TITANIUM CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") provides a discussion and analysis of the financial condition and results of operations to enable a reader to assess material changes in the financial condition and results of operations of Titanium Corporation Inc. ("Titanium" or the "Company"). This MD&A has been prepared for the three months ended November 30, 2006 and includes material information available up to January 19, 2007. The MD&A is intended to supplement the Company's audited financial statements and notes thereto ("Financial Statements") as at and for the year ended August 31, 2006. This MD&A should be read and reviewed in conjunction with the Financial Statements.

All amounts included in the MD&A are in Canadian dollars, unless otherwise specified. The Company's public filings, including its most recent annual audited financial statements at August 31, 2006, can be reviewed via the SEDAR website at www.sedar.com or the Company's website at www.titaniumcorporation.com.

Certain statements included herein including future potential of the Oil Sands Project and other statements that express management's expectation or estimates regarding the timing of completion of various aspects of the projects' development or of the Company's future performance, constitute "forward-looking statements". The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "should", "schedule", "potential", and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to significant business, economic and competitive uncertainties and contingencies. In particular, the MD&A includes many such forward-looking statements and such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of Titanium to be materially different from its estimated future results, performance or achievements expressed or implied by those forward-looking statements and its forward-looking statements are not guarantees of future performance. Titanium expressly disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, events or otherwise, except where required by law. These risks, uncertainties and other factors include, but are not limited to: changes in the worldwide price of zircon and titanium; fluctuations in exchange rates; legislative, political or economic developments including changes to relevant legislation in Canada; operating or technical difficulties in connection with development activities; requirement for additional funding; development timelines; expected capital expenditures; and Titanium's expected future production and cashflows. For further expansion of certain risks and uncertainties that could contribute to a difference in results, please review those risks listed under the heading "Risks" in this MD&A.

Business Overview

The Company is in the development stage and is a reporting issuer 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 vision is to create a new industry in Alberta by processing a waste material into valuable products such as zircon and titanium bearing minerals. The Company's mission is to develop and build a commercial process that will maximize the inherent value existing in the waste material currently being deposited in oil sands tailings (the "Oil Sands Project"). The potential exists in such process not only to recover previously wasted resources but to simultaneously deliver environmental

benefits. There are currently three oil sands mining operations that would be candidates to utilize the Company's planned process and a number of other mining projects under development. As the Company develops it's Oil Sands Project it is committed to achieving the highest standards in areas of good corporate governance, open communication with all affected stakeholders and excellence with best accepted engineering design practices with safety, environmental protection, and risk mitigation as key components of the commercial process.

Overall Performance

During the three months ended November 30, 2006 the Company completed the first phase of its 2006 Pilot Program on time and within its original budget of C$3 million. The first phase of the 2006 Pilot Program involved the operation of a pilot heavy minerals concentrator on-site in Fort McMurray at the oil sands tailings site. This first phase was crucial to finalizing Titanium's process flow sheet to achieve optimum heavy minerals recovery and separation from mined oil sands tailings. By October 2006 the first phase had successfully produced sufficient heavy mineral concentrates which were shipped to the Company's Regina development facility for testing in separation circuits designed to maximize the recovery of zircon. This work in Regina continued during November and December 2006 and the Company expects to finalize the results of the second phase during the first half of 2007. At the same time the Regina facility will also produce samples of zircon feedstock to be sent to major zircon customers to evaluate. This will facilitate negotiations with customers for future off-take contracts.

Titanium's engineering team redesigned the heavy minerals recovery process flow sheet following technical work carried out during the first half of 2006 to focus the first phase of project development on the production of zircon. An expansion phase to produce titanium minerals will follow Titanium's planned commercial zircon facility. Zircon continues to remain in high demand world-wide and has experienced significant price increases. Zircon has averaged US$725 per tonne for the first half of 2006. It is anticipated that demand will continue to grow and potentially exceed supply.

During the quarter the Company also filed a Project Overview with Alberta Environment describing for the public and regulatory authorities the general plans for the development of Titanium's Heavy Minerals Recovery Project. The Oil Sands Project has progressed to the stage where submission of the Project Overview document was an important step in the regulatory review process with the Alberta Government. The filing informs the public and regulators of the scope of the Oil Sands Project including the Project's sustainable environmental and socio-economic benefits. The Document will also be used in discussions with affected stakeholders in Alberta and elsewhere. The Project Overview document is available on Titanium's website www.titaniumcorporation.com.

