TITANIUM CORPORATION INC.
FORM 51-102F1
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended August 31, 2004

The following discussion and analysis of the operations, results, and financial position of Titanium Corporation Inc. ("Titanium" or the "Company") for the year ended August 31, 2004 should be read in conjunction with the August 31, 2004 audited financial statements and the related notes thereto. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The effective date of this report is December 20, 2004.

All amounts herein are expressed in Canadian dollars unless otherwise indicated.

Forward Looking Statements
Except for historical information, this Management's Discussion and Analysis ("MD&A") may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied in such forward looking statements.

1.0 Business Overview
The Company is a venture issuer reporting in Ontario, British Columbia, Alberta and Quebec. The common shares of Titanium trade on the TSX Venture Exchange under the symbol TIC.

The Company's principal business activities include the commercialization of a proprietary process to recover titanium-bearing minerals and zircon from Canada's oil sands and the exploration and development of the titanium bearing mineral property which the Company holds in Nova Scotia.

Oil Sands Project
The Company's mission is to become the first titanium and zircon sand producer in Canada. The Company achieved several major milestones during the year including the building and successful commissioning of a pilot plant to recover heavy minerals from Syncrude Canada Ltd's ("Syncrude") Plant 6 tailings pond. Construction of the pilot plant was completed in May 2004 and comprises a 4,250 square foot facility that houses a wet mill separation plant, together with an adjoining 2,800 square foot dry mill separation plant that is leased from the Saskatchewan Research Council located in Regina, Saskatchewan.

In September 2004 the Company announced the successful separation and recovery from the Syncrude tailings of ilmenite, HiTi (leucoxene/rutile enriched) and a zircon enriched fraction. This full separation was achieved from the Company's dry mill plant which processed concentrates derived from the wet mill which was commissioned in August 2004.

Exploration Property
The Company is exploring a titanium mineral sands project located in western Nova Scotia near the community of Truro comprising mineral claims along the Shubenacadie River northward to the eastern reaches of Cobequid Bay (the "Exploration Property"). Exploration has been focused on 629 contiguous exploration claims aggregating approximately 102 square kilometers. In addition to drilling, the Company has completed extensive testing of the mineral content of the sand.

The Company had working capital of approximately $2.26 million at August 31, 2004 compared to approximately $3.34 million at August 31, 2003. During the year the Company did not generate any operating revenues, as it is in the development stage and, therefore, losses were incurred throughout the year

During the year ended August 31, 2004 ("fiscal 2004") the Company incurred a net loss of $2,168,046 ($0.06 per share) compared to a net loss of $1,172,538 ($0.03 per share) for the year ended August 31, 2003 ("fiscal 2003"). The increase in loss was primarily due to the following increased expenditures during the year compared to the previous year:

a. $283,366 increase in consulting fees related to the Company adopting the recognition of stock compensation expense for option awards to employees granted after September 1, 2003 (see Adoption of New Accounting Policies below). A total of $330,608 of stock based compensation was expensed during the current year compared to $167,000 expensed in fiscal 2003;
b. $83,695 increase in office and administration was due to the Company's expansion of its operations to include the planning and building of the pilot plant in Saskatchewan along with costs that were incidental to the $8,007,000 financing completed on February 17, 2004;
c. $141,500 increase in directors' fees. During fiscal 2003 directors received no fees for meetings that they attended. Commencing in fiscal 2004 directors were paid an annual fee of $25,000 each which is paid semi-annually in February and August;
d. $42,677 increase in insurance costs related to increased insurance premiums for property, commercial general liability and officers and directors insurance. The opening of the Pilot Plant was the primary reason for the property and general liability premiums increasing;
e. $386,408 increase in investor relations related to the costs associated with contracting the services of a Canadian corporate communications firm and a German investor relations firm, production and distribution of new marketing materials, the Company attending a number of trade and investment shows in Canada, United States and Europe, press releases and the cost of the grand opening event of the Pilot Plant; and
f. $79,290 increase in professional fees related to increased legal fees for preparation of the Company's Annual Information Form, ongoing immigration work to process immigration files for non-resident consultants and ongoing patent application work and accounting fees related to the review of the quarterly financial statements.

