11.0 million) at an average realized price per pound of $1.74 (Q2 2021 – $1.32).

Revenues were higher in the first two quarters of 2022 than the same period of 2021 due to higher realized zinc prices higher number of pounds of zinc sold. Specifically, revenues for the six months ended June 30, 2022 include sales of 25.4 million payable pounds of zinc (YTD Q2 2021 – 22.9 million) at an average realized price per pound of $1.67 (YTD Q2 2021 – $1.28).

Cost of sales

	Three months ended June 30,			Six months ended June 30,		
($000's)	**2022**	**2021**	**Change**	**2022**	**2021**	**Change**
Operating expenses	$ 10,130	$ 7,578	$ 2,552	$ 19,946	$ 15,132	$ 4,814
Transportation costs	983	329	654	1,556	742	814
Royalties	13	13	-	19	19	-
Depreciation and depletion	2,691	2,637	54	5,388	5,316	72
Change of Inventory	(1,584)	503	(2,087)	(1,133)	433	(1,566)
Total	$ 12,233	$11,060	$ 1,173	$25,776	$ 21,642	$ 4,134

In the three months ended June 30, 2022, cost of sales increased compared to the same period in 2021 due to inflationary increases in operating expenses and transportation costs, partially offset by change of inventory. The increase of operating expenses was due to a higher number of tons milled (Q2 2022- 110,000 tons vs. Q2 2021 – 90,000 tons) and inflationary pressures. Depreciation and depletion expense increased comparatively due to a higher number of tons mined but depreciated for a lower total value of capital assets.

In the six months ended June 30, 2022, cost of sales increased compared to the same period in 2021 due to inflationary increases in operating expenses, transportation costs, partially offset by change of inventory. The increase of operating expenses was due to a higher number of tons milled (YTD Q2 2022- 203,000 tons vs. YTD Q2 2021 – 175,000 tons) and inflationary pressures. Depreciation and depletion expense increased comparatively due to a higher number of tons mined but depreciated for a lower total value of capital assets.

The impact of inflation on the Company's financial position, operational performance, or cash flows over the next twelve months cannot be determined with any degree of certainty.

(In thousands of US Dollars, unless otherwise indicated)

	Three months ended June 30,				Six months ended June 30,			
	2022	**2021**	**Change**	**%**	**2022**	**2021**	**Change**	**%**
G&A expenses:								
Salaries and benefits	$ 224	$ 547	$ (323)	(59)	$ 745	$ 875	$ (130)	(15)
Share-based compensation	23	90	(67)	(74)	46	189	(143)	(76)
Professional fees	215	390	(175)	(45)	310	423	(113)	(27)
Office and administration	137	(21)	158	<(100)	313	183	130	71
Investor relations	9	12	(3)	(25)	23	17	6	35
	$ 608	$ 1,018	$ (410)	(40)	$1,437	$ 1,687	$ (250)	(15)
Exploration and evaluation ("E&E") expenses:								
Salaries and benefits	$ 97	$ 262	$ (165)	(63)	$ 227	$ 534	$ (307)	(57)
Drilling	-	82	(82)	(100)	-	595	(595)	(100)
Assay and analyses	37	430	(393)	(91)	58	449	(391)	(87)
Contractors and consultants	293	700	(407)	(58)	568	1,051	(483)	(46)
Other	63	67	(4)	(6)	109	387	(278)	(72)
	$ 490	$ 1,541	$(1,051)	(68)	$962	$ 3,016	$ (2,054)	(68)

G&A expenses for the three months ended June 30, 2022 have decreased by 40% compared to the same period ended June 30, 2021 as a result of decreases in share based compensation, salaries and benefits, professional fees and investor relations, which are partially offset by decreases of office and administration expenses.

G&A expenses for the six months ended June 30, 2022 have decreased by 15% compared to the same period ended June 30, 2021 as a result of decreases in share based compensation, salaries and benefits, and professional fees, which are partially offset by decreases of office and administration expenses and investor relations expenses.

E&E expenses for the three months end and six months ended June 30, 2022 both decreased 68% compared to the same period ended June 30, 2021 as a result of ceasing exploration activities at Mineral Ridge.