New Appointments

On September 5, 2006 Mr. Brant Sangster was appointed to the Board of Directors. Mr. Sangster is a leader in Canada's energy industry recently retiring after a distinguished 25-year career as a senior executive of Petro-Canada. With his extensive oil sands industry experience and relationships, Mr. Sangster will add considerable value as the Company moves through the final development and commercialization phases of the Oil Sands Project.

On December 11, 2006 Mr. Gordon Pridham was appointed to the Board of Directors. Mr. Pridham is an experienced corporate executive with more that 25 years experience in investment banking, capital markets and corporate banking. With his capital market business experience as well as financial

expertise, Mr. Pridham will be an important asset in assisting the Company in advancing the development of the Oil Sands Project.

On December 11, 2006 the Company announced the resignation of Mr. Arthur Ditto from the Board of Directors. Mr. Ditto is relocating to reside in London, U.K, in order to oversee the development of a major natural resource company in Africa.

Outlook

The Company's current key objectives, all of which are predicated upon various assumptions which may or may not turn out to be accurate, include the following:

1. *Complete final feasibility and design of the zircon production facility*
   Expediting the design and construction timetable for the construction of commercial facilities, which will focus on the production of zircon. This facility will also be designed to produce titanium concentrates to be processed and marketed in a subsequent expansion phase. Following completion and analysis of the second phase of the 2006 Pilot Plant technical results, the Company will commence a final engineering feasibility study;

2. *Secure long–term sources of supply of oil sands tailings*
   The potential application of the Company's process (and sources of long term supply of tailings) involves three large oil sands mining operations currently producing over 700,000 barrels per day as well as several new projects planned and under construction. In July 2006 the Company signed a new exclusivity agreement with Syncrude Canada Limited ("Syncrude"). This new two-year, two-party agreement replaces the existing agreement that expired on May 16, 2006. Under terms similar to the prior agreement, the new agreement provides that Syncrude and the Company will co-operate on the development of heavy minerals from oil sands tailings;

3. *Negotiate sales contracts with consumers of heavy minerals*
   The Company has been working with a number of international companies that are testing heavy mineral sample products. These potential customers have also been visiting the Company's Regina facilities and on-site at Fort McMurray during the operation of the 2006 Pilot Plant. The markets for heavy minerals are international with the fastest growing areas being Asian markets, particularly China. The Company has accordingly increased its focus on prospective Asian markets which have high demand and very good proximity to Canada's oil sands region.

4. *Arrange project financing for the construction of commercial facilities*
   Identifying sources of financing and initiating project financing discussions based on the outcome and delivery of the final engineering feasibility study.

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Results of Operations

Explanation of Financial Results

For the three months ended November 30, 2006, the Company incurred a loss of $614,964, or $0.01 per share, compared to a loss of $657,686, or $0.01 per share in the year-earlier first quarter. Higher stock based compensation, traveling and investor relations costs were offset by lower costs related to consulting, administration, professional fees, shareholder communication and higher interest income.

During both periods the Company did not generate operating revenues as it is in the development stage.

Expenses

Corporate General and Administrative ("G&A Costs")

	Three Months Ended November 30	
	2006	**2005**
Consulting	$141,501	$183,017
Office and administration	94,817	112,780
Directors' fees	43,750	39,500
Insurance	33,554	33,657
Investor relations	28,634	10,820
Professional fees	52,225	94,042
Shareholders' communication and filing fees	27,213	99,250
Travel and promotion	108,806	77,898
	$530,500	**$650,964**

During the first quarter of fiscal 2007 the Company incurred a total of $530,500 for G&A costs compared to $650,964 in the same quarter in fiscal 2006. Increased investor relations and travel costs were offset by savings realized in consulting, office, administration, professional fees and shareholders' communication costs.

Stock based compensation

During the three months ended November 30, 2006, 425,000 (2005: 75,000) new 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 Development costs as they vest. Of the options granted during the three months ended November 30, 2006, 70,833 (2005: nil) options have vested and accordingly, $61,838 (2005: $nil) was recorded as contributed surplus. Of the $61,838 (2005: $nil) recorded as contributed surplus, $32,738 (2005: $nil) was recorded as stock-based compensation and $29,100 (2005: $nil) was capitalized to Oil Sands Project Development Costs.