The Company's only source of income during fiscal 2004 was from interest on cash and marketable securities that amounted to $85,026 compared to $55,713 during the previous year. The higher level of income reflects the higher level of average cash and marketable security balances held during fiscal 2004.

During the three months ended August 31, 2004 the Company incurred a net loss of $641,837 ($0.03 per share) compared to $166,038 ($0.00 per share) for the three months ended August 31, 2003. All categories of operating expenses increased during the three months ended August 31, 2004 compared to the same period in fiscal 2003 due to the Company's expansion of its operations.

The Company's primary assets at August 31, 2004 were cash and marketable securities totaling $2,504,951 ($3,325,851 – August 31, 2003) and development costs for its Oil Sands Project and Exploration Property of $11,739,073 ($4,962,422 – August 31, 2003). A discussion of additions to the development costs is presented in Sections 2.1 and 2.2 below.

At August 31, 2004 the Company had current accounts payables and accruals of $681,299 compared to $51,740 at August 31, 2003. The primary reason for the increase was outstanding invoices and accruals directly relating to the construction, commissioning and operation of the new pilot plant that was opened on May 26, 2004.

Adoption of New Accounting Policies

During fiscal 2004 the Company adopted the recognition of stock compensation expense for option awards to employees in the financial statements based on the estimated fair value at the grant date for options granted after September 1, 2003. The Company, as permitted by CICA Handbook Section 3870, has adopted this section prospectively. The Company had previously adopted provisions of Section 3870 relating to stock-based compensation to non-employees.

During the year ended August 31, 2004, 1,095,000 stock options were granted to directors, officers and consultants of the Company. These options will be expensed in the statement of operations and deficit or capitalized to oil sands project development costs as they vest. Of the 1,095,000 options granted, 382,500 have vested and accordingly, $571,308 was recorded as contributed surplus. Of the $571,308 recorded as contributed surplus, $330,608 was recorded as stock-based compensation and $240,700 was capitalized to oil sands project development costs.

The following is the Company's pro-forma loss applying fair value method to 720,000 options granted to employees in fiscal 2003:

	Loss	**Loss per share**
As reported	$1,172,538	$0.03
Pro forma	$2,203,590	$0.06

In fiscal 2003 the Company applied the fair value methods of accounting for stock-based awards to non-employees and accordingly, $167,000 was recorded as consulting expense and contributed surplus relating to 100,000 options granted to non-employees during the year.

The fair value of all options granted in fiscal 2004 and 2003 has been estimated at the date of grant using a Black-Scholes option-pricing model.

Critical Accounting Estimates

Exploration Property

All direct costs associated with exploration property are capitalized as incurred. If the property proceeds to development, these costs become part of preproduction and development costs of the mine. If a property is abandoned or continued exploration is not deemed appropriate in the foreseeable future, the related costs and expenditures are written off.

The amounts capitalized at any time represent costs to be charged to operations in the future and do not necessarily reflect the present or future values of particular properties. The recoverability of the carrying values of exploration properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete development and future profitable production there from or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Oil sands Project Development Costs

All direct costs which meet the generally accepted criteria for deferral related to the oil sands project are capitalized as incurred.

Stock-based Compensation

The Company accounts for all employee and non-employee stock-based pursuant to the amended recommendations of the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 3870, Stock-based Compensation and Other Stock-based Payments. The stock-based compensation recorded by the Company is a critical accounting estimate because of the value of compensation recorded and the many assumptions that are required to be made to calculate the compensation expense.

Compensation expense is recorded for stock options issued to employees and non-employees using the fair value method. The Company must calculate the fair value of stock options issued and amortize the fair value to stock compensation expense over the vesting period, and adjust the amortization for stock option forfeitures and cancellations. The Company uses the Black-Scholes model to calculate the fair value of stock options issued which requires that certain assumptions including the expected life of the option and expected volatility of the stock be estimated at the time that the options are issued. The current year's valuation was calculated with the following assumptions: weighted average risk free interest rate of 4% (2003 - 4.5%); volatility factor of the expected market price of the Company's common stock of 100% (2003 - 100%); and a weighted average expected life of the options of 5 years (2003 - 5 years).

