(An exploration stage business)

TIER ONE SILVER INC.

Management's Discussion & Analysis

For the three and six months ended June 30, 2022

Dated: August 25, 2022

1. HIGHLIGHTS FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2022 AND THE PERIOD UP TO AUGUST 25, 2022

1.1 Corporate Highlights

- On July 14, 2022, Tier One Silver ("Tier One" or the "Company") announced that it has filed a preliminary short form base shelf prospectus (the "Shelf Prospectus") with the securities commissions in each of the provinces and territories of Canada. The filing of a Shelf Prospectus is intended to provide the Company with financing flexibility as it allows the Company to qualify the distribution of up to $100,000,000 of common shares, warrants, subscription receipts, units, debt securities, or any combination thereof, from time to time over the 25-month period that the Shelf Prospectus remains effective. The specific terms of any future offering of securities (if any) will be set forth in each shelf prospectus supplement, which must be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. As of the date of this MD&A, the Company has been cleared by the securities regulators to file a final Shelf Prospectus which it expects to do imminently.

- On June 27, 2022, the Company announced that Ivan Bebek is now the Chair of the Board of Directors and that former Co-Chair, Shawn Wallace, has retired from the Board and moved into an advisor role.

- On June 16, 2022, the Company announced that it closed a non-brokered private placement (the "2022 Private Placement") for a total of $6.18 million through the issuance of 13,736,026 units (the "Units") at an offering price of $0.45 per Unit. Each Unit will consist of one common share (each, a "Share") and one common share purchase warrant (each, a "Warrant") exercisable at a price of $0.75 until May 31, 2025. The Warrants are subject to accelerated expiry if the closing price of the common shares of the Company is greater than $1.50 for 10 consecutive trading days on the TSX Venture Exchange (the "TSXV") any time after the first 12 months from the initial tranche closing. The Company intends to use the net proceeds from the 2022 Private Placement to fund continued exploration at the Company's portfolio of assets in Peru, primarily Curibaya, and for general working capital. On April 12, 2022, the Company had announced a marketed public offering which was subsequently terminated on May 4, 2022 due to market conditions.

- On January 24, 2022, Tier One announced the appointment of Christian Rios to Senior Vice President of Exploration ("SVP") from his former role as the SVP of Operations in Peru. Mr. Rios is a professional geologist (P.Geo.) who, prior to working with Tier One, was the Vice President of Exploration at Bear Creek Mining where he was directly involved in the discovery of the world-class Santa Ana and Corani silver-lead-zinc deposits in Peru and was on the team that delivered the feasibility study of the Corani deposit. Mr. Rios has a master's degree in Economic Geology and over twenty years of experience in exploration, mining development and operations, specializing in Peru. He succeeds Dave Smithson, who resigned for personal reasons.

1.2 Operational highlights

- On August 2, 2022, the Company announced that it has received its environmental approval, the Declaración de Impacto Ambiental ("DIA"), from the Peruvian Ministry of Energy and Mines for its 100% owned Curibaya project in southern Peru. The DIA permit allows the Company to extend the drilling boundaries to include the Cambaya target area and drill up to 200 holes from 20 new drill platforms.

- On June 27, 2022, the Company announced that it restarted exploration work at the Curibaya project and at the Hurricane Silver project, located approximately 65 kilometres (km) north of the city of Cusco. The Company is advancing Curibaya toward its second phase of drilling, which is expected to consist of approximately 2,000 – 4,000 metres (m), with pre-drilling surface work focusing on the Cambaya target. At the Hurricane Silver project, the Company plans to conduct a geochemical survey at the Magdalena target area, where five mineralized vein corridors were identified with recent channel sampling results including 6 m of 239 grams per tonne ("g/t") Ag, 1.21% Cu, 0.34% Pb, 0.15% Zn and 1 m of 605 g/t Ag, 0.26% Cu, 5.79% Pb, 0.21% Zn (Figure 4). In addition, at the copper-nickel-platinum-palladium-silver prospects at Hurricane Silver, which includes Ñañohuayco, San Cipriano and Morro Culispata, where social access was recently obtained, the Company plans to initiate surface work to define potential drill targets in preparation for permitting.

- On May 19, 2022, the Company announced that it had gained additional local community consent to access surface sites at the Hurricane Silver project. A social agreement has been signed with the Hualla community, which will allow for exploration of the Ñañohuayco, San Cipriano and Morro Culispata copper-nickel-platinum-palladium-silver prospects. The agreement is valid for two years and allows the Company to conduct surface work as well as drilling once a drill permit has been obtained from the Peruvian Ministry of Energy and Mines. Historical work at the Ñañohuayco and San Cipriano prospects included surface sampling, ground-based geophysical surveys and initial drill tests by the previous operator from 2009 – 2010. The 10-hole 1,061 metre

(m) historical drill program at Ñañohuayco included 14 m of 2.59% copper, 0.62% nickel, 311 g/t cobalt, 0.3 g/t platinum and 0.55 g/t palladium as described in the Hurricane Technical Report (with an effective date of February 15, 2022, as amended April 25, 2022).

- On March 14, 2022, the Company announced plans for the upcoming 2022 exploration and drill program at its 100% owned Curibaya project. The 2022 program will focus on expanding high-grade intercepts drilled in phase one, which included 1.5 m of 1,213.7 g/t silver equivalent (AgEq[1]) (1129 g/t Ag, 1.04 g/t Au, 0.15% Zn, 0.09% Pb), 1 m of 1,480.5 g/t AgEq (1431 g/t Ag, 0.4 g/t Au, 0.18% Zn, 0.34% Pb) and 3 m of 384.6 g/t AgEq (350 g/t Ag, 0.47 g/t Au, 0.01% Zn, 0.01% Pb) encountered along discrete structural corridors as described in the Curibaya Technical Report (with an effective date of February 15, 2022). The outcome of the 2021 drilling has resulted in the interpretation of over 6 km of prospective structural targets, which will be the focus of drilling in 2022, subject to financing.

- On February 14, 2022, the Company announced the results from the last five drill holes of the first phase of drilling at the Curibaya project. Hole 16 intercepted 1.5 m of 1,213.7 g/t AgEq (1129 g/t Ag, 1.04 g/t Au, 0.15% Zn, 0.09% Pb) in a larger interval of 7 m of 299.1 g/t AgEq (272 g/t Ag, 0.33 g/t Au, 0.05% Zn, 0.03% Pb) on the Sambalay structural corridor. This drill hole targeted higher elevations of the intermediate sulphidation system than the majority of the holes drilled to date and is located on a two km corridor that extends toward the Cambaya target area, where the Company has seen the best channel sample results, including 20 m of 293.8 g/t AgEq (243 g/t Ag, 0.71 g/t Au), 11 m of 348.2 g/t AgEq (232 g/t Ag, 1.61 g/t Au), 9 m of 438.8 g/t AgEq (409 g/t Ag, 0.41 g/t Au), 2 m of 1,119.2 g/t AgEq (1074 g/t Ag, 0.53 g/t Au) and 2 m of 1,852.8 g/t AgEq (1737 g/t Ag, 1.61 g/t Au).