During the three months ended November 30, 2006, 170,833 (2005: 170,000) options granted in prior periods had vested. Accordingly, $374,500 (2005: $249,016) was recorded as contributed surplus. Of the $374,500 (2005: $249,016) recorded as contributed surplus, $337,706 (2005: $186,378) was recorded as stock-based compensation and $36,794 (2005: $62,638) was capitalized to Oil Sands Project Development Costs.

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The fair value of all options granted in have been estimated at the date of grant using a Black-Scholes option pricing model. The current period's valuation was calculated with the following assumptions: weighted average risk free interest rate of 3.99% (2005: 3.60%); volatility factor of the expected market price of the Company's common stock of 44.31% (2005: 57%); and a weighted average expected life of the options of 5 years (2005 - 5 years).

Foreign exchange loss

Foreign exchange gains for the first quarter of fiscal 2007 totaled $7,706 compared to a loss of $16,713 in the comparable quarter fiscal 2006. The Company records foreign exchange gains and losses on US dollar cash balances held. In addition, the Company incurs foreign exchange gains and losses on payments in Australian dollars as it only converts Canadian dollars to Australian dollars at the time of payment. The Company expects to continue to see foreign currency gains and/or losses as it continues to hold approximately $350,000 in US dollars.

Interest income

Interest income in the first quarter of fiscal 2007 increased to $265,386, compared to $201,761 during the comparable quarter in fiscal 2006. The higher interest income during the current quarter relates to higher rates earned in the fixed income markets for the Company's short-term investments.

Interest income should modestly decrease in fiscal 2007 as average cash balances decline as a result of development expenditures (including feasibility study costs) and general and administrative costs incurred during fiscal 2007.

Oil Sands Project – Expenditures

	Three Months Ended November 30, 2006	Three Months Ended November 30, 2005
Beginning Balance	**$13,212,493**	**$9,214,530**
Engineering and consulting fees	363,635	236,924
Stock option compensation charge	65,894	62,638
Building	13,899	13,744
Maintenance	129	3,097
Salaries	22,800	96,438
Equipment	241,600	42,265
Travel	32,954	45,503
General and administrative	64,025	25,212
Regina development facility rent	48,879	43,487
Sampling and assays	60,875	55,358
Transport-feedstock, samples, tailings	20,946	36,595
Ending balance	**14,148,129**	**$9,875,791**

The Company capitalizes all costs incurred related to the development of its Oil Sands Project. The Company capitalized $935,636 in Oil Sands Project development costs during the first quarter of fiscal 2007, compared with $661,261 in the comparable quarter in fiscal 2006.

During the fourth quarter of fiscal 2005, the Company invested in the construction of bulk sample plant which was a portable wet plant directly connected to the oil sands tailings pipeline onsite in Fort McMurray. This Bulk Sample Plant marked the first use of live tailings feedstock. Previous processing had utilized beach sands that had been deposited in the tailings pond area.

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Based on the results from this bulk sample plant, the Company's engineering team redesigned the process flow sheet and the Company's strategic plan was modified to focus the first phase of development on the production of zircon, followed by an expansion phase to produce titanium products. As a result, during fiscal 2006 the Company invested in the construction and operation of the 2006 Pilot Plant. The 2006 Pilot Plant was successfully commissioned during the first quarter of fiscal 2007 and provided the Company the ability to recover hydrocarbons associated with the concentration and recovery of heavy minerals. During the first quarter, processed material from the 2006 Pilot Plant was shipped to the Company's Regina development facility for further separation processing and analysis.

Stock based compensation capitalized to the Oil Sands Project for first quarter of fiscal 2007 increased to $65,894 compared to $62,638 during the comparable quarter in fiscal 2006.

Summary of Quarterly Results

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

	Q1 Nov 30, 2006	Q4 Aug, 31, 2006	Q3 May 31, 2006	Q2 Feb 28, 2006
Statement of Loss				
Net loss	$614,964	$746,293	$786,375	$987,438
Basic and diluted loss per share	0.01	0.02	0.01	0.02
Balance Sheet				
Working capital	$21,423,343	$22,524,604	$24,479,995	$25,082,720
Total assets	$36,264,506	$36,863,876	$36,696,565	$36,358,235
Statement of Cashflow				
Cashflow from financing activities	$4,000	$-	$738,251	$1,587,973

