TITUS CAPITAL CORP.

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MANAGEMENT DISCUSSION AND ANALYSIS

January 31, 2011

The following discussion and analysis should be read in conjunction with the Company's audited financial statements and the corresponding notes thereto for May 31, 2010. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") and unless otherwise specified, all financial data is presented in Canadian dollars.

1. INCORPORATION AND CONTINUANCE OF OPERATIONS:

The Company was incorporated under the British Columbia Business Corporations Act on February 17, 2010 as Titus Capital Corp. and is classified as a reporting issuer and Capital Pool Company as defined by Policy 2.4 of the TSX Venture Exchange ("the Exchange").

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles applicable to a going concern, which assume that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has no source of operating revenues and its capacity to operate as a going concern in the near-term will likely depend on its ability to continue raising equity financing and to ultimately complete a QT.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or business for future investment, with the exception that up to 30% of the gross proceeds or $210,000, whichever is less, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction ("QT") by the Company as defined under the policies of TSX Venture.

The Company's principal business activity is to identify and evaluate opportunities for an acquisition of an asset, assets or a business that will meet the definition of a QT as defined by the regulatory authorities.

2. QUARTERLY INFORMATION

	30Nov10	31Aug10	31May10
Interest Income	-	-	-
Operating Costs	$(46,508)	$(6,500)	$(5,420)
Net Loss	$(46,508)	$(6,500)	$(5,420)
Total Assets	$282,401	$134,026	$119,580
Total Liabilities	$(NIL)	$(NIL)	$(5,000)
Working Capital	$282,401	$134,026	$114,580

Notes:
- The Company was incorporated February 17, 2010
- Company has no business operations or revenues.
- During the quarters, corporate expenditures were restricted to costs associated with equity financing, administrative costs to maintain the company in good standing and costs to identify and evaluate potential business opportunities.

Second Quarter Results

On November 30, 2010, the Company announced that it had closed its initial public offering of 2,500,000 common shares for gross proceeds of $250,000. Union Securities Ltd. acted as the agent for the Offering and in connection with its services, the Agent received a cash commission of $25,000 and was granted 250,000 non-transferable agent's options. Each Agent's Option entitles the holder to acquire one common share of the Company at a price of $0.10 per common share for a period of 24 months following the date the common shares of the Company are listed on the TSX Venture Exchange.

The Company's common shares commenced trading subsequent to the end of the period on December 7, 2010, under the trading symbol TIS.P Titus is now considered a capital pool company as defined in the policies of the TSX Venture Exchange. The Company has not commenced operations and has no assets other than cash. The Company will use the net proceeds of the initial public offering to identify and evaluate potential Qualifying Transactions, as such term is defined in the policies of the TSX Venture Exchange.

No additional events or items occurred that affected the Company's financial condition, cash flows, or results of operations. Although the Company raised capital during the quarter, the Company may encounter difficulty sourcing future financing in light of the recent economic downturn. Furthermore, this downtown could adversely affect the Company' ability to complete the acquisition of its potential Qualifying Transaction.

As at November 30, 2010, expenses increased as a result of the completion of the Company's IPO and listing. Share capital increased as a result of this offering. In future, the Company expects increased activity in order to identify and acquire a viable Qualifying Transaction.

The accounting principles used to prepare the related financial information are as follows:

a) *Financial statement presentation*

These interim financial statements have been prepared in accordance with Canadian generally accepted accounting principles. The Company applies the same accounting policies and methods for these interim financial statements as those in the audited annual financial statements.

b) *Stock-based compensation*

The Company has a stock option plan and will account for all stock-based compensation arrangements entered into on or after February 17, 2010 using the fair value method, under which compensation expense is recorded based on the estimated fair value of the options as determined at the date of grant.

c) *Loss per share*

Loss per share is calculated using the weighted average number of shares issued and outstanding during the year. The Company uses the treasury stock method for calculating fully diluted per share amounts; however, diluted loss per share has not been presented as the effects of potential issuances of shares under options would be anti-dilutive; therefore, basic and diluted loss per share are the same.

d) *Financial instruments*

All significant financial assets, financial liabilities, and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk, and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise, only available information pertinent to fair value has been disclosed.

e) *Income taxes*

Income taxes are accounted for using the future income tax method. Under this method income taxes are recognized for the estimated income taxes payable for the current year and future income taxes are recognized for temporary differences between the tax and accounting bases of assets and liabilities and for the benefit of losses available to be carried forward for tax purposes that are likely to be realized. Future income tax assets and liabilities are measured using tax rates expected to apply in the years in which the temporary differences are expected to be recovered or settled.

Tax benefits have not been recorded due to uncertainty regarding their utilization.

f) *Share issue costs*

Commissions paid to underwriters, and finder's fees, on the issue of the Company's shares are charged directly to share capital. Other share issue costs, such as legal, auditing, and printing, are charged to deficit.

g) *Estimates*

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

h) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk. The credit risk on cash and cash equivalents is small because the counterparties are highly rated banks.

i) *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are exposed to interest rate risk as the Company invests cash and cash equivalents at floating rates of interest in highly liquid instruments. Fluctuations in interest rates may impact the value of cash and cash equivalents.

j) *Liquidity Risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's accounts payable and accrued liabilities are all current and due within 90 days of the balance sheet date. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash and cash equivalents on hand.

NEWLY ADOPTED ACCOUNTING POLICIES

Financial Instruments

Effