

**Titan Uranium Inc.**  
(a development stage company)

Unaudited Financial Statements  
November 30, 2007 and 2006

Prepared by Management

**Titan Uranium Inc.**  
**(a development stage company)**

**UNAUDITED INTERIM FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the unaudited financial statements for the period ended November 30, 2007.

**Titan Uranium Inc.**  
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**BALANCE SHEETS**

	Nov 30 2007 (unaudited) \$	Aug 31 2007 (audited) \$
<b>ASSETS</b>		
Cash and cash equivalents	12,166,364	12,746,724
Accounts receivable	2,047,508	4,035,271
Prepaid expenses	68,859	64,657
<b>Total current assets</b>	<b>14,282,731</b>	16,846,652
Property and equipment	132,892	136,181
Resource properties [note 3]	63,780,691	61,742,505
Reclamation deposit	35,000	35,000
<b>Total assets</b>	<b>78,231,314</b>	78,760,338
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Accounts payable and accrued liabilities	753,934	974,165
Future income tax liabilities	15,534,000	15,534,000
Commitments [note 7]		
Share capital [note 5]	60,111,550	60,094,163
Contributed surplus [note 6]	13,806,515	13,736,148
Deficit	(11,974,685)	(11,578,138)
<b>Total shareholders' equity</b>	<b>61,943,380</b>	62,252,173
<b>Total liabilities and shareholders' equity</b>	<b>78,231,314</b>	78,760,338

See accompanying notes

On behalf of the Board:

***“David D’Onofrio”***

David D’Onofrio  
Director

***“Philip Olson”***

Philip Olson  
Director

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**STATEMENTS OF OPERATION AND DEFICIT**

For the three months ended November 30

	2007 (unaudited) \$	2006 (unaudited) \$
<b>REVENUE</b>		
Interest income	<b>111,828</b>	90,523
<b>EXPENSES</b>		
Corporate development	<b>201,878</b>	264,645
Administration	<b>173,330</b>	183,317
Stock-based compensation [note 6]	<b>77,195</b>	399,287
Consulting & professional fees	<b>38,519</b>	94,603
Amortization	<b>17,453</b>	13,829
<b>Total expenses</b>	<b>508,375</b>	955,681
<b>Loss</b>	<b>(396,547)</b>	(865,158)
Deficit, beginning of period	<b>(11,578,138)</b>	(4,270,452)
<b>Deficit, end of year</b>	<b>(11,974,685)</b>	(5,135,610)
Loss per share – basic and diluted	<b>(0.01)</b>	(0.03)
Weighted average number of common shares outstanding - basic and diluted	<b>52,832,258</b>	28,065,970

See accompanying notes

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**STATEMENTS OF CASH FLOWS**

For the three months ended November 30

	2007 (unaudited) \$	2006 (unaudited) \$
<b>OPERATING ACTIVITIES</b>		
Loss for the year	(396,547)	(865,158)
Adjustment for item not involving cash:		
Amortization	17,453	13,829
Stock based compensation	77,195	399,287
	(301,899)	(452,042)
Net change in non-cash working capital items:		
Restricted cash	—	(1,320)
Accounts receivable	1,987,763	(103,794)
Prepaid expenses	(4,202)	145,699
Accounts payable and accrued liabilities	(220,231)	(559,770)
<b>Cash provided by (used in) operating activities</b>	<b>1,461,431</b>	<b>(971,227)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of common shares, net of issuance costs	10,560	1,844,478
<b>Cash provided by financing activities</b>	<b>10,560</b>	<b>1,844,478</b>
<b>INVESTING ACTIVITIES</b>		
Investment in resource properties	(2,038,187)	(1,071,215)
Purchase of equipment	(14,164)	(53,488)
<b>Cash used in investing activities</b>	<b>(2,052,351)</b>	<b>(1,124,703)</b>
<b>Decrease in cash and cash equivalents</b>	<b>(580,360)</b>	<b>(251,452)</b>
Cash and cash equivalents, beginning of year	12,746,724	10,181,515
<b>Cash and cash equivalents, end of year</b>	<b>12,166,364</b>	<b>9,930,063</b>

See accompanying notes

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**Notes to the Financial Statements**  
**November 30, 2007 (unaudited)**

**1. NATURE OF BUSINESS**

Titan Uranium Inc. (“the Company”) is engaged in the exploration for and development of uranium properties in Canada’s Athabasca and Thelon basins. To date, the Company has not earned significant revenue and is therefore considered to be a development stage company.