Other expenses (income)

Three months ended June 30,				Six months ended June 30,			
2022	**2021**	**Change**	**%**	**2022**	**2021**	**Change**	**%**
$ 873	$(2,318)	$ 3,191	<(100)	$ 2,611	$ (2,962)	$ 5,573	<(100)

For the three months and six months ended June 30, 2022, other expenses increased significantly compared to the same period of 2021. The increase was primarily due to the difference between foreign exchange loss in Q1 2022 and foreign exchange gain in Q1 2021, and a gain of PPP loan forgiveness in Q2 2021, which resulted in a total increase of $3,191for Q2 2022 and $5,573 for six months ended June 30, 2022.

LIQUIDITY AND CAPITAL RESOURCES

Credit Facilities

Bank of Nova Scotia

On June 6, 2022 the Company repaid the balance of the Credit Facility and associated interest and retired the loan.

Loan from Related Party

On June 6, 2022 the Company repaid the balance of the Credit Facility and associated interest and retired the loan.

(In thousands of US Dollars, unless otherwise indicated)

National Bank of Canada

On June 6, 2022, the Company entered into a secured credit agreement for $40,000 (the "Credit Facility") with National Bank of Canada. The Credit Facility will be available to the Company on a revolving basis to consolidate the existing Bank of Nova Scotia and Related Party Loans and to finance the working capital and general corporate requirements with terms including the following:

• The Credit Facility will bear interest at SOFR plus 2.25% or National Bank's base rate plus 1.25%;

• The Company is required to pay a standby fee on the unadvanced portion of the Credit Facility with a rate of 0.5625%;

• The maturity date is December 6, 2023 and includes an annual extension option;

• The Credit Facility is subject to covenants that require the Company to maintain interest coverage ratio of not less than 4.0 to 1.0 and a total leverage ratio of not more than 3.0 to 1.

A guarantee for the Credit Facility was provided by a company controlled by Titan's Executive Chairman at an annual rate of 1.125%.

The carrying value of the loan was $35,936 as of June 30, 2022.

Paycheck Protection Program Loan ("PPP")

On April 21, 2020, the Company's wholly owned subsidiary Empire State Mines, LLC applied for and received a loan totaling $2,409 under the U.S. Small Business Administration Paycheck Protection Program. Proceeds from this program have been used to assist U.S. small businesses during the COVID-19 pandemic in an effort to keep employees on the payroll and to contribute to utilities, rent and mortgage costs. The Company submitted the application for loan forgiveness in October 2020, and the loan and interest forgiveness were granted on June 10, 2021. The total of $2,437 is included in Other Income of The Statement of Income (Loss) and Other Comprehensive Income (Loss) in2021.

Financial Condition

		June 30, 2022		December 31, 2021
Cash and cash equivalents	$	11,021	$	6,041
Total debt	$	35,954	$	34,712
Net debt (cash)(1)	$	24,933	$	28,671
Working capital	$	16,803	$	10,796

(1) Net debt is a non-GAAP measure. This term is not a standardized financial measure under IFRS and might not be comparable to a similar financial measure disclosed by other issuers. See "Non-GAAP performance measures" of this MD&A for a discussion of non-GAAP performance measures.

Cash and cash equivalents as at June 30, 2022 increased by $4,980 compared to December 31, 2021. Positive operating cash flows before changes in working capital of $11,519 during the six months ended June 30, 2022 (YTD Q2 2021 –$3,866) was offset by cash outflow from changes in non-cash working capital of $880 (YTD Q2 2021 - $3,288) due to higher inventories partially offset by higher trade and other receivable and accounts payable, other current assets, and accounts payable and accrued liabilities. Cash outflow related to financing activities was $2,504 (YTD Q2 2021 - $436). The Company received proceeds from bank indebtedness of $35,779 in the second quarter of 2022. The positive cash inflow was also offset by retirements of original bank indebtedness and a related party loan and associated interest payments, and dividends paid. Additional spending related to investing activities of $3,101 (YTD Q2 2021 - $1,478) and the negative effect of foreign exchange of $54 (YTD Q2 2021 –negative $3) on cash and cash equivalents.