- On January 24, 2022, the Company announced results from drill holes 7 – 11 at the Curibaya project. Hole 9 drilled 3 m of 384.6 g/t AgEq (350 g/t Ag, 0.47 g/t Au, 0.01% Zn, 0.01% Pb) in a wider interval of 5.5 m of 221.5 g/t AgEq (201 g/t Ag, 0.27 g/t Au, 0.01% Zn, 0.01% Pb) and was the first hole to target the Tipal structural corridor. This corridor is primarily defined by an airborne magnetics gradient that has a strike length of 2.5 km.

2. DATE OF INFORMATION AND CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis ("MD&A") of Tier One has been prepared by management to assist the reader to assess material changes in the condensed consolidated interim financial statements and results of operations of the Company as at June 30, 2022, and for the three and six month periods then ended.

This MD&A should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company and related notes thereto as at and for three and six months ended June 30, 2022. All financial information has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and all dollar amounts presented are Canadian dollars unless otherwise stated.

The effective date of this MD&A is August 25, 2022.

2.1 Forward-looking statements and risk factors

Certain statements made in this MD&A contain forward-looking information within the meaning of applicable Canadian and United States securities laws ("forward-looking statements"). These forward-looking statements are presented for the purpose of assisting the Company's shareholders and prospective investors in understanding management's intentions and views regarding future outcomes and are inherently uncertain and should not be heavily relied upon. When used in this MD&A, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions, as they relate to the Company, identify such forward-looking statements. Specific forward-looking statements in this MD&A may include, but are not limited to: the Company's ability to execute on its exploration and financing plans, the likelihood of discovering resources; the potential for access to and exploration of the Company's Curibaya or Hurricane Silver Projects, permitting timelines; government regulation of mining operations; environmental and climate-related risks; the possible impairment of mining interests; any objectives, expectations, intentions, plans, results, levels of activity, goals or achievements; the timing and amount of estimated exploration expenditures and capital raises for the Company; the liquidity of the common shares in the capital of the Company and other events or conditions that may occur in the future; the Company's intention to grow its

[1] See section 3.3 for note on this disclosure

business and its operations; the Company's competitive position; changes to government regulation, in particular Peruvian; and the impact of the COVID-19 pandemic on the Company's operations and the economy generally.

The forward-looking statements contained in this MD&A represent the Company's views as of the date hereof. The assumptions related to these plans, estimates, projections, beliefs and opinions may change without notice and in unanticipated ways. Many assumptions may prove to be incorrect, including the Company's budgeting plans, expected costs, assumptions regarding market conditions and other factors upon which the Company has based its expenditure and funding expectations; the Company's ability to obtain or renew the licenses and permits necessary for exploration; that operations and financial markets will not in the long term be adversely impacted by the COVID-19 pandemic; the Company's ability to complete and successfully integrate acquisitions; the possible effects of climate change, extreme weather events, water scarcity, and seismic events, and the effectiveness of strategies to deal with these issues; the Company's expectations regarding the future demand for, and supply and price of, precious metals; the Company's ability to recruit and retain qualified personnel; the Company's ability to comply with current and future environmental, safety and other regulatory requirements and to obtain and maintain required regulatory approvals.

Inherent in the forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to control or predict, that may cause the actual results, performance or achievements of the Company, or developments in the Company's business or in its industry, to adversely differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Some of the risks and other factors (many of which are beyond the Company's control) which could cause results to differ materially from those expressed in the forward-looking statements and information contained in this MD&A include, but are not limited to, fluctuations in the current and projected prices for gold, other precious and base metals and other commodities (such as natural gas, fuel oil and electricity) which are needed for exploration activities; risks and hazards associated with the business of mineral exploration (including environmental hazards, potential unintended releases of contaminants, industrial accidents, unusual or unexpected geological or structural formations, pressures, cave-ins and flooding); the speculative nature of mineral exploration; the estimation of mineral resources, the Company's ability to obtain funding, including the Company's ability to complete future equity financings; the current lack of any estimated mineralized deposit; environmental risks and remediation measures, including evolving environmental regulations and legislation; changes in laws and regulations impacting exploration activities; the Company's mineral properties being subject to prior unregistered agreements, transfers or claims and other defects in title; legal and litigation risks; statutory and regulatory compliance; insurance and uninsurable risks; the Company's limited business history and history of losses and negative cash flow, which will continue into the foreseeable future; our inability to pay dividends, volatility in the Company's share price, the continuation of our management team and our ability to secure the specialized skill and knowledge necessary to operate in the mining industry; relations with and claims by local communities and non-governmental organizations, including relations with and claims by indigenous peoples; the requirements of being a public company, including maintaining the listing requirements on the TSXV; risks associated with the significant resources required to maintain regulatory compliance as a public company; the effectiveness of the Company's internal control over financial reporting; cybersecurity risks; risks relating to the Company's public perception; general business, economic, competitive, political and social uncertainties; and public health crises such as the COVID-19 pandemic. This is not an exhaustive list of the risks and other factors that may adversely affect any of the Company's forward-looking statements. Readers should refer to the risks discussed herein and in the Company's Annual Information Form for the year ended December 31, 2021, and subsequent disclosure filings with the Canadian Securities Administrators, available on SEDAR at www.sedar.com.

3. DESCRIPTION OF THE BUSINESS

The Company is focused on creating significant value for shareholders through the exploration and potential discovery of commercial silver, gold and base-metal deposits in Peru. The primary focuses of the Company are its 100% owned Curibaya project, which consists of approximately 17,000 ha located approximately 48 km north-northeast of the provincial capital, Tacna, accessible by road. The Company's other material project, the Hurricane Silver project, covers approximately 30,000 ha and is located 66 km north of the city of Cusco.

In addition to its material projects discussed above, the Company also has certain concessions referred to as the Coastal Batholith and Corisur claims. During the quarter, the Company relinquished a number of these non-material claims to economize on its land holdings with a view to seeking to explore the most prospective targets which may warrant further exploration. The Coastal Batholith, a low altitude project located approximately 180 km north of Lima, near the Pan-American Highway, now comprises of two target areas on the coast of Peru, totaling 15,700 ha. The Corisur claims cover 1,300 ha, located 52 km from Tacna and consist of the Tacora, Tacora Sur and Andamarca concessions that were previously grouped as part of the Huilacollo project

Figure 1 – Locations of Tier One's properties within Peru.

