TITANIUM CORPORATION

TITANIUM CORPORATION INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE NINE MONTH PERIOD ENDED MAY 31, 2008

This Management Discussion and Analysis or "MD&A" should be read in conjunction with the unaudited financial statements of Titanium Corporation Inc. ("Titanium" or the "Company") for the nine month period ended May 31, 2008 and the annual audited financial statements for the year-ended August 31, 2007. This MD&A has been prepared for the three and nine month period ended May 31, 2008, and includes material information available up to July 23, 2008.

The Company's financial statements are prepared in accordance with accounting principles generally accepted in Canada, or Canadian GAAP. All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified. The Company's public filings, including its most recent annual audited financial statements at August 31, 2007 can be reviewed via the SEDAR website at www.sedar.com or the Company's website at www.titaniumcorporation.com.

Highlights

- Awarded grant of $3.5 million from the Government of Alberta which will be matched by the Company over a two year period to complete additional research on the recovery of hydrocarbons and heavy minerals;

- Established advisory committee consisting of Government, research and industry representatives to oversee the expenditure process related to the grant from the Province of Alberta;

- Launched new and enhanced research programs and commissioned independent research firms with the necessary expertise to help us expedite the solutions for the removal and recovery of bitumen;

- Appointed oil sands expert, Dr. Kevin Moran, Vice President, Process Development to lead bitumen recovery programs;
- Appointed Mr. Moss Kadey, a significant shareholder, to the Board of Directors of the Company.

Corporate Profile

The Company is a development stage company and 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. At July 23, 2008, there were 56,309,317 common shares outstanding.

The Company's Head Office is located in Toronto, Canada and its research facilities are in Regina, Saskatchewan. In addition, the Company has on-site pilot facilities which are located in Fort McMurray, Alberta.

Overview

The Company is developing technology and processes to recover heavy minerals, specifically titanium and zircon, and bitumen contained in the froth treatment tailings streams of oil sands mining extraction operations (the “Oil Sands Project”). The Company's Oil Sands Project represents an attractive economic opportunity for the recovery of heavy minerals and bitumen from tailings while at the same time offering solutions for improved environmental performance in oil sands operations. This industry's growing environmental awareness calls for solutions that address air emissions, water use and treatment, waste management, land reclamation and maximized use of non-renewable resources. It is estimated that in excess of 10 million barrels per year of unrecovered bitumen is currently discharged into tailings areas from froth tailings streams. With the rapid growth of the industry, these bitumen losses could increase to 30 million barrels per year over the next decade. Recovering a meaningful portion of this lost bitumen, together with heavy minerals, represents a very large opportunity to create value for shareholders and environmental improvements by processing this waste.

The Company has been conducting a series of research and development ("R&D") programs on-site and at its Regina facility to develop technology to process oil sands tailings directly from the pipeline. Analysis to date has shown that the removal and recovery of bitumen is necessary in order to effectively recover heavy minerals. The technical and economic success of the project relies on the integrated recovery of both heavy minerals and a portion of the bitumen currently lost to tailings.

Since commencing its research and pilot programs, the Company has made significant progress in a number of important areas including:

- Tapped into an oil sands froth tailings stream and extracted a concentrate of heavy minerals and bitumen;
- Characterized the heavy minerals and residual bitumen contained in the oil sands froth tailings streams;
- Identified and characterized the environmental performance benefits of recovering the hydrocarbons, and
- Formulated research programs to significantly improve the environmental performance and recovery of valuable resources from oil sands tailings waste streams.

Management Appointment

On July 7, 2008 Titanium announced that Dr. Kevin Moran had joined the Company as Vice President, Process Development. Dr. Moran recently managed research and pilot programs in oil sands bitumen extraction and froth treatment technologies for Syncrude Canada Ltd. Dr. Moran brings an extensive oil sands background to the management team, and is a recognized leader of bitumen extraction and recovery technologies. His mandate is to lead and accelerate bitumen recovery programs through the current R&D phases, field pilot testing and commercial feasibility to full scale operations.

Director Appointment

On July 23, 2008 the Company announced the appointment of Mr. Moss Kadey as a Director of the Company. Mr. Kadey is President and CEO of Mossco Capital Inc., a private venture capital and real estate investment company. Mr. Kadey has also been a long standing shareholder of the Company holding approximately 9.9% of the issued and outstanding shares.