(In thousands of US Dollars, unless otherwise indicated)

At June 30, 2022, the Company's debt was comprised of a loan from the Credit Facility of $35,800, and equipment loans of $18. The Company accrued interest and amortized borrowing cost of $136 related to the Credit Facility for the six months ended June 30, 2022.

Working capital increased for the period ended June 30, 2022 compared to December 31, 2021 as a result of higher cash and cash equivalents and inventories, partially offset by lower trade and other receivables and other current assets.

Cash Flows

	Six Months Ended June 30,		
	2022	**2021**	**Change**
Operating cash flows before changes in working capital	$ 11,519	$3,866	$ 7,653
Changes in working capital	(880)	(3,288)	2,408
Net cash flows generated (used) in operating activities	10,639	578	10,061
Net cash flows used in financing activities	(2,504)	(436)	(2,068)
Net cash flows used in investing activities	(3,101)	(1,478)	(1,623)
	$ 5,034	$(1,336)	$ 6,370

Net cash flows generated from operating activities were higher in the first two quarters of 2022 than in the same period in 2021 as a result of the cash generated from increased zinc sales at a higher average price and higher volume of zinc pounds sold, partially offset by cash flows used in operating activities, which reflect the cash components of the inventories, G&A and finance expenses. A discussion of the changes from period to period is set out above under "Financial Results" and "Other Operating Expenses".

Net cash flows used in investing activities in the six months ended June 30, 2022 were higher compared with the same period in 2021 as the Company spent more on capital equipment.

Net cash flows used in financing activities during the six months ended June 30, 2022 reflect $35,779 of bank indebtedness proceeds, $8,000 of bank indebtedness repayment, $20,710 of related party loan repayment, $2,157 of dividends paid, $7,169 of associated interest payments, $244 of payments made on lease liabilities, and $3 of repayment of equipment loans. For comparison, Net cash flows used in financing activities by the Company in the same period in 2021 reflect $130 of associated interest payments, $252 of payments made on lease liabilities, and $54 of repayment of equipment loans.

Capital Expenditures

The Company invested $3,101 in capital assets in the first two quarters of 2022 compared to limited capital expenditures made in the same period of 2021. A new bolter and loader were added to the underground mobile equipment fleet and additional expenditures were made on development of the #2 pit, primarily road building.

Liquidity

As at June 30, 2022, the Company had total liquidity of $11,021 in cash and cash equivalents. The Company had working capital of $16,803 and a deficit of $50,712. For the six months ended June 30, 2022, the Company had positive operating cash flows before changes in working capital of $11,519 and a net profit of $3,306.

As at December 31, 2021, the Company had total liquidity of $6,041 in cash and cash equivalents. The Company had working capital of $10,796 and a deficit of $51,896. For the year ended December 31, 2021, the Company had positive operating cash flows before changes in working capital of $14,111 and a net profit before tax of $754.

The Company may require additional funding in the next twelve months. The Company has historically raised funds principally through the sale of securities and most recently, through the credit arrangement and advances from a related party. The Company expects that it will continue to obtain funding through similar or other means depending on market conditions and other relevant factors at the time. However, there can be no assurance that the Company will be able to obtain such additional funding or obtain it on acceptable terms. This material uncertainty casts significant doubt about the Company's ability to continue as a going concern.

(In thousands of US Dollars, unless otherwise indicated)

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development and exploration of its mineral properties and pay dividends to its shareholders and to maintain a flexible capital structure, which optimizes the costs of capital to an acceptable risk.

The capital structure of the Company currently consists of common shares, loans, debt and the balance of the acquisition obligations. The Company manages the capital structure and adjusts it in response to changes in economic conditions, its expected funding requirements, and risk characteristics of the underlying assets. The Company's funding requirements are based on cash forecasts. In order to maintain or adjust the capital structure, the Company may issue new debt, new shares and/or consider strategic alliances. Management reviews its capital management approach on a regular basis. The Company is not subject to any externally imposed capital requirements.