	Q1 Nov 30, 2005	Q4 Aug, 31, 2005	Q3 May 31, 2005	Q2 Feb 28, 2005
Statement of Loss				
Net loss	$657,686	$1,010,110	$5,759,817	$790,669
Basic and diluted loss per share	0.01	0.01	0.14	0.02
Balance Sheet				
Working capital	$24,949,874	$26,016,806	$1,466,735	$1,929,553
Total assets	$35,480,130	$36,013,588	$10,355,150	$15,093,129
Statement of Cashflow				
Cashflow from financing activities	$-	$25,964,841	$604,000	$1,593,982

Losses in fiscal 2006 were partially offset by increased interest income earned in fiscal 2006 compared to fiscal 2005 as a result of higher average cash balances in fiscal 2006.

For the fourth quarter of fiscal 2006, the Company incurred a smaller loss compared to the loss in the year-earlier quarter. The Company earned $239,000 interest in the fourth quarter of fiscal 2006 compared to $12,000 in the comparable previous year quarter.

The third quarter of fiscal 2005 showed a large loss primarily related to the write-off of the Company's Nova Scotia exploration properties and related plant and equipment of $5,020,172.

The second quarter of fiscal 2006 shows relatively higher losses than other periods due substantially to higher stock based compensation expenses and bonuses paid to two senior officers.

Other fluctuations in the Company's expenditures reflect increases in administrative costs and professional fees associated with seasonal corporate filing and regulatory activities. Specifically, the increased costs related to the preparation of year end audit files and annual meeting materials, as well as the impact of year end audit adjustments to the financial statements.

Liquidity and Capital Resources

In management's view, the most meaningful information concerning the Company relates to its current liquidity given that, currently, it is not generating any income from its Oil Sands Project. 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. The Company's only sources of liquidity until the Oil Sands Project reaches commercial production and profitability are current cash balances, issue of equity capital, exercise of warrants and stock options outstanding, incurring project financing and entering into joint ventures. The Company is in a strong financial position through the feasibility stage of project development with $21,969,275 in cash and short term investments at November 30, 2006. To complete the development to commercial production, the Company will need to obtain external financing. The ability to develop the Oil Sands Project is dependent on the Company's ability to raise the necessary financing to build the required plant and infrastructure through debt or equity issues or other strategic alternatives. Management remains confident that necessary funds will be available at reasonable commercial terms.

The Company had a net working capital balance of $21,423,343 as at November 30, 2006 compared to $22,524,604 at August 31, 2006. The Company's working capital could be increased if warrants currently outstanding that expire in August 2007 are exercised. If the warrants are exercised in full (as described in the table below) it would add $35.7 million to the Company's cash balances.

	Number	Exercise Price	Amount	Expiry Date
Broker Warrants*	557,100	$2.25	$ 1,253,475	August 2007
Warrants*	10,611,112	3.25	34,486,114	August 2007
Total	11,168,212		$ 35,739,589	

**Issued as part of the August 2005 private placement financing.*

The Company's primary assets at November 30, 2006 were cash and short term investments totaling $22.0 million ($25.4 million – November 30, 2005) and development costs for its Oil Sands Project of $14.1 million ($9.9 million – November 30, 2005).

Off-Balance Sheet Arrangements

The Company has not entered into any off-balance sheet transactions.

Transactions with Related Parties

Auxilium Corporation (“Auxilium”)

In February 2005 the Company entered into an agreement with Auxilium to provide the services of Scott Nelson, a director and the President and Chief Executive Officer of the Company. The agreement is for a term of 3 years, commencing February 23, 2005, during which time Auxilium will be paid $275,000 per year plus a $12,000 vehicle allowance and provides for up to a 50% annual bonus related to certain performance criteria. Auxilium is a corporation controlled by Scott Nelson. The Company was charged $71,750 (2005 - $71,750) for the three months ended November 30, 2006 by Auxilium.

Harbour Capital Corporation (“Harbour”)

Under the terms of a consulting agreement renewed on September 1, 2006, $25,000 (2005 - $50,000) was paid to Harbour, a company controlled by George Elliott, a director of the Company, to provide the services of Executive Chairman. This renewed consulting agreement is for a term of 12 months, commencing September 1, 2006, during which time Harbour will be paid $100,000 per year.

These related party transactions were in the normal course of operations and were measured at the exchange amounts.

Critical Accounting Estimates

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. These criteria include having a clearly defined process with identifiable associated costs, establishment of technical feasibility, an intention to process and sell the recovered minerals to a clearly defined market, and adequate resources exist or are expected to be available to complete the project to commercial production.

