



January 28th, 2010

Letter to Shareholders

Dear Shareholders:

I am pleased to provide an update on recent developments at Titan Uranium Inc. and to provide a review of milestones achieved over the past year.

Let me begin by stating that Titan has entered 2010 as a stronger, larger and more robust company than it was in 2009. The acquisition of Uranium Power Corp. on July 31, 2009 has positioned Titan amongst a select few in the uranium junior sector with a diversified portfolio of assets in Canada and the U.S.A. and a pipe-line of projects ranging from exploration to development. The business combination doubled the market capitalization of the company, increased the treasury and strengthened the uranium experience of the team. Post-merger integration has been completed and deemed a success.

Titan acquired Uranium One's 50% interest in the Sheep Mountain Project in Wyoming on October 1, 2009. With 100% ownership and control of the project, Titan launched a prefeasibility study on October 15, 2009 which will include:

- Completion of a uranium resource evaluation and modeling of the potential open pit and underground mining areas;
- Development of a preliminary underground mine and reclamation plan;
- Development of an open pit mine and reclamation plan;
- Development of a conceptual plan for heap leach extraction; and
- Completion of a NI 43-101 compliant resource report (update of underground resources and original estimate for open pit).

The Sheep Mountain Project hosts an NI 43-101 compliant Inferred Resource of 15.6 million pounds of eU_3O_8 (4,560,000 tons at an average grade of 0.17% eU_3O_8). The mine is a past-producer of uranium and the prefeasibility study will provide the necessary documentation required to amend the present mine permit.

On the exploration front, most of Titan's \$7M exploration expenditures in 2009 were focused on properties in the Athabasca Basin, Saskatchewan. Approximately \$4.3M in funding for these properties was provided by our strategic partners Japan Oil, Gas and Metals National Corporation (JOGMEC), Vale Exploration Canada Inc. (VEC) and Mega Uranium Ltd. Over 10,000 metres in drilling was completed, as well as several geophysical surveys, to test high-priority targets.

Promising results demonstrated by the presence of uranium anomalies, pathfinder elements and alteration assemblages were intersected in the drill programs; however, no uranium of economic concentration has been found to date. Exploration of unconformity-style uranium deposits is challenging and we continue to advance our projects toward discovery. This is the blue sky potential which upon success has the ability to change the fortunes of the company and its shareholders over night. A new zone of uranium mineralization was discovered on Titan's Green River South Project in Utah. Drill intercepts in this new zone, the Ursa zone, include 3 feet (0.9 metres) averaging 0.276% eU_3O_8 in GRS-1035 and 3.5 feet (1.1 metres) averaging 0.127% eU_3O_8 in GRS-1025.

What can you expect from Titan in 2010? The company enters the New Year with approximately \$6M in the treasury. Our growth strategy has a three-prong approach: exploration, development and consolidation. Development will be led by our flagship Sheep Mountain Project in Wyoming. We anticipate a prefeasibility study to be completed within the first quarter of 2010 at which time we will be in a position to report on the economics of this project. Exploration will focus primarily on properties in Saskatchewan. JOGMEC is committed to continue funding the Border Block Project and Titan will fund exploration programs on selected 100%-owned properties. In terms of consolidation, we will continue to pursue merger and acquisition opportunities where it can be demonstrated that shareholder value can be enhanced through business combinations.

The outlook for the uranium sector is brighter for 2010. Demand is driven by expansion plans for nuclear power plants in China, Russia, India, South Korea, United Arab Emirates and the uranium requirements of operating plants in U.S.A, France, and Japan. New production from Kazakhstan will meet some of the supply shortfall; however, the gap remains between supply and demand. The price of uranium, which has experienced much volatility in 2009, is expected to see upward pressure moving forward.

On behalf of Titan's Board of Directors, Management Team and Staff, I would personally like to thank you for your continued support and interest in the company.

Sincerely,

Brian A. Reilly

President and CEO