Contractual obligations and commitments

The Company's contractual obligations and commitments as at June 30, 2022 and their approximate timing of payment are as follows:

	<1 year	1 – 3 years	4 – 5 years	>5 years	Total
Debt:					
Repayment of principal	$ -	$ 36,270	$ -	$ -	$ 36,270
Repayment of interest	136	-	-	-	136
Leases	222	127	-	-	349
Capital Expenditure	8	10	-	-	18
Reclamation and remediation provision	-	-	-	17,561	17,561
	$ 366	$ 36,407	$ -	$ 17,561	$ 54,334

Outstanding Securities

As of the date of this MD&A, the Company had 138,978,357 common shares issued, and 22,503,798 warrants and 4,285,000 options outstanding.

RELATED PARTY TRANSACTIONS

Related Party Loan

On June 6, 2022, the Company repaid the balance of the credit facility and associated interest and retired the loan.

(In thousands of US Dollars, unless otherwise indicated)

		Principal		Interest and borrowing costs		Total
Balance, January 1, 2021		20,710	$	3,572	$	24,282
Accrued interest		-		2,065		2,065
Amortization of borrowing costs		-		262		262
Balance, December 31, 2021	$	20,710	$	5,899	$	26,609
Accrued interest		-		1,005		1,005
Accrued interest and borrowing costs paid		-		(6,980)		(6,980)
Amortization of borrowing costs		-		76		76
Repayment of loan		(20,710)		-		(20,710)
Balance, June 30, 2022	$	-	$	-	$	-

		June 30 2022		December 31 2021
Non-current	$	-	$	26,609
	$	-	$	26,609

Management company (Manco)

The Company shares office space, equipment, personnel, consultants and various administrative services with other companies related by virtue of certain directors and management in common. These services have been provided through a management company equally owned by each company party to the arrangement. Costs incurred by the management company are allocated and funded by the shareholders of the management company based on time incurred and use of services. If the Company's participation in the arrangement is terminated, the Company will be obligated to pay its share of the rent payments for the remaining term of the officed space rental agreement. The Company's obligation for future rental payments on June 30, 2022 was approximately $142, determined based on the Company's average share of rent paid in the immediately preceding 12 months. The Company has $183 of other assets classified as property, plant and equipment in connection with this arrangement.

The Company was charged for the following with respect to this arrangement in the quarter ended June 30, 2022.

	Three months ended June30,				Six months ended June30,	
		2022		2021	2022	2021
Salaries and benefits	$	86	$	284	$ 286	$463
Office and other		7		82	36	124
Marketing and travel		5		7	9	9
	$	98	$	373	$ 331	$596

(In thousands of US Dollars, unless otherwise indicated)

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company, and comprises the Company's Executive Chairman, President and Chief Executive Officer, Chief Financial Officer, and Directors.

	Three months ended June30,		Six months ended June30,	
	2022	2021	2022	2021
Salaries and benefits	$ 189	$ 432	$ 646	$ 598
Share-base compensation	13	58	27	137
Directors' fees	54	40	109	78
	$ 256	$ 530	$ 782	$ 813

The Company entered into a consulting arrangement with Augusta Capital Corporation ("ACC"), a private company 100% beneficially held by the Titan's Executive Chairman in 2021. $69 was paid by the Company to ACC during 2021 and is classified as Consulting fees. Amounts paid to the Company's Executive Chairman in the first quarter of 2021 have been re-classified to Consulting fees from Salaries and benefits for comparative purposes.

The following amounts are outstanding as at December 31, 2021 and March 31, 2022, are included in accounts payable and accrued liabilities above.