Third Quarter Update

The Company has marshaled strong technical expertise, test facilities, financial resources and stakeholder support to address its oil sands research focus. As a significant signal of the Company's unique capabilities in this field, in March 2008, the Government of Alberta awarded the Company an Energy Innovation Fund Grant of $3.5 million (which will be matched by the Company) for a 24 month, $7 million R&D program directed toward achieving environmental and economic benefits from the recovery of hydrocarbons and heavy minerals from oil sands tailings. The research and development activities discussed below are being conducted under the Grant program.

The Company has focused its resources on two primary challenges in order to transition from the technology development phase to delivery of an industry-wide commercial solution. The first involves the removal of residual bitumen from the heavy minerals recovered from the tailings. The second is the recovery of marketable quality bitumen.

The Company has launched phased research programs in these two primary areas, both internally and with external research firms. The objective of this initial laboratory scale work is to identify the most prospective laboratory-based solutions and expeditiously move them forward to the pilot plant field testing stage. To enable the transition from laboratory to field testing, the Company has a portable pilot plant located in Fort McMurray which would provide a base for modifications and field testing.

The following is an update of progress during the quarter in the various research program areas:

- At its Regina Facility, the Company's technical team made progress with on-going work to remediate heavy minerals concentrate. A large number of extractions were performed using various oils and surfactants. Improved analytical methods and technologies were developed to re-examine the most promising extraction methods. The treated heavy mineral concentrates are now being processed to assess the impact on downstream recoveries in the minerals separation process.

- The Company has finalized new research programs with a US based research organization involving work at two independent firms. The first phase of the work commenced in May and is scheduled for completion at the end of the fourth quarter.
- The Company's Regina technical team is working closely with the Saskatchewan Research Council (SRC). SRC has been commissioned to conduct solvent screening tests, develop a laboratory scale processing unit and a process model to evaluate process efficiency. The program commenced in July and is scheduled for completion in December.
- Dr. Kevin Moran is leading new programs aimed at testing the most effective technologies for recovering bitumen from tailings streams and determining where recovered bitumen would be most practically utilized. The programs will involve internal resources and the engagement of external research firms and are expected to be underway by October, 2008.
- The Company continued the ongoing evaluation of new technologies to improve the recovery and quality of heavy minerals working with external minerals engineering and minerals separation technology firms.
- The Company had an Exclusivity Agreement with Syncrude Canada Ltd. which expired on May 16, 2008. In conducting the next phase of its research and development programs, the Company will be collaborating with independent research organizations, government agencies and the oil sands industry with a view to developing an industry-wide solution. Accordingly, the Company did not seek to renew the Exclusivity Agreement. The Company intends to continue testing of tailings and associated research programs in cooperation with its research partners and the industry.

Market Trends

Market conditions, prices and prospects for heavy minerals remained steady during the third quarter the first nine months of fiscal 2008. Demand and prices for zircon remained strong worldwide, particularly in China. Titanium mineral markets continued to be well supplied putting pressure on pricing. World oil prices and the value of bitumen have increased significantly to record levels over the same period. Accordingly, the

Company will continue to give priority to the development of the recovery of zircon and bitumen.

Summary of Financial Results for Three and Nine Month Periods Ended May 31, 2008

For the three month period ended May 31, 2008, the Company incurred a net loss of $856,301 or $0.03 per share, compared to a net loss of $428,331 or $0.01 per share for the comparable period of fiscal 2007. For the nine months ended May 31, 2008 the net loss was $2,758,815 or $0.05 per share, compared with a net loss of $1,952,067 ($0.03 per share) for the same period of 2007. The increase in the net loss for both the third quarter and first nine months of fiscal 2008 compared to the similar 2007 periods was primarily due to an increase in professional fees, research and development expenses and certain administrative costs. These increases were offset by reduced stock compensation and consulting expenses in the quarter compared to the same period of fiscal 2007. All of these variances are discussed later in this MD & A.