The Company's technical and management teams have, in other issuers, participated in successfully monetizing or developing mineral projects for the benefit of stakeholders and local communities. The Company believes that it conducts itself to the highest standards of corporate governance and social responsibility. As a normal part of the exploration process, Tier One enters into access and use agreements with the local communities surrounding its projects. The process of securing such agreements requires achieving local community consensus. Positive dialogue continues with the communities and management believes that agreements will continue to be maintained and updated, although there can be no certainty about their timing or extent. As at the date hereof, the Company has agreements with communities covering a portion of the Curibaya and Hurricane Silver projects, each of which agreements provides surface access for two-year periods.

3.1 Impacts of COVID-19

The situation in Canada and Peru with respect to the management of COVID-19 remains fluid and permitted activities are subject to change; the Company is continually monitoring the situation along with government guidelines and allowing work to be undertaken as long as it is confident that its employees and communities are safe to do so.

In response to the COVID-19 pandemic, certain policies and protocols were implemented and maintained as a requirement to restart (in 2020) and continue its activities in Peru. The Company will continue to monitor the situation closely and respond appropriately. The pandemic has caused only minor disruptions in the Company's operations during 2022.

3.2 Peruvian projects

3.2.1 Curibaya

The Curibaya property is comprised of approximately 17,000 ha and is situated in a copper porphyry belt that hosts some of Peru's largest porphyry deposits. Tier One has a 100% interest in the Curibaya project, which is comprised of numerous concessions acquired through staking efforts, mostly by the Company's corporate predecessor, and the Sambalay and Salvador concessions, which were acquired in 2019. The Sambalay concessions are subject to a 1.5% net smelter return ("NSR") royalty in favor of each of Teck Peru, S.A.C. ("Teck") and Compañia de Exploraciones Orion S.A. One third or 0.5% of the Teck NSR royalty is buyable for US$1.0 million. The Salvador concessions are subject to a 2.0% NSR royalty and a US$2.0 million production payment, payable at the time a production decision is made, and to secure payment of such consideration, a legal mortgage in favor of Teck is recorded in the registry files of the Salvador concessions.

2022 Work Programs and Expenditures

During 2022, Curibaya activities were limited pending completion of the 2022 Private Placement. The Company continued to progress its permitting application for the extended DIA drill permit, which was received on August 2, 2022 and allows for up to 200 holes from 20 new drill platforms and includes the Cambaya structural corridors (see press release dated August 2, 2022). In late June 2022, the Company remobilized teams to site and recommenced surface exploration work with a plan to proceed to a second phase of drilling later in the year subject to securing additional financing. Pre-drilling work currently underway includes channel and rock sampling, focusing on the Cambaya target and further defining targets for a phase II drill program. Results from the surface program are expected in the coming weeks.

The Company incurred $576,822 and $1,204,016 of exploration and evaluation costs on Curibaya for the three and six months ended June 30, 2022, respectively ($1,421,794 and $1,666,367 for the three and six months ended June 30, 2021, respectively).

2022 Planned Work

The outcome of the 2021 drilling has resulted in over 6 km of prospective mineralized corridors. The Company plans to focus its next phase of drilling along the northern extension of the Sambalay corridor and to drill test the Cambaya corridors for the first time. To effectively target these corridors the Company is currently conducting detailed structural mapping to define areas where vein orientations change and where high-grade mineralization appears to be concentrated. In addition, the Company plans to conduct a CSAMT (Controlled Source Audio-frequency Magneto-Tellurics) geophysical survey in the central and possible northern portion of the property to help define potential porphyry and vein targets. Contingent upon the results of the survey, the Company plans to complete a two-drill-hole program to test for an underlying porphyry to the epithermal system. Drill programs are subject to securing additional financing.

3.2.2 Hurricane Silver

The Hurricane Silver project, which covers approximately 30,000 ha and is located 66 km north of the city of Cusco, was acquired by way of a share purchase option agreement (the "Pembrook Option") which grants the Company the option to acquire Tororume, a subsidiary of Pembrook Copper Corp. ("Pembrook") which owns the project concessions. Under the terms of the Pembrook Option, Tier One has the option to acquire 90% or 100% of the shares of Tororume by making certain payments to Pembrook and by incurring certain amounts of exploration work on the Hurricane Silver project within the five-year period measured from a defined Access Date being the date it secures both the necessary surface rights and drill permit. As of June 30, 2022, only the surface rights have been secured (with two local communities) and if the Company is unable to obtain its drill permit by October 28, 2022, it will then need to elect to either drop the project option or commit to the first year's work expenditures (or pay them to Pembrook in lieu).

The following table outlines the required option payments, which the Company can choose to make in cash or Tier One shares, and the work expenditures required over the five year option period (starting from the Access Date).

Due Dates	Status	Option Payments (in '000 US$)	Work Expenditure (in '000 US$)
By April 28, 2021	Completed	84	-
1st Anniversary of Access Date		250	750
2nd Anniversary of Access Date		350	1,000
3rd Anniversary of Access Date		500	2,000
4th Anniversary of Access Date		1,000	3,000
5th Anniversary of Access Date		2,500	4,000
Total to acquire 90%		**4,684**	**10,750**
Payment to acquire final 10%		10,000	-
Total to acquire 100%		**14,684**	**10,750**

2022 Work Programs and Expenditures and Plans

As announced May 19, 2022, the Company gained additional social access at the Hurricane Silver project by signing a social agreement with one of the local communities. With this agreement, Tier One now has surface rights agreements with two of the local communities surrounding the Hurricane Silver project for a two-year period. Both agreements, which in combination provide access to the Magdalena silver prospect, half of the Pampayeoc silver prospect and the

Ñañohuayco, San Cipriano and Morro Culispata copper-nickel-platinum-palladium-silver prospects, will allow for drilling once a drill permit has been obtained from the Peruvian Ministry of Energy and Mines.

In late June 2022, the Company returned to the Hurricane Silver project to initiate surface work including geological mapping, rock and channel sampling at the Magdalena, Ñañohuayco and San Cipriano target areas. Results are expected in the coming weeks.

During the three and six months ended June 30, 2022, the Company incurred $177,221 and $284,837, respectively, of exploration and evaluation costs on the Hurricane Silver project ($nil during the three and six months ended June 30, 2021) and as of June 30, 2022, a total of $420,937 (US$332,808) has been incurred as part of the US$750,000 work expenditure required by the 1st Anniversary of the Access Date.

2022 Planned Work

The Company's goal is to identify the ultramafic source areas to the mineralized sub-horizontal sills that have been identified historically at the Ñañohuayco and San Cipriano target areas. At the Magdalena target area, subject to results from its current surface work and additional financing, the Company plans to conduct geochemical and geophysical surveys where five mineralized vein corridors were identified during the Company's Q4 2021 channel sampling program with results including 6 m of 239 g/t Ag, 1.21% Cu, 0.34% Pb, 0.15% Zn and 1 m of 605 g/t Ag, 0.26% Cu, 5.79% Pb, 0.21% Zn.