2.1 Oil Sands Project

2.1.1 Strategy and Outlook

The Company’s goal is to become the first titanium and zircon sand producer in Canada by commercially extracting titanium bearing minerals and zircon from the Athabasca oil sands. In 2000, the Company started collecting tailings samples and began basic research and development work on processing technologies that could be used on the oil sands. The Company hired its own technical team and invested in laboratory facilities at Dalhousie University in Halifax Nova Scotia. Over the past three years the Company has been successful in developing and refining a proprietary separation process for the recovery of heavy minerals from oil sands tailings by merging conventional mineral sand beneficiation technology with conventional oil sand technology. The Company has filed patent applications in Canada and in the United States with respect to its proprietary technology. Both patent applications are pending and in good standing.

A key component to the Company’s strategy is its strategic relationship with Syncrude and a major U.S. titanium dioxide pigment manufacturer. Titanium signed a three-way two-year exclusivity agreement with these partners in June 2003. As part of the agreement, Syncrude supplies samples of its oil sands tailings to Titanium for testing and has agreed not to engage in any discussions or activities for the removal of heavy minerals from its oil sands project for the duration of the agreement. The pigment manufacturer provides its facilities and expertise for evaluating the concentrates produced by Titanium and provides the capacity to purchase all of the end-product upon agreement being reached with the Company. The exclusivity agreement does not preclude the Company from seeking to develop business relationships with other oil sand producers.

The Syncrude relationship provides two primary strategic advantages:

(i) The Size and Quality of the Deposit

The Athabasca oil sand deposit located in Alberta contains one of the largest deposits of oil in the world. Syncrude is the world's largest producer of crude oil from oil sands and the largest single source producer in Canada. Syncrude's bitumen recovery process greatly concentrates the valuable heavy minerals during the extraction process creating unusually high grades of titanium-bearing minerals and zircon in the feedstock available to the Company. It has been estimated that the Syncrude tailings could supply 8-10% of the world's titanium requirements and 5-7% of the world's zircon requirements.

(ii) No Mining Costs

Unlike most heavy mineral operations the Company will have no mining costs to recover the feedstock but rather will only be required to process the oil sands tailings from the Syncrude tailings stream. Once Syncrude has recovered the last remaining bitumen from its treatment plant the tailings are disposed of in the tailings pool. Upon completion of testing at the pilot plant and negotiation of commercial terms with the parties involved Titanium plans to locate its wet plant in close proximity to Syncrude's tailings pipe.

An important aspect of the Company's plan in fiscal 2004 was the engineering, development and commissioning of a pilot plant. On May 26, 2004, the Company opened its Pilot Plant located in the Regina Research Park in Saskatchewan. The purpose of the Pilot Plant is to perfect the flow sheet, demonstrate the viability of the Company's process and make titanium and zircon concentrates in tonnages suitable for evaluation by pigment producers in order for Titanium to obtain long-term supply contracts. In addition, the operation of the Pilot Plant will enable the Company to accurately calculate the cost of production of these concentrates and prepare a bankable feasibility study.

In September 2004 the Company announced the successful separation and recovery from the Syncrude tailings of ilmenite, HiTi (leucoxene/rutile enriched) and a zircon enriched fraction. This full separation was achieved from the Company's dry mill plant which processed concentrates derived from the wet mill which was commissioned in August 2004.

The following X-ray fluorescence (XRF) analysis conducted by Ultra Trace (Pty) Ltd. of Australia confirmed the chemical analysis of the titanium bearing minerals recovered from the Pilot Plant as follows:

Product	**$Ti0_2$**	**Fe_2O_3**	**MgO**	**MnO**	**ZrO_2**	**P_2O_5**	**U**	**Th**	**V_2O_5**	**Nb_2O_5**	**CaO**	**K_2O**
	%	*%*	*%*	*%*	*%*	*%*	*ppm*	*ppm*	*%*	*%*	*%*	*%*
Ilmenite	64.4	26.14	0.56	0.83	0.16	0.23	30	35	0.22	0.16	0.18	0.06
HiTi	83.9	1.83	0.07	0.03	0.20	0.16	45	95	0.20	0.30	0.09	0.22

Based on the positive results achieved from the Pilot Plant operation management's plan is to research all possible avenues to allow the Company to enter into commercial production at the earliest date with the lowest capital expenditure. Management intends to accomplish the following initiatives in fiscal 2005:

1. Continue to further optimize and improve the favorable assay results from the commissioning phase of the Pilot Plant by continuing to process material through the Pilot Plant until optimal recovery is reached through continued circuitry improvements.