In the third quarter and first nine months of fiscal 2008, the Company capitalized $144,614 and $419,373 respectively, of expenditures incurred at the Company's Regina facilities related to the development of the Oil Sands Project. In addition, the Company incurred research and development costs in the third quarter and first nine months of fiscal 2008 of $204,938 and $729,459 respectively which did not meet the criteria for deferral. In order to be deferred, the costs incurred must relate directly to the development of the Oil Sands Project. Other costs incurred at the Company's research facilities in Regina are expensed as incurred (see Research and Development Expenses and Oil Sands Project).

During the three and nine month periods ended May 31, 2008, and since inception, the Company did not generate any operating revenue as it is in the development stage.

Expenses

Corporate General and Administrative Costs

	Three months ended		Nine months ended	
	May 31, 2008	**May 31, 2007**	**May 31, 2008**	**May 31, 2007**
Administration and compensation	$325,080	$218,142	$955,386	$884,955
Directors' fees	53,167	38,875	144,630	126,375
Insurance	34,284	33,320	99,598	102,219
Loss (gain) on foreign exchange	(2,461)	23,572	18,670	21,653
Professional fees	112,940	17,888	412,443	176,289
Shareholders' communication and filing fees	30,477	51,348	257,979	258,968
Travel and promotion	64,597	46,499	204,694	231,055
TOTAL	**$618,084**	**$429,644**	**$2,093,400**	**$1,801,514**

Costs as outlined above increased in the third quarter and the first nine months of fiscal 2008 compared to the same periods of fiscal 2007. The increase in professional fees in the third quarter of 2008 of $95,052 ($236,154 for the first nine months) relates primarily to higher legal and recruitment fees and costs related to the completion of the strategic planning process in the spring of 2008.

Stock-based Compensation

In the third quarter and first nine months of fiscal 2008 the cost of stock-based compensation declined compared to the same periods of 2007 as the value of options that vested in the period declined.

Research and Development Expense

Certain costs incurred by the Company on bitumen recovery and heavy mineral extraction at the Regina facility have been treated as Research and Development costs and expensed in the third quarter and first nine months of fiscal 2008. In the comparable period of 2007, costs incurred at the facility, primarily related to heavy minerals recovery were deferred. The Research and Development expense in 2008 reflects the focus of the Company on the research aspects related to bitumen recovery. No research activities were undertaken in 2007.

The following table summarizes research and development costs which were expensed in the periods noted:

	Three months ended		**Nine months ended**	
	May 31, 2008	**May 31, 2007**	**May 31, 2008**	**May 31, 2007**
Salaries	$97,654	-	$359,073	-
Consulting	12,872	-	160,929	-
Administration	23,654	-	78,707	-
Other	70,758	-	130,750	-
TOTAL	**$204,938**	**-**	**$729,459**	**-**

Salary costs declined in the third quarter of 2008 compared to the second quarter and were closer to the level of the first quarter as staff bonuses were incurred in the second quarter. Other costs incurred in 2008, principally for third party research work, were higher in the third quarter, which is consistent with the increased focus on research currently in progress. All other research and development expenditures incurred in the third quarter did not vary materially from the level of expenditure incurred in the first or second quarter of the year.

Interest income

Interest income reflects earnings on the Company's cash balances. The Company's short-term investments are principally bankers' acceptances.

Oil Sands Project

The Company capitalizes all direct costs of the Oil Sands Project which meet the generally accepted criteria for deferral (see Critical Accounting Estimates). Other costs which do not meet the criteria for deferral, but are incurred as part of the Company's research program, are expensed.

Costs which were capitalized in the third quarter and first nine months of fiscal 2008 amounted to $144,614 and $419,373 respectively, which compares to $350,141 and $1,724,297 for the comparable periods of fiscal 2007, as summarized below.