Through its current surface work at the Ñañohuayco and San Cipriano, prospects, the Company is looking to expand on the positive historical exploration work and to evaluate new target areas with the goal of advancing to drill target definition and commencing the permitting process in Q3 2022.

3.2.3 Other

Corisur Claims

In 2017, the Company acquired the rights, subject to certain net smelter return royalties, to the Tacora, Tacora Sur and Andamarca concessions covering 1,300 ha through two acquisition agreements. These concessions now make up the Corisur claims grouping after the Company allowed certain additional concessions to lapse during Q2 2022. The Corisur claims are located in the border zone, and therefore unconditional ownership can only be achieved by any non-Peruvian controlled entity by obtaining a Supreme Decree from the government, although the concessions can be sold to a Peruvian national at any time. No Supreme Decree has been sought by the Company. The Company maintains surface rights, expiring in 2024, over a portion of the claims still held.

Coastal Batholith

The Coastal Batholith project was staked primarily during the last quarter of 2020. Tier One originally screened 11,000 square km using a stream sediment survey which identified five target areas, located within the northern half of the Cretaceous porphyry and IOCG belt that hosts the Zafranel (Teck Resources), Tia Maria (Southern Copper Corp.) and Mina Justa (Minsur S.A.) deposits in the southern region of Peru. The Company's technical team believes that the same geology continues north of these deposits but that it has never been explored in a systematic manner.

After completing a more detailed review of the data gathered since staking the project, the Company decided to retain what it believes are the two most prospective targets which warrant further exploration and during Q2 2022 abandoned the remainder of its land position. The project is now comprised of two target areas on the coast of Peru, totaling approximately 15,700 ha, with both precious and base metal opportunities. As there is no specific exploration season for this region, the Company is able to complete work at the Coastal Batholith project year-round. Subject to securing additional financing, the Company plans to complete follow-up surface exploration.

Exploration and Evaluation Costs

On its properties that are grouped as other, namely the Coastal Batholith and Corisur claims, the Company recorded an exploration and evaluation cost recovery of $112,577 and $35,855 during the three and six months ended June 30, 2022, respectively, resulting from the reversal of 2021 accrued validity fees for the claims that were relinquished (exploration and evaluations costs of $282,632 and $564,005 during the three and six months ended June 30, 2021, respectively, which at that time also included the Emilia project). The Company also recorded a mineral property impairment of $102,352 during the three and six months ended June 30, 2022, in relation to the Corisur and Coastal

Batholith concessions that lapsed during the period ($nil and $1,689,719 during the three and six months ended June 30, 2021, respectively, in relation to last year's termination of the Huilacollo option agreement).

3.3 Qualified persons and technical disclosures

Michael Henrichsen, P. Geo., Chief Geologist of Tier One, and Christian Rios, P.Geo., SVP of Exploration of the Company, are the Qualified Persons with respect to the technical disclosures in this MD&A.

Notice to reader regarding Silver Equivalent (AgEq)

The Company has previously disclosed estimated silver equivalent grades (AgEq) where drill core or channel samples contained more than one mineral in addition to silver. These silver equivalent grade estimates were not adjusted downwards to reflect the fact that metal mining and processing always results in a loss of metal content from in situ grades. The previously disclosed silver grades while indicative of the presence of metal mineralization, cannot be relied upon for any kind of economic assessment of the mineralization until metallurgical recovery studies have been completed and a range of likely recovery percentages established and applied to the various metals in the mineralization. The Company's disclosure policy going forward is to disclose separately the grade of each metal separately where more than one metal is contained in an assayed sample.

Curibaya Drilling

Analytical samples were taken by sawing HQ or NQ diameter core into equal halves on site and sending one of the halves to ALS Lab in Arequipa, Peru for preparation and then to Lima, Peru for analysis. All samples are assayed using 30 g nominal weight fire assay with atomic absorption finish (Au-AA25) and multi-element four acid digest ICP-AES/ICP-MS method (ME-MS61). Where MS61 results were greater or near 10,000 ppm Cu, 10,000 ppm Pb or 100 ppm Ag the assays were repeated with ore grade four acid digest method (Cu, Pb, Ag-OG62). Where OG62 results were greater or near 1,500 ppm Ag the assay were repeated with 30 g nominal weight fire assay with gravimetric finish (Ag-GRA21).

QA/QC programs for 2021 core samples using company and lab duplicates, standards and blanks indicate good accuracy and precision in a large majority of standards assayed.

Silver equivalent grades (AgEq) were calculated using a silver price of US$18/oz, gold price of US$1,300/oz, zinc price of US$1.25/lb and lead price of US$1.00/lb. Metallurgical recoveries were not applied to the AgEq calculation.

Intercepts were calculated with no less than 5 m of >= 25 g/t AgEq with maximum allowed consecutive dilution of 6 m. True widths of mineralization are unknown based on current geometric understanding of the mineralized intervals.

Curibaya Channel Sampling

Analytical samples were taken from each 1 m interval of channel floor resulting in approximately 2-3 kg of rock chip material per sample. Collected samples were sent to ALS Lab in Arequipa, Peru for preparation and then to Lima, Peru for analysis. All samples are assayed using 30 g nominal weight fire assay with atomic absorption finish (Au-AA25) and multi-element four acid digest ICP-AES/ICP-MS method (ME-MS61). Where MS61 results were greater or near 10,000 ppm Cu, 10,000 ppm Pb or 100 ppm Ag, the assays were repeated with ore grade four acid digest method (Cu, Pb, Ag-OG62). Where OG62 results were greater or near 1,500 ppm Ag the assays were repeated with 30 g nominal weight fire assay with gravimetric finish (Ag-GRA21). QA/QC programs for 2021 channel samples using internal standard and blank samples, field and lab duplicates indicate good overall accuracy and precision.

Silver equivalent grades (AgEq) were calculated using a US$1300/oz gold price and US$18/oz silver price. AgEq = Ag (ppm) + Au (ppm) * (Ag $/troy oz/Au $/troy oz). As discussed above, no metallurgy recoveries were used for the AgEq calculation.