Stock-based Compensation

The Company accounts for all employee and non-employee stock-based awards 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 required 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.

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 the Company. This discussion, by its nature, is not all-inclusive. Other factors may affect the Company in the future.

In general, development projects have no operating history upon which to base estimates of future cash capital and operating costs. For development projects such as the Oil Sands Project, estimates of tailings supply are, to a large extent, based upon the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies. This information is used to calculate estimates of the capital cost, cash operating costs based upon anticipated tonnage and grades to be processed, expected recovery rates, facility and equipment operating costs, anticipated climatic conditions and other factors. In addition, there remains to be undertaken certain work on the Oil Sands Project that could adversely impact estimates of capital and operating costs of the project and such differences could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

There can be no assurance that the Company will be able to complete development of the Oil Sands Projects at all or on time or to budget due to, among other things, changes in the economics of the project, the delivery and installation of plant and equipment and cost overruns, or that the current personnel, systems, procedures and controls will be adequate to support the Company's operations. Should any of these events occur, it would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Potential customers for heavy mineral products have unique manufacturing processes that utilize feedstock with specific characteristics. The oil sands have more impurities and on average have a slightly finer grain size than typical beach mineral sand deposits. There is also a larger than normal variance of the heavy minerals. These factors present additional challenges to the efficient processing of the heavy mineral concentrate. The critical steps required to create marketable-grade titanium dioxide and zircon from the oil sands include making a heavy mineral concentrate from the tailings and removal of the remaining hydrocarbons from the concentrate. There is no assurance that the Company will overcome such challenges on a commercial scale and that its products will meet certain of the customers' specifications.

The development of the Oil Sands Project and the construction of processing facilities and commencement of commercial production will require substantial additional financing. Failure to obtain sufficient financing will result in a delay or indefinite postponement of further development and commercial production. The only sources of funds currently available to the Company are through the issue of equity capital, the entering into of joint ventures or incurring project financing. Additional financing may not be available when needed or if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders.

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

While the Exclusivity Agreement with Syncrude was renewed in July 2006, the Company may not be able to negotiate fair commercial arrangements with Syncrude, and in such event, the Company may not be able to secure new customers and/or new suppliers of tailings.

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 or is in the process of filing patent applications in the United States and Canada with respect to its technology for recovering heavy 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's business is dependent on retaining the services of a small number of key personnel of the appropriate caliber as the business develops. The Company has entered into employment agreements with certain of its key executives. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of the directors and senior management and the loss of one or more could have a materially adverse effect on the Company.

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 and zircon processing technology at a commercial scale. Accordingly, it cannot describe processing efficiencies and costs associated with its titanium and zircon 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.

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 annual 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.

Outstanding Share Data

Outstanding Common Shares	**Number**
Balance, August 31, 2006	55,670,651
Shares issued on the exercise of stock options	2,500
Balance November 30, 2006	55,673,151
Shares issued on the exercise of stock options	400,000
Balance January 19, 2007	56,073,151

Warrants	**Number**	**Exercise Price ($)**	**Expiry Date**
Warrants	10,611,112	3.25	August 2007
Broker warrants	557,100	2.25	August 2007
Balance at November 30, 2006 and January 19, 2007	11,168,212		

Stock Options	**Number**	**Weighted Average Exercise Price ($)**
Balance August 31, 2006	2,959,500	2.68
Options granted	425,000	1.98
Options exercised	(2,500)	1.60
Balance November 30, 2006	3,382,000	2.59
Options granted	75,000	2.75
Options exercised	(400,000)	2.12
Balance January 19, 2007	3,057,000	

Disclosure Controls and Procedures

As at the end of the period covered by this MD&A, management of the Company, with the participation of the Chief Executive Officer and the Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer have concluded that the disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the Company's quarterly and annual filings and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws and that material information is accumulated and communicated to management of the Company, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

The Chief Executive Officer, the Chief Financial Officer and the management of the Company have designed and implemented internal controls over financial reporting, or caused them to be designed under supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. In designing the internal control over financial reporting it has been taken into consideration the size of the Company, its business environment and the complexity of its operations. Based on an evaluation of internal controls over financial reporting, the Chief Executive Officer and the Chief Financial Officer have concluded that the internal controls over financial reporting provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

Additional Information

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