These financial statements are prepared on the assumption that the Company will continue as a going concern and realize its assets and discharge its liabilities in the normal course of business. The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain economically recoverable mineral reserves. The recoverability of amounts shown for resource properties is dependent upon the discovery of economically recoverable mineral reserves and the ability of the Company to obtain the financing necessary to complete exploration and development and the success of future operations.

**2. SIGNIFICANT ACCOUNTING POLICIES**

These unaudited financial statements have been prepared in accordance with Canadian generally accepted accounting principles and follow the same accounting principles and methods of application as the most recent annual audited consolidated financial statements. These consolidated financial statements should be read in conjunction with the Company’s annual audited consolidated financial statements filed on SEDAR.

**3. RESOURCE PROPERTIES**

	<b>Acquisition Costs \$</b>	<b>Deferred Exploration \$</b>	<b>Total \$</b>
<b>November 30, 2007</b>			
Thelon, Nunavut	89,347	2,150,688	2,240,035
Athabasca, Saskatchewan	51,939,506	9,601,150	61,540,656
	52,028,853	11,751,838	63,780,691
<b>August 31, 2007</b>			
Thelon, Nunavut	89,347	2,150,688	2,240,035
Athabasca, Saskatchewan	51,938,486	7,563,984	59,502,470
	52,027,833	9,714,672	61,742,505

On June 13, 2007 the Company entered into an agreement with Mega Uranium Ltd. (Mega), which is described in the most recent annual audited financial statement.

As at November 30, 2007, \$3,219,969 had been spent on the properties pursuant to the Mega agreement.

On June 18, 2007 the Company entered into an agreement with Ur-Energy Inc. (UR), which is described in the most recent annual audit financial statement.

As of November 30, 2007, \$2,000,000 had been spent on the R-Seven and Rook I properties pursuant to the UR agreement.

#### 4. RELATED PARTIES

The Company has entered into the following transactions with parties not at arm's length to the Company. These transactions have been recorded at the exchange amounts which is the amount agreed to by the transacting parties:

The Company paid or accrued consulting fees totaling \$46,500 [2006 - \$84,480] to directors and officers of the Company or companies controlled by directors and officers of the Company for the period ended November 30, 2007.

#### 5. SHARE CAPITAL

[a] Authorized: Unlimited number of common shares without par value

[b] Issued and fully paid – common shares:

	Shares #	Amount \$	Contributed Surplus \$
Balance, August 31, 2007	52,828,249	60,094,163	13,736,148
Warrants exercised	9,600	17,387	(6,828)
Stock-based compensation			77,195
Balance, November 30, 2007	52,837,849	60,111,550	13,806,515

#### 6. STOCK OPTIONS AND WARRANTS

##### Stock Options

The Company has established a share option plan whereby options may be granted to directors, officers, key employees and consultants up to an aggregate of 10% of the issued and outstanding shares of the Company. Options granted have an exercise price of not less than the Market Price on the date of grant less the applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

There were no options granted or exercised in the period ended November 30, 2007.

Stock-based compensation of \$77,195 was recorded during the period ended November 30, 2007 for previously issued options that vested during the period.

The number of options outstanding and their weighted average exercise price at November 30, 2007 are as follows:

	Number of Options	Weighted Average Price
Balance – August 31, 2007 and November 30, 2007	4,379,250	1.96

The options expire at various times between March 2009 and April 2012.

### **Warrants**

The Company has the following non-publicly traded warrants outstanding which were granted in conjunction with various private placements.

	<b>Number of Warrants</b>	<b>Weighted Average Price</b>
Balance - August 31, 2007	6,127,930	2.43
Exercised	(9,600)	(1.10)
Expired	(145,048)	(1.81)
<b>Balance – November 30, 2007</b>	<b>5,973,282</b>	<b>2.45</b>

These warrants expire at various times between August 2008 and March 2009.

### **7. Commitments**

In accordance with a private placement completed in March 2007, the company will renounce \$9,000,063 of Canadian Exploration Expenditures (“CEE”) on December 31, 2007 resulting in an obligation to spend \$9,000,063 in CEE by December 31, 2008. As at November 30, 2007 \$3,232,874 had been spent pursuant to this obligation leaving a balance of \$5,767,189 to be spent by December 31, 2008.