Curibaya Rock Sampling

Approximately 2-3 kg of material was collected for analysis and sent to ALS Lab in Arequipa, Peru for preparation and then to Lima, Peru for analysis. All samples are assayed using 30 g nominal weight fire assay with ICP finish (Au-ICP21) and multi-element four acid digest ICP-AES/ICP-MS method (ME-MS61). Where ICP21 results were > 3 g/t Au, the assays were repeated with 30 g nominal weight fire assay with gravimetric finish (Au-GRA21). Where MS61 results were greater or near 10,000 ppm Cu, 10,000 ppm Pb or 100 ppm Ag, the assays were repeated with ore grade four acid digest method (Cu, Pb, Ag-OG62). Where OG62 results were greater or near 1,500 ppm Ag the assay were repeated with 30 g nominal weight fire assay with gravimetric finish (Ag-GRA21). Where Ag-GRA21 results were greater or near 10,000 ppm Ag, the assay was repeated with fire assay with gravimetric finish for concentrate (Ag-CON01).

QA/QC programs for 2021 rock samples using company and lab duplicates, standards and blanks indicate good accuracy and precision in a large majority of standards assayed.

Hurricane Channel Sampling

Analytical samples were taken from each 1-metre interval of channel floor resulting in approximately 2-4 kg of rock chips material per sample. Collected samples were sent to ALS Lab in Lima, Peru for preparation and analysis. All samples are assayed for gold, platinum and palladium using 30 g nominal weight fire assay with ICP-AES finish method (PGM-ICP27) and for multi-element using four acid digest ICP-AES/ICP-MS method (ME-MS61). Where MS61 results were greater or near 10,000 ppm Cu, 10,000 ppm Pb, 10,000 ppm Zn or 100 ppm Ag the assays were repeated with ore grade four acid digest method (Cu, Pb, Zn, Ag-OG62). QA/QC programs for 2021 channel samples at Hurricane using internal standard and blank samples; field and lab duplicates indicate good overall accuracy and precision.

Cautionary Note Regarding Historical Hurricane Silver Drilling

Historical drill samples were taken by sawing HQ diameter core into equal halves on site with one half being sent to ALS lab in Arequipa, Peru for preparation and then to Lima, Peru for analysis. Preparation included crushing core samples to 70% < 2mm and pulverizing 250 g of crushed material by more than 85% < 75 microns. All samples were assayed using 30 g nominal weight fire assay with ICP-MS finish for gold, platinum and palladium (PGM-MS23). Where MS23 results were > 1 g/t Au, Pt or Pd the assays were repeated with ore grade 30 g nominal weight fire assay with ICP-AES finish (PGM-ICP27). Silver and base metals were analyzed as part of the multi-element aqua regia digest ICP-AES/ICP-MS method (ME-MS41). Where MS41 results were greater than 10,000 ppm Cu or 100 ppm Ag the assays were repeated with ore grade aqua regia digestion with AA finish (Cu-AA46 and Ag-AA46, respectively).

3.4 Climate related risks

The Company acknowledges the impact of climate change on the weather patterns at its projects, particularly at the Curibaya and Hurricane Silver projects which experience annual rainy seasons.

Curibaya is in the southern coastal desert region of Peru, which include very poorly vegetated plateaus and low hills to mountainous topography. The region is occasionally incised by mainly southwest flowing river systems, and the weather in the area is typical of high-altitude terrain at this latitude, where annual temperature fluctuations are limited. Daytime temperatures are typically cooler during the months of May to September with a rainy season generally extending from November to April. Significant rainfall events are known to occur, and in early 2020 a particularly bad period of rainfall led to flooding which temporarily restricted access to the project. No such events have occurred since; however, the Company continues to ensure that appropriate equipment and personnel are always on site to maintain the access roads and to be prepared to respond quickly in the case of a major weather event like the flooding that occurred in early 2020.

The physiography and vegetation at Hurricane Silver are characterized by deeply incised valleys with steep, vegetated slopes. Higher elevations have gentler slopes and less dense vegetation. Elevation at the property ranges between 1,350 m and 4,450 m above sea level. While it is possible to explore the property throughout the year, the exploration season is considered to be between March and December, when rainfall is at its lowest. During rainy season, visibility and therefore activities can be restricted due to heavy rain. Since acquiring the project in April 2021, the Company has not experienced any major weather events at the Hurricane Silver.

When undertaking activities, the Company is committed to taking all reasonable steps to mitigate climate related risks and to ensure the health and safety of its people and the surrounding communities.

4. DISCUSSION OF OPERATIONS

4.1 Three months ended June 30, 2022, and 2021 (Q2 2022 vs. Q2 2021)

During the three months ended June 30, 2022, the Company reported a loss of $1,891,955 compared to a loss of $3,830,214 for the same period in 2021 which primarily reflects lower exploration expenses in the first half of 2022 compared with the previous year. Significant variances within operating expenses and other expenses, which in combination resulted in the $1,938,259 decrease in the current period's loss, are discussed as follows:

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

Operating expenses

- Exploration and evaluation costs in Q2 2022 were $641,466 compared to $1,704,426 in Q2 2021, a decrease of $1,062,960. Q2 2022 costs primarily related to desktop work completed to plan for the Company's current surface program, care and maintenance of the camp at Curibaya and continued permitting and community activities. In comparison, costs were higher in Q2 2021 as the Company was ramping up for and commenced its inaugural drill program at Curibaya. In addition, share-based compensation included in exploration and evaluation costs in the current quarter was $68,671 compared to $354,101 in prior year quarter due to the timing of the option grants.
- Fees, salaries, and other employee benefits have decreased by $647,488 to $569,053 in Q2 2022 from $1,216,541 in Q2 2021. The decrease is driven by the inclusion of $238,115 of share-based compensation in the current period which has decreased by $637,060 from $875,175 in the prior period.
- Marketing and investor relations costs in Q2 2022 decreased to $204,166 from $330,773 in Q2 2021, a decrease of $126,607. Marketing and investor communications activities were relatively low in the current period, consistent with the lower level of exploration activity. In comparison, the Company's marketing and communications activities were higher in Q2 2021 to communicate the plans regarding the inaugural drill campaign at Curibaya which initiated in June 2021.
- During the three months ended June 30, 2022, the Company recorded an impairment charge of $102,352 upon relinquishing a portion of the Coastal Batholith and Corisur claims. No such impairment was recorded in Q2 2021.
- In Q2 2022 the Company recorded a loss of $35,712 on its equity investments in an associate service provider entity and a Peruvian administrative joint venture. This is the first quarter that the Company has had ownership in these entities accordingly there is no similar 2021 comparative figure.

4.2 Six months ended June 30, 2022 and 2021 (YTD 2022 vs YTD 2021)

During the six months ended June 30, 2022, the Company reported a loss of $3,971,510 compared to a loss of $6,794,188 for the same period in 2021, reflecting lower exploration expenses and project impairment charges in the current period. Significant variances for the comparable six-month period are generally driven by the same factors discussed above for the three-month period with the exception of the mineral property impairment of $1,689,719 that was recorded in the 2021 YTD period compared to the $102,352 impairment charge recorded in the current period. Generally, costs were lower in the current period compared to the 2021 period with the three primary reasons being:

1) minimal exploration activity resulting in lower exploration and evaluation costs;
2) decreased share-based compensation due to the timing of the Company's option grants which happened in Q2 2021 and the reversal of share-based compensation related to options that were forfeited during the current period; and
3) the inclusion of the Huilacollo impairment in the 2021 YTD loss.