2. Negotiate a Memorandum of Understanding outlining the commercial terms between the Company, Syncrude and a titanium dioxide pigment producer.
3. Completion of an internal feasibility report and commissioning of an independent bankable feasibility study to support the design engineering, site selection and financing arrangements for Phase 1 commercial production.

2.1.2 Oil Sands Project – Expenditures

Beginning Balance, ***August 31, 2003***	**$ 382,313**
Consulting fees	1,478,584
Building	1,101,994
Leaseholds	160,347
Equipment	2,524,949
Travel	458,663
General	73,936
Rent	110,450
Sampling and assays	257,390
Transportation	170,275
Ending balance, ***August 31, 2004***	**$ 6,718,901**

2.2 Exploration Property

During the fiscal 2004 the Company's primary focus has been on the financing and development of the oil sands project. However, plans have been made to continue exploration drilling on approximately 32 square kilometres of new exploration licences that the Company was granted in 2003. On August 5, 2003, the Company was granted four (4) additional exploration licenses covering an aggregate total of 200 claims representing some 3,222 hectares (32.22 sq. km) at Cobequid Bay. The Company has never previously explored the grounds embodied on these four exploration licenses. In June and July 2004 the Company explored the area of the new exploration licences with 55 Pionjar percussion drilling method. Continuity of heavy mineral sand mineralization was confirmed, but distribution was erratic. The titanium and zirconium constituents were also found to be lower than in the Shubenacadie River.

2.2.2 Exploration Property – Expenditures

Beginning balance, ***August 31, 2003***	**$ 4,433,376**
Consulting	308,855
Outside labs and assays	104,920
Travel and lodging	39,692
Equipment costs, supplies and other	14,565
Sampling	1,376
Ending balance, ***August 31, 2004***	**4,902,784**

3.0 Selected Annual Information

The following are the highlights of financial data on the Company for the most recently completed three financial years which have been prepared in accordance with Canadian generally accepted accounting principles. All amounts herein are expressed in Canadian dollars unless otherwise indicated:

	For the Year Ending August 31,		
(audited)	**2004**	**2003**	**2002**
Loss before write-off of exploration property	$ (2,168,046)	$ (1,172,538)	$ (1,422,494)
Net loss	(2,168,046)	(1,172,538)	(1,924,713)
Net loss per share *(basic and diluted)*	(0.06)	(0.03)	(0.06)
Total assets	14,790,230	8,418,360	6,745,530
Total liabilities	681,299	51,740	104,205
Deficit	(5,758,019)	(3,589,973)	(2,417,435)
Working capital	2,263,614	3,335,657	3,014,191

4.0 Summary of Quarterly Results

	Q4 Aug. 31, 2004	**Q3 May 31, 2004**	**Q2 Feb. 28, 2004**	**Q1 Nov. 30, 2003**
Interest revenues	$ 31,437	$ 11,861	$ 25,483	$ 16,245
Net loss	(641,837)	(605,705)	(525,282)	(395,222)
Basic per share	(0.03)	(0.01)	(0.01)	(0.01)
Diluted per share	(0.03)	(0.01)	(0.01)	(0.01)

	Q4 Aug. 31, 2003	**Q3 May 31, 2003**	**Q2 Feb. 28, 2003**	**Q1 Nov. 30, 2002**
Interest revenues	$ 11,792	$ 16,967	$ 18,495	$ 8,459
Net loss	(166,038)	(401,240)	(276,276)	(328,984)
Basic per share	(0.00)	(0.01)	(0.01)	(0.01)
Diluted per share	(0.00)	(0.01)	(0.01)	(0.01)

5.0 Liquidity

In management's view, the most meaningful information concerning the Company relates to its current liquidity and solvency given that, currently, it is not generating any income from its Oil Sands Project or Exploration Property.