	As at June 30, 2022	As at December 31, 2021
Salaries and benefits payable	$ 427	$ 434
Termination benefits payable – current	-	125
	$ 427	$ 559

ACCOUNTING CHANGES AND CRITICAL ESTIMATES

Estimates and judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future years if the revision affects both current and future years.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions and judgments about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, which could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following areas:

- Estimated mineral resources;
- Revenue recognition

- Capitalization of costs
- Reclamation and remediation provision;
- Impairment;
- Fair value measurement
- Determination of useful life of assets for depreciation purposes;
- Share-based compensation;
- Taxation; and
- Determination of commercial production

See note 3 of our 2021 annual audited consolidated financial statements for a detailed discussion of these accounting estimates and judgments.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, under the supervision of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), have designed disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in National Instrument 52-109, *Certification of Disclosure in Issuers' Annual and Interim Filings*, based on the 2013 control framework developed by the Committee of Sponsoring Organizations of the Treadway Commission.

The DC&P have been designed to provide reasonable assurance that material information relating to the Company is made known to the CEO and CFO, particularly during the period in which the interim filings are prepared and the information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified. The ICFR has been designed to provide reasonable assurance regarding the reliability of financial reporting for external purposes in accordance with international financial reporting standards. Due to the inherent limitations associated with any such controls and procedures, management recognizes that, no matter how well designed, they may not prevent or detect misstatements on a timely basis.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

NI 52-109 also requires Canadian public companies to disclose any changes in ICFR during the most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, ICFR. No material changes were made to internal controls in the year ended December 31, 2021.

NOTES TO READER

Cautionary note regarding forward-looking information

Certain information contained in this document constitutes forward-looking statements. All statements, other than statements of historical facts, are forward looking statements, including but not limited to the nature, extent, and timing of future exploration and testing at ESM; that other historic mines and new targets within the district will be a focus for Titan's exploration team; exact mining timing, including timing for open pit extraction and mining high grade material on the New Fold and Mahler ramp systems; production guidance; potential amendments required for permits; expected timing for permit issuance; that the Company may require additional funding in the next twelve months; and that the Company expects that it will continue to obtain funding through similar or other means depending on market conditions and other relevant factors at the time. Forward-looking statements are often, but not always, identified by the use of words such as may, will, seek, anticipate, believe, plan, estimate, budget, schedule, forecast, project, expect, intend, or similar expressions.

The forward-looking statements are based on a number of assumptions which, while considered reasonable by the Company, are subject to risks and uncertainties. The Company cautions readers that forward-looking statements involve and are subject to known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward looking statements and forward-looking statements are not guarantees of future results, performance or achievement. The Company has made assumptions based on or related to many of these risks, uncertainties and factors. These risks, uncertainties and factors include general business, economic, competitive, political, regulatory and social uncertainties; actual results of exploration activities and economic evaluations; fluctuations in currency exchange rates; changes in project parameters; changes in costs, including labour, infrastructure, operating and production costs; future prices of zinc and other minerals; variations of mineral grade or recovery rates; operating or technical difficulties in connection with exploration, development or mining activities, including the failure of plant, equipment or processes to operate as anticipated; delays in completion of exploration, development or construction activities; changes in government legislation and regulation; the ability to maintain and renew existing licenses and permits or obtain required licenses and permits in a timely manner; the ability to obtain financing on acceptable terms in a timely manner; contests over title to properties; employee relations and shortages of skilled personnel and contractors; the speculative nature of, and the risks involved in, the exploration, development and mining business; and the factors discussed in the section entitled "Risks Factors" in the Company's most recent annual information form filed on SEDAR.

Although the Company has attempted to identify important risks, uncertainties and other factors that could cause actual performance, achievements, actions, events, results or conditions to differ materially from those expressed in or implied by the forward-looking information, there may be other risks, uncertainties and other factors that cause performance, achievements, actions, events, results or conditions to differ from those anticipated, estimated or intended. Unless otherwise indicated, forward-looking statements contained herein are as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable law.

Risk Factors

The Company's activities and related results are subject to a number of different risks at any given time. A summary of the Company's financial instruments risk exposure is provided in the Financial Instruments section of the Company's 2021 Annual Financial Statements. For a comprehensive list of other risks and uncertainties affecting our business, please refer to the sections entitled "Risk Factors" in both our most recent Annual Information Form and Annual MD&A, which are available at www.sedar.com.