4.3 Summary of Quarterly Results

Three months ended	Net loss	Comprehensive loss	Net Loss per share
	$	$	$
June 30, 2022	1,891,955	1,859,790	0.01
March 31, 2022	2,079,555	2,098,818	0.02
December 31, 2021	4,992,679	5,015,335	0.04
September 30, 2021	5,698,335	5,665,024	0.05
June 30, 2021	3,830,214	3,866,342	0.03
March 31, 2021	2,963,974	3,007,733	0.03
December 31, 2020	1,547,047	1,741,748	0.02
September 30, 2020[1]	1,032,786	1,097,498	n/a

[1] Tier One was incorporated on July 23, 2020, and Q4 2020 was the first quarter that the Company reported as a stand-alone entity. Given that all quarterly losses prior to the incorporation are based on carve-out financial statements from

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

its former parent company Auryn Resources Inc. ("Auryn" and now Fury Gold Mines Limited or "Fury Gold"), loss per share information for Q3 2020 is not applicable as Tier One's share structure changed following that date.

During the last eight quarters, the Company's net loss has ranged between $1,032,786 and $5,698,335. Establishing itself as a stand-alone entity (after the spin-out transaction from Auryn) is a main factor behind the higher losses for the 2021 periods and into 2022. Quarterly losses are also heavily correlated to the level of exploration activity in any given quarter which can fluctuate substantially since the Company substantially reduces activities during the rainy seasons and pending financings.

Since the Auryn corporate restructuring, which created the Company in October 2020, the Company has incurred additional expenses as a result of having its own corporate reporting and compliance obligations. In addition, Tier One's listing on the TSXV and OTCQB exchanges in Q2 2021 resulted in increased professional fees and other associated costs in Q1 and Q2 2021. The loss amounts in Q2 through Q4 2021 continued to increase as a result of the drill program at the Curibaya project which commenced in Q2 2021 and was completed in Q4 2021 with final results and analysis being performed in Q1 2022. In the most recent quarter, activities were limited as compared to other quarters while the Company worked to compete the 2022 Private Placement in order to be able to fund programs planned for the second half of the year. Also included in the losses for certain quarters were impairment charges related to the Huilacollo (Q1 2021), Emilia (Q4 2021) and Coastal Batholith and residual Corisur projects (Q2 2022), respectively, resulting in increased losses during those periods.

4.4 Summary of Project Costs

During the six months ended June 30, 2022, the Company incurred $27,297 of mineral property additions and $1,452,998 in exploration and evaluation costs on its projects. The Company also recorded a mineral property impairment of $102,352 in relation to the Coastal Batholith and Corisur concessions that were allowed to lapse during the period.

Mineral property interests	**Curibaya**	**Hurricane**	**Other**	**Total**
Balance as at December 31, 2020	$ 986,711	$ -	$ 2,701,198	$ 3,687,909
Mineral property additions	29,402	235,267	350,924	615,593
Mineral property impairment	-	-	(2,041,437)	(2,041,437)
Recognition of provision for site reclamation and closure	313,312	-	-	313,312
Currency translation adjustment	(7,374)	349	(21,921)	(28,946)
Balance as at December 31, 2021	$ 1,322,051	$ 235,616	$ 988,764	$ 2,546,431
Mineral property additions	**213**	**26,287**	**797**	**27,297**
Mineral property impairment	**-**	**-**	**(102,352)**	**(102,352)**
Currency translation adjustment	**13,185**	**1,029**	**16,107**	**30,321**
Balance as at June 30, 2022	**$ 1,335,449**	**$ 262,932**	**$ 903,316**	**$ 2,501,697**

Exploration and evaluation	**Curibaya**	**Hurricane**	**Other**	**Total**
Surface Exploration	**$ 556,421**	**$ 103,639**	**$ 22,719**	**$ 682,779**
Exploration drilling	**14,725**	**-**	**-**	**14,725**
Camp and project support costs	**453,953**	**6,446**	**26**	**460,425**
Concession holding costs	**51,397**	**67,099**	**(89,249)**	**29,247**
Permitting, environmental and community	**171,814**	**47,958**	**22,648**	**242,420**
Share-based compensation (reversal)	**(44,294)**	**59,695**	**8,001**	**23,402**
Total for the six months ended June 30, 2022	**$ 1,204,016**	**$ 284,837**	**$ (35,855)**	**$ 1,452,998**

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

4.5 Future operations and 2022 expenditure forecast

As discussed above, surface exploration work, including mapping and sampling, is currently underway at the Curibaya and Hurricane Silver projects with plans to commence geophysics later in Q3. The programs are focused on defining drill targets for a potential phase II drill program at Curibaya and to advance the drill permitting process at Hurricane. While the Company is fully funded to complete its current surface programs, any drilling will be subject to raising funds through the sale of common shares and while the Company has been successful at raising capital in the past, there can be no assurance that the Company will raise sufficient funds to finance its additional planned programs.

5. FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES

5.1 Financial position and liquidity

	June 30, 2022	December 31, 2021
Cash	**$ 5,082,766**	$ 2,589,858
Accounts receivable	**46,620**	22,911
Mineral property interests	**2,501,697**	2,546,431
Current liabilities	**991,276**	1,081,658
Non-current liabilities	**201,441**	197,490

The Company did not have any restricted cash at June 30, 2022 and December 31, 2021. The working capital balance at June 30, 2022 was $4,990,796 (December 31, 2021, $2,295,439). Contractual obligations as at June 30, 2022, relate to accounts payable and accrued liabilities totalling $703,729. Additionally, the Company has certain commitments related to the premises it occupies on a shared basis under the Universal Mineral Services ("UMS Canada") lease obligation disclosed in section 7.

During the six months ended June 30, 2022, the Company used cash of $3,522,310 in operating activities compared to $3,985,686 during the comparative period in 2021. The cash outflow during the first half of 2022 was lower than the cash outflow in the first half of 2021 due to the lower activity levels in the current period, as discussed above.

During the six months ended June 30, 2022, the Company used cash in investing activities of $28,297 primarily on concession staking-related costs compared to the $612,746 incurred in the same period in 2021 in relation to the acquisition and subsequent scheduled payments on the Emilia option arrangement and the Hurricane acquisition and staking costs, as well as other eligible capitalized costs.

Net proceeds of $6,032,777 were received from the 2022 Private Placement during the six months ended June 30, 2022 compared to $13,141,813 gross proceeds received from the March 2021 non-brokered private placement financing (the "2021 Private Placement") in the prior period.