The Company raises funds for its operations through issuance of common shares. Although the Company has been successful in the past in raising funds, there can be no assurance that any funding required by the Company in the future will be made available to it and, if such funding is available, that it will be offered on reasonable terms.

The Company had a net working capital balance of $2,263,614 as at August 31, 2004 compared to $3,335,657 at August 31, 2003.

On February 17, 2004 the Company completed a private placement financing of 4,710,000 units at a price of $1.70 per unit for gross proceeds of $8,007,000. Each unit consisted of one common share and one-half of one common share purchase warrant at an exercise price of $2.00 until

August 17, 2005. The agents who completed the financing received a commission of 7% of the gross proceeds raised together with an option to purchase 376,800 units at a price of $1.70 per unit until February 17, 2005.

At August 31, 2004, outstanding warrants and agent's options represented a total of 2,731,800 shares issueable for maximum aggregate proceeds of $5,350,560.

	Number	Exercise Price	Amount	Expiry Date
Agents Units*	376,800	$1.70	$ 640,560	February 2005
Warrants**	2,355,000	2.00	4,710,000	August 2005
Total	2,731,800		$ 5,350,560	

**Each Unit consists of one common share and one-half purchase warrant. Each whole warrant is exercisable at $2.00 until August 17, 2005. Should the Agent's Units be exercised by February 2005, an additional $376,800 could be available by August 2005 relating to the Agent's Warrants.*
*** On November 17, 2005 a total of 24,500 Warrants were exercised at $2.00 per share.*

The Company does not currently have contractual obligations with regards to any purchase obligations or financings. The Company does not have any option payments required in order to maintain its various Exploration Property but is required to complete assessment work to maintain certain Mineral Property licences. The Company has entered into agreements to lease land and office space for various periods until 2008.

Contractual Obligation	Total	2005	2006	2007	2008
Long Term Debt	-	-	-	-	-
Capital Lease Obligation	-	-	-	-	-
Operating – Office Space	300,000	212,000	88,000	-	-
Operating – Land Lease	212,000	53,000	53,000	53,000	53,000
Purchase Obligation	-	-	-	-	-
Other Long Term Obligation	-	-	-	-	-
Total Contractual Obligations	512,000	265,000	141,000	53,000	53,000

6.0 Capital Resources
Current demands on the Company's capital resources stem from management's pursuit to add shareholder value through the development and commercialization of the Oil Sands Project and further exploration of its Exploration Property. In order to aggressively pursue these mandates, additional capital resources will have to be put in place during the second or third quarter of fiscal 2005. The source of this additional funding will be equity financings in the junior equity markets.

The Company has no material commitments or contractual obligations with respect to the development of the Oil Sands Project or the Exploration Property beyond those that would be considered as part of normal business.

During the year ended August 31, 2004 the Company capitalized $6,336,588 on its Oil Sands Project related primarily to the development and construction of the pilot plant and $469,408 on its Exploration Property.

7.0 Off-Balance Sheet Arrangements
The Company has not entered into any off-balance sheet transactions.

8.0 Transactions with Related Parties

The Company was charged $250,000 for the year ended August 31, 2004 by Harbour Capital Corporation ("Harbour") a corporation controlled by a director that provided the services of the chief executive officer. Harbour is controlled by George Elliott, Chairman, President and Chief Executive Officer of the Company.

The Company was charged $45,061 during fiscal 2004 by a corporation partially owned by George Duguay the former chief financial officer of the Company that provides bookkeeping, corporate secretarial and transfer agency services to the Company.

The Company was charged $12,500 for the services of Bradley Kipp the new chief financial officer of the Company.

9.0 Risks

The following discussion pertains to the outlook and conditions currently known to management that may have a material impact on the financial condition and results of operations of Titanium. This discussion, by its nature, is not all-inclusive. Other factors may affect the Company in the future:

9.1 Oil Sands Project

The Company has successfully tested its process for cleaning and extracting the appropriate concentrates from the Syncrude tailings at its Pilot Plant facility. Unforeseen difficulties with scale-up to commercial scale, unexpected utility costs, natural gas costs, labour cost or shortages, engineering cost and related industrial process risks could negatively impact the viability of the project.