Qualified Person

The technical and scientific information in this MD&A has been reviewed and approved by Donald R. Taylor, MSc., PG, President and Chief Executive Officer of the Company, a qualified person for the purposes of NI 43-101. Mr. Taylor has more than 25 years of mineral exploration and mining experience and is a Registered Professional Geologist through the SME (registered member #4029597).

For additional information, please see the technical report titled "Empire State Mines 2021 NI 43-101 Technical Report" (Amended) with an effective date of February 24, 2021, filed on SEDAR at www.sedar.com.

Non-GAAP performance measures

This document includes non-GAAP performance measures, discussed below, that do not have a standardized meaning prescribed by IFRS. The performance measures may not be comparable to similar measures reported by other issuers. The Company believes that these performance measures are commonly used by certain investors, in conjunction with conventional GAAP measures, to enhance their understanding of the Company's performance. The Company uses these performance measures extensively in internal decision-making processes, including to assess how well the Empire State Mine is performing and to assist in the assessment of the overall efficiency and effectiveness of the mine site management team. The table below provides a reconciliation of these non-GAAP measures to the most directly comparable IFRS measures as contained within the Company's issued financial statements.

(In thousands of US Dollars, unless otherwise indicated)

C1 cash cost per payable pound sold

C1 cash cost per payable pound sold is a non-GAAP measure. C1 cash cost represents the cash cost incurred at each processing stage, from mining through to recoverable metal delivered to customers, including mine site operating and general and administrative costs, freight, treatment and refining charges.

The C1 cash cost per payable pound sold is calculated by dividing the total C1 cash costs by payable pounds of metal sold.

All-In Sustaining Cost (AISC)

This measures the estimated cash costs to produce a pound of payable zinc plus the estimated capital sustaining costs to maintain the mine and mill. This measure includes the C1 cash cost per pound and capital sustaining costs divided by pounds of payable zinc sold. All-In Sustaining Cost per payable pound of zinc sold does not include depreciation, depletion, amortization, reclamation and exploration expenses.

	Three months ended June 30,				Six months ended June 30,			
	2022		2021		2022		2021	
C1 cash cost per payable pound	Total	Per pound	Total	Per pound	Total	Per pound	Total	Per pound
Pounds of payable zinc sold (millions)		15.0		11.0		25.4		22.9
Operating expenses and selling costs	$ 9,543	$0.64	$ 8,423	$0.76	$20,388	$0.80	$16,326	$0.71
Concentrate smelting and refining costs	4,432	0.29	1,289	0.12	6,557	0.26	5,190	0.23
Total C1 cash cost	$ 13,975	$0.93	$ 9,712	$0.88	$26,945	$1.06	$21,516	$0.94
Sustaining Capital Expenditures	$ 146	$0.01	$ 1,318	$0.12	$1,875	$0.07	$1,397	$0.06
AISC	$14,121	$0.94	$11,030	$1.00	$28,820	$1.13	$22,913	$1.00

Sustaining capital expenditures

Sustaining capital expenditures are defined as those expenditures which do not increase payable mineral production at a mine site and excludes all expenditures at the Company's projects and certain expenditures at the Company's operating sites which are deemed expansionary in nature. Expansionary capital expenditures are expenditures that are deemed expansionary in nature. The following table reconciles sustaining capital expenditures and expansionary capital expenditures to the Company's additions to mineral, properties, plant and equipment (or total capital expenditures):

	Six months ended June 30			
		2022		2021
Sustaining capital expenditures	$	1,875	$	1,398
Expansionary capital expenditures		1,526		81
Additions to mineral, properties, plant and equipment	$	3,401	$	1,479

(In thousands of US Dollars, unless otherwise indicated)

Net Debt

Net debt is calculated as the sum of the current and non-current portions of long-term debt, net of the cash and cash equivalent balance as at the balance sheet date. A reconciliation of net debt is provided below.

	June 30 2022	December 31 2021
Current portion of debt	$ 165	$ 95
Non-current portion of debt	35,789	34,617
Total debt	$ 35,954	$ 34,712
Less: Cash and cash equivalents	(11,021)	(6,041)
Net debt	$ 24,933	$ 28,671