The following is a summary of Oil Sands Project capitalized expenditures:

	Three Months Ended		**Nine Months Ended**	
	May 31, 2008	**May 31, 2007**	**May 31, 2008**	**May 31, 2007**
Beginning Balance	**$15,098,705**	**$14,586,649**	**$14,823,946**	**$13,212,493**
Engineering and consulting fees	$ 10,464	$ 100,610	$ 10,464	$ 435,610
Stock option compensation charge	13,013	44,748	26,296	163,848
Building	-	-	-	14,844
Maintenance	-	654	-	7,911
Salaries	41,730	50,535	165,289	341,609
Equipment	-	58,853	-	294,869
Travel	-	11,810	25,705	64,804
General and administrative	-	15,760	-	96,597
Regina facility rent	13,528	21,863	61,808	119,174
Sampling and assays	65,879	38,463	105,295	144,966
Transport-feedstock, samples, tailings	-	6,845	24,516	40,065
Ending Balance	**$15,243,319**	**$14,936,790**	**$15,243,319**	**$14,936,790**

Summary of Quarterly Results

The following are the highlights of financial data on the Company for the most recently completed eight quarters.

	Q3 May 31, 2008	Q2 Feb. 29, 2008	Q1 Nov. 30, 2007	Q4 Aug. 31, 2007
Statement of Loss				
Net loss	$856,301	$1,152,544	$749,970	$1.048,091
Basic and diluted loss per share	$0.03	$0.02	$0.01	$0.01
Balance Sheet				
Working capital	$21,503,428 (1)	$18,775,700	$19,620,555	$20,325,611
Total assets	$37,156,772	$34,496,291	$35,084,012	$35,545,956

(1) Includes $3.5M of restricted cash

	Q3 May 31, 2007	Q2 Feb.28, 2007	Q1 Nov. 30, 2006	Q4 Aug. 31, 2006
Statement of Loss				
Net loss Basis and diluted loss per share	$428,331 $0.01	$908,772 $0.02	$614,964 $0.01	$746,293 $0.02
Balance Sheet				
Working capital	$21,020,898	$21,536,736	$21,423,343	$22,524,604
Total assets	$36,205,660	$36,552,213	$36,264,506	$36,863,876

Liquidity and Capital Resources

In management's view, the most meaningful financial 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 plans for the continued research and development and eventual commercialization of the Oil Sands Project. The Company's sources of liquidity until the Oil Sands Project reaches commercial production and profitability are current cash balances, Government Grants, issue of equity capital, exercise of stock options, project financing and entering into joint ventures. The Company is in a strong financial position with $18,173,819 in unrestricted cash and short-term investments at May 31, 2008 ($21,051,793 at May 31, 2007and $20,547,208 at August 31, 2007). 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.

The Company had a net working capital balance of $21,503,428 at May 31, 2008, including $3,500,000 of restricted cash. This compares to $21,020,898 at May 31, 2007 and $ 20,325,611 at August 31, 2007. On the basis of the Operating Plan and Budget that was prepared by Management for fiscal 2008, the Company has sufficient funds to meet its current obligations.

Off-Balance Sheet Arrangements

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

Outstanding Share Data

The following table summarizes the changes in the common shares for the nine month period ended May 31, 2008:

	Common Shares	**$**
Balance August 31, 2007	56,207,651	$47,968,417
Shares issued on exercise of options	101,666	$203,699
Reallocation from contributed surplus relating to the exercise of stock options	-	$128,775
Balance May 31, 2008 and July 23, 2008	56,309,317	$48,300,891

Options to Purchase Common Shares

The following table summarizes the changes in options to purchase common shares for the nine month period ended May 31, 2008.

	Options	Exercise Price	Expiry Dates
Balance Aug 31, 2007	2,430,000	$1.85 - $3.86	Nov. 2007 –Dec. 2011
Granted	1,300,000	$2.00 & $2.25	Nov. & Dec. 2012
Exercised	(101,666)	$1.98 - $2.02	-
Cancelled/Expired	(548,334)	$1.97 - $3.86	-
Balance May 31, 2008	3,080,000	$1.85 – $3.86	Jan. 2009 –Feb.2013
Issued June 30, 2008	100,000	$1.16	June, 2013
Issued July 22, 2008	75,000	$0.70	July, 2013
Balance July 23, 2008	3,255,000	$0.70 - $3.86	Jan. 2009 –July 2013

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.

Other costs that are incurred in connection with the Oil Sands Project that do not meet the criterion for deferral are expensed in the period in which they are incurred.

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.

The nature of developing appropriate new technologies contains inherent risks and there can be no assurance that these technologies will be successful. The inability to develop commercially viable technologies to successfully recover bitumen and minerals from oil sands tailings could have a material adverse effect on the Company's future business and financial performance.