The Company has necessarily relied on the 1996 study by the Alberta Chamber of Resources (Mineral Development Agreement Study) and Syncrude's own data to establish the extent and consistency of the tailings supply. This involves more risk than the typical situation where a company can control its own source of supply.

The Company has filed patent applications in the United States and Canada with respect to its proprietary technology for recovering heaving minerals. There can be no assurance that such patent applications will be allowed or that, if issued, the patents will not be challenged by any third parties, or that the patents of others will not have an adverse effect on the ability of the Company to commercially exploit its technology. Furthermore, there can be no assurance that others will not independently develop similar technology, duplicate the Company's product or design around the patented technology developed by the Company. In addition, the Company could incur substantial costs in defending itself in suits brought against it in respect of such patents or in suits in which the Company attempts to enforce its own patents against other parties.

The Company may not be able to negotiate fair commercial arrangements with Syncrude and /or the U.S. pigment manufacturer notwithstanding their obligations under the current exclusivity agreement to negotiate in good faith, and in such event, the Company may not be able to secure new customers and/or new suppliers of tailings.

Technological developments could render titanium dioxide obsolete as a pigment thereby substantially reducing the demand for titanium dioxide. Similarly, global demand for zircon could be diminished in the face of alternatives for its current consumers.

9.2 Exploration Property
The principal risk relating to the Nova Scotia mineral properties at its current stage is the challenge of engineering a barge/dredging system capable of maintaining anchor in a high marine energy environment.

The business of exploring for and exploiting mineral deposits involves a high degree of risk. Few properties that are explored ultimately reach the stage of commercial exploitation. Substantial expenditures are required to establish mineral reserves through drilling, to develop extraction processes and to develop the processing facilities and infrastructure at any site chosen for commercial exploitation. Although substantial benefits may be derived from the discovery of a major mineral deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of producing heavy minerals from mineral properties are affected by many factors including the cost of operations, variations in grade of minerals in the soil, fluctuations in the price of the resulting heavy minerals, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulation and environmental protection. In addition, grade of mineralization ultimately produced may differ from that indicated by drilling and/or sampling results and such differences could be material. Depending on the price of the heavy mineral end-products or other minerals produced, the Company may determine that it is impractical to commence or continue commercial production.

10.0 Competition
The Company competes with international companies that have substantially greater financial and technical resources to support their business activities as well as for the recruitment and retention of qualified employees. The Company has not operated its titanium processing technology at a commercial scale. Accordingly, it cannot describe processing efficiencies and costs associated with its titanium processing technology or compare such efficiencies and costs to those of competitors. The manufacturing methods and costs to manufacture also vary greatly, with certain methods lending themselves to specific niche applications and deposits. As a result, competition within the industry is driven by a variety of factors, principally cost of production, price and product attributes.

11.0 Financial Instruments
The Company’s financial instruments consist of cash and cash equivalents, marketable securities, commodity taxes receivable and payables and accruals. Terms of the financial instruments, where relevant, are fully disclosed in the Company’s financial statements. It is management’s opinion that the Company is not exposed to significant interest, currency, or credit risks arising from it financial instruments and that their fair values approximated their carrying values unless otherwise noted.

12.0 Outstanding Share Data

Outstanding Common Shares	Number
Balance, August 31, 2003	36,173,480
Shares issued on the exercise of warrants	20,000
Common shares issued, net of issue costs	4,710,000
Warrant valuation	
Balance August 31, 2004	40,903,480
Shares issued on the exercise of warrants	39,500
Balance December 20, 2004	40,942,980

Warrants and Agent's Options	Number	Exercise Price ($)	Expiry Date
Agent's Options	376,800	1.70	February 2005
Warrants	2,355,000	2.00	August 2005
Balance August 31, 2004	2,731,800		
Exercise of Warrants	(39,500)	2.00	
Balance December 20, 2004	2,692,300		

Stock Options	Number	Weighted Average Exercise Price ($)
Balance August 31, 2003	2,713,075	2.20
Options granted	1,095,000	1.97
Options cancelled or expired	(530,000)	2.22
Balance August 31, 2004	3,278,075	2.15
Options granted	70,000	1.97
Options cancelled or expired	(243,075)	2.00
Balance December 20, 2004	3,105,000	2.13

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com.