The Company has incurred operating losses to date and does not generate operating revenue to support its activities. With no source of operating revenue, there can be no assurance that sufficient funding will be available to conduct further exploration of its mineral properties. The ability to continue as a going concern remains dependent upon Tier One's ability to obtain the financing necessary to continue to fund its mineral properties, the realization of future profitable production, proceeds from the disposition of its mineral interests, and/or other sources. These conditions create a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

5.2 Capital Resources

The Company held cash of $5,082,766 and working capital of $ 4,990,796 as at June 30, 2022.

On June 16, 2022, the Company announced the closing of the 2022 Private Placement for gross proceeds of $6.18 million through the issuance of 13,736,026 units (each a share and a share purchase warrant). The Company intends to use the net proceeds from the 2022 Private Placement to fund continued exploration at the Company's portfolio of mineral projects in Peru, primarily Curibaya, and for general working capital. A reconciliation of the net proceeds and the funds used as of June 30, 2022 is as follows:

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

	Number of common shares		Proceeds
Units issued at $0.45 per unit	**13,736,026**	**$**	**6,181,212**
Share issuance costs			**(148,435)**
Net proceeds of 2022 Private Placement		**$**	**6,032,777**
Actual use of proceeds			
Surface exploration at the Curibaya project			**550,065**
Exploration activities at other projects			**111,386**
General working capital			**288,560**
Funds remaining at June 30, 2022		**$**	**5,082,766**

On March 2, 2021, the Company completed the 2021 Private Placement by issuing 13,454,463 Shares for net proceeds of $13,123,447, net of fees, costs and commissions and by June 30, 2022, the Company had used all of the proceeds as detailed in the table below:

Actual Use of Proceeds from 2021 Private Placement	
Drilling and surface exploration at the Curibaya project	$ 8,276,136
Acquisition costs	408,398
Surface exploration activities at the other projects	765,223
General working capital	3,673,690
Total	**$ 13,123,447**

Net proceeds from the 2021 Private Placement were generally used as the Company had originally planned, being more specifically to fund the first phase drill program at the Curibaya project, acquisition costs, continued surface exploration at the Company's portfolio of projects, and for general working capital.

On July 14, 2022, the Company filed the Shelf Prospectus with the securities commissions in each of the provinces and territories of Canada. The filing of the Shelf Prospectus is intended to provide the Company with financing flexibility as it allows the Company to qualify the distribution of up to $100,000,000 of common shares, warrants, subscription receipts, units, debt securities, or any combination thereof, from time to time over the 25-month period that the final Shelf Prospectus remains effective. The specific terms of any future offering of securities (if any) will be set forth in one or more shelf prospectus supplements, each of which will be filed with the applicable Canadian securities regulatory authorities in connection with any such offering. There is no certainty that any securities will be offered or sold under the Shelf Prospectus, a copy of which can be found under the Company's SEDAR profile at www.sedar.com. As of the date hereof, the Company has received clearance to file the final Shelf Prospectus which the Company expects to do imminently.

6. OFF-BALANCE SHEET ARRANGEMENTS

The Company does not utilize off-balance sheet arrangements. Earn-in arrangements are not viewed as off-balance sheet arrangements, and there are no other commitments held by the Company at the balance sheet date other than as disclosed in section 7.

7. EQUITY INVESTMENTS

Investment in Associate - UMS Canada

On April 1, 2022, the Company purchased a 25% share interest in a shared-service provider, UMS Canada for nominal consideration. The remaining 75% of UMS Canada is owned equally by three other companies with which the Company shares certain premises and personnel costs, being Coppernico Metals Inc. ("Coppernico"), Torq Resources Inc. and Fury Gold. The Company funded, in addition to its nominal investment in UMS Canada, a cash deposit of $150,000 which is held by UMS Canada for the purposes of general working capital, and which will be returned to the Company upon termination of the UMS Canada arrangement, net of any residual unfulfilled obligations. Prior to 2022, UMS Canada was owned by Ivan Bebek and Shawn Wallace who were directors of Tier One. On December 31, 2021 in anticipation of the reorganization of UMS Canada as a jointly owned cooperative, these two shareholders sold their shares in UMS Canada to fellow director Steven Cook, acting as a placeholder, for nominal consideration and ceased to be directors of UMS Canada. Mr. Cook remains sole director of UMS Canada. Effective April 1, 2022, UMS Canada was restructured whereby the Company redeemed Mr. Cook's shares of UMS Canada for nominal consideration and each of the four public companies which share UMS Canada services subscribed for common shares for a total of $1,000 each.

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

UMS Canada is located in Vancouver, BC and provides geological, financial and transactional advisory services as well as administrative services to the Company and three other companies on a cost recovery basis. Having these services available through UMS Canada on an as needed basis, allows the Company to maintain a more efficient and cost-effective corporate overhead structure by hiring fewer full-time employees and engaging outside professional advisory firms less frequently. The service agreement with UMS Canada has an indefinite term and can be terminated by each participating company upon providing due notice. UMS Canada is party to an office lease agreement with a term of ten years, for which certain rent expenses will be payable by the Company. As at June 30, 2022, the Company expects to incur approximately $1.2 million in respect of its share of future rent.

Investment in Joint Venture - UMS Peru

On May 1, 2022, the Company and Coppernico, an unlisted reporting issuer, each acquired from UMS Canada a 50% ownership of UMS Peru for nominal consideration. Given that each of Tier One and Coppernico now have joint control over UMS Peru, it is being accounted for as a joint venture.

UMS Peru is a company incorporated under Peruvian law, which provides administrative and geological services to Corisur S.A.C and Magma Minerales S.A.C. and to the Peruvian subsidiary of Coppernico. In order to comply with Peruvian transfer pricing rules, UMS Peru charges its services at cost plus a markup of 5% for administrative services and 7% for geological services.

(a) Summarized financial information of UMS Canada and UMS Peru

For the period ended June 30, 2022, the Company's share of net losses of UMS Canada and UMS Peru were as follows:

	UMS Canada	UMS Peru
Cost recoveries	$ (1,689,579)	$ (245,749)
Geological services	665,023	177,970
Administrative services	1,163,892	69,534
Net loss for the period since investment	139,336	1,755
Company's share of net losses for the period ended June 30, 2022	**$ 34,834**	**$ 878**

The carrying amounts of the Company's investment in UMS Canada and UMS Peru as at June 30, 2022 were as follows:

	UMS Canada	UMS Peru
Acquisition of equity investment	$ 151,000	$ 168
Company's share of net loss of investments	(34,834)	(878)
Carrying amount at June 30, 2022	**$ 116,166**	**$ (710)**

The Company's share of equity loss from UMS Peru was $878 resulting in the initial investment being reduced to nil. The Company is contractually obligated to provide for certain operating expenses, as such the Company recognized a provision of $710 in the condensed consolidated interim financial position as at June 30, 2022.