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 zircon and titanium mineral products from the oil sands include making a heavy mineral concentrate from the tailings and removal of the remaining hydrocarbons from the concentrate. Once removed, the hydrocarbons together with the solvents added to aid removal, must be recovered. 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 sources of funds currently available to the Company are through the issue of equity capital, the entering into of joint ventures, project financing or government funding. 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 continues to develop and test processes for cleaning and extracting concentrates from oil sands tailings and recovering the associated hydrocarbons. Unforeseen difficulties with scale-up to commercial scale, unexpected utility costs, natural gas costs, labour costs or shortages, engineering costs and related industrial process risks could negatively impact the viability of the project.

The Company may not be able to negotiate fair commercial arrangements with oil sands operators, and in such event, the Company may not be able to secure supplies of tailings.

The Company has necessarily relied on the 1996 study by the Alberta Chamber of Resources (Mineral Development Agreement Study) and oil sands' 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 calibre 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 heavy minerals processing technology at a commercial scale nor recovered hydrocarbons that are integral to the recovery of the minerals. 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.

Compliance

In May 2005, the Company filed an independent study, the Whitcomb Report, with respect to its Oil Sands Project. This study was prepared over three years ago and should no longer be relied upon as circumstances surrounding the project have changed. As previously described, the Company's Oil Sands Project has evolved to an integrated approach to the recovery of bitumen and minerals from oil sands tailings.

Mr. Neil Dawson, Principal of Titanatek (Pty) Ltd. of Australia, and a registered member of AusIMM is the independent consultant who acts as the Qualified Person ("QP") for the Company on its Oil Sands Project.

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, marketable securities, prepaid expenses, accounts payable and accruals. The designation of the financial instruments, where relevant, is fully disclosed in the Company's financial statements. It is management's opinion that the Company is not exposed to significant interest, currency, liquidity or credit risks arising from its financial instruments and that their fair values approximated their carrying values unless otherwise noted.

Disclosure Controls and Procedures and Internal Control over Financial Reporting

On November 23, 2007 the Canadian Securities Administrators (the CSA) issued CSA Notice 52-319 (the Notice) - "Status of Proposed Repeal and Replacement of Multilateral Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings". The Notice indicated that an amended version of MI 52-109 would be published and the proposed implementation date of June 30, 2008 would not be met.

The Notice also indicated that the amended MI 52 -109 would not require the CEO and the CFO of a Venture Issuer to certify that they have designed and evaluated the effectiveness of disclosure controls and procedures and internal control over financial reporting. In addition, the Notice included revised wording for interim and annual certificates. Titanium will file these revised certificates for the quarter ended May 31, 2008.

Titanium has developed procedures to evaluate the effectiveness of disclosure controls. In addition, Titanium has designed and implemented internal controls over financial reporting to provide reasonable assurance concerning the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. This work was completed in the second quarter of fiscal 2008, and based on this work the CEO and the CFO have concluded that internal controls over financial reporting provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements as previously discussed.
For future reporting, there will be no need for Titanium to comment on these controls in the certificates that are filed. However, the Company intends to continue to review its disclosure controls and internal controls over financial reporting on an annual basis.

Outlook
The oil sands sector in Canada is growing rapidly through expansions of existing operations and a number of new projects under development with an increased focus on sustainable development. The Company views the oil sands in Alberta as a large and growing opportunity. Sustainable development requires superior performance in environmental, social and economic areas.

The recovery of a portion of the bitumen currently lost in froth treatment tailings streams represents an expanded opportunity with the potential for general environmental and economic benefits. The expectation of continuing high oil prices and heightened environmental concerns has resulted in an increased focus by the public, government and industry on new technologies and processes that address these issues. In management’s view, the potential market for tailings processing is substantial with three large mining oil sands sites currently in operation, one to be commissioned during 2008 and several others planned for the ensuing years.

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 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, titanium and crude oil; 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 particularly the removal and recovery of bitumen; requirement for additional funding; development timelines; expected capital expenditures; and Titanium's expected future production and cash flows. Additional information about certain risks and uncertainties that Titanium faces is outlined under the heading "Risks" in this MD&A.

Additional Information

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