The Company's equity share of net assets and liabilities of UMS Canada and UMS Peru at June 30, 2022, were as follows:

	UMS Canada	UMS Peru
Current assets	$ 1,209,328	$ 198,769
Non-current assets	2,791,467	122,408
Current liabilities	(2,013,089)	(322,597)
Non-current liabilities	(1,523,043)	-
Net assets (liabilities) 100%	464,663	(1,420)
Company's equity share of net assets and liabilities	**$ 116,166**	**$ (710)**

for three and six months ended June 30, 2022 (In Canadian dollars, unless otherwise noted)

(b) Services rendered and balances

All transactions with related parties have occurred in the normal course of operations. All amounts are unsecured, non-interest bearing and have no specific terms of settlement, unless otherwise noted.

	Three months ended June 30, 2022	Three months ended June 30, 2021	Six months ended June 30, 2022	Six months ended June 30, 2021
Exploration and evaluation	**$ 238,356**	$ 195,924	**$ 530,757**	$ 250,302
Project investigation	**8,008**	9,316	**13,551**	9,675
Marketing and investor relations	**24,535**	26,787	**24,918**	46,915
General and administration	**344,447**	200,069	**574,646**	372,992
Total transactions for the period	**$ 615,346**	$ 432,096	**$ 1,143,872**	$ 679,884

As at June 30, 2022, $170,498 (December 31, 2021 - $111,901) was included in accounts payable and $220,000 (December 31, 2021 - $419,553) in prepaid expenses and deposits relating to transactions with UMS Canada; upon the acquisition of the share of UMS Canada in April 2022, $150,000 was reclassified to the investment in associate.

As at June 30, 2022, $23,138 (December 31, 2021 - $nil) was included in accounts payable and $60,822 (December 31, 2021 - $ 64,879) in prepaid expenses and deposits relating to transactions with UMS Peru.

(c) Key management compensation

In addition to the transactions disclosed above, the Company provided the following compensation to key management members, being its four executives, of which one is a Board Director, and six non-executive directors:

	Three months ended June 30, 2022	Three months ended June 30, 2021	Six months ended June 30, 2022	Six months ended June 30, 2021
Salary and benefits provided to executives	**$ 177,224**	$ 186,599	**$ 399,479**	$ 347,353
Fees paid to non-executive directors	**63,466**	47,433	**122,409**	100,739
Share-based compensation	**215,384**	980,593	**402,263**	980,593
	$ 456,074	$ 1,214,625	**$ 924,151**	$ 1,428,685

On April 1, 2022, the Company entered into a shared services agreement with UMS Canada. Under the agreement, the Company's Chief Financial Officer and Chief Geologist terminated their direct employment status with the Company, became employed by UMS Canada and entered into secondment employment arrangements between the Company and UMS Canada.

8. SUBSEQUENT EVENTS

On July 14, 2022 the Company filed the Shelf Prospectus with each of the provinces and territories of Canada. See section 5.2.

9. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the financial statements in conformity with IFRS requires management to select accounting policies and make estimates and judgments that may have a significant impact on the consolidated financial statements. Estimates are continuously evaluated and are based on management's experience and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes may differ from these estimates.

In preparing the Company's condensed consolidated interim financial statements for the three and six months ended June 30, 2022, the Company applied the critical accounting estimates and judgements disclosed in Note 2 of its audited consolidated financial statements for the year ended December 31, 2021.

10. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New accounting standards and policies

With the exception of the accounting policy for equity investments, the Company did not adopt any new accounting standards or policies during the quarter, and the accounting policies applied in preparing the Company's condensed interim consolidated financial statements for the three and six months ended June 30, 2022, were consistent with those disclosed in Note 3 of its audited consolidated financial statements for the year ended December 31, 2021.

Equity investments

The Company conducts a portion of its business through equity interests in an associate and a joint venture. An associate is an entity over which the Company has significant influence and is neither a subsidiary nor a joint venture. The Company has significant influence when it has the power to participate in the financial and operating policy decisions of the associate but does not have control or joint control over those policy decisions. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control exists only when the decisions about relevant activities require the unanimous consent of the parties that control the arrangement.

The Company accounts for its investment in associate and joint venture using the equity method. Under the equity method, the Company's investment in an associate and joint venture are initially recognized at cost and subsequently increased or decreased to recognize the Company's share of earnings and losses of the associate and joint venture, after any adjustments necessary to give effect to uniform accounting policies, and for impairment losses after the initial recognition date. The Company's share of an associate and joint venture's losses that are in excess of its investment are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate and joint venture. The Company's share of earnings and losses of its associate are recognized in net loss during the period.

New and amended standards not yet effective

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods beginning after December 31, 2022. The Company has not early adopted any of these pronouncements, and they are not expected to have a significant impact in the foreseeable future on the Company's consolidated financial statements once adopted.

11. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at June 30, 2022, the Company's financial instruments consist of cash, accounts receivable, deposits, accounts payables and accrued liabilities. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The Company's financial instruments are exposed to certain financial risks including credit risk, liquidity risk and market risk which includes currency risk. Details of the primary risks that the Company is exposed to are laid out in the notes to the Company's unaudited condensed consolidated interim financial statements.

12. OTHER REQUIRED DISCLOSURE

12.1 Capital structure

The capital structure of the Company is as follows:

Authorized: Unlimited number of common shares

Number of common shares issued and outstanding as at June 30, 2022: 139,530,923
Number of common shares issued and outstanding as at August 25, 2022: 139,530,923

As at June 30, 2022, there were 7,195,000 share purchase options and 13,736,026 warrants outstanding.
As at August 25, 2022, there were 7,195,000 share purchase options and 13,736,026 warrants outstanding.

The 13,736,026 share purchase warrants outstanding as at June 30, 2022 have a term of three years and are exercisable at $0.75 (December 31, 2021 – nil). The Company also has the obligation to issue 500,000 common shares upon the exercise of 337,813 common share purchase warrants of Fury Gold, which are expiring September 12, 2022, and at this time appear unlikely to be exercised. In the event of exercise, Tier One will receive cash proceeds of $0.20 per common share issued.

12.2 Disclosure controls and procedures

Details relating to disclosure controls and procedures, and internal control over financial reporting, are disclosed in the Company's MD&A for the year ended December 31, 2021.

The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company's management is responsible for establishing and maintaining effective internal control over financial reporting. All internal control systems have inherent limitations and may become ineffective because of changes in conditions. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

During the quarter ended June 30, 2022, there were no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

On behalf of the Board of Directors,

"Peter Dembicki"
Peter Dembicki
President, Chief Executive Officer and Director
August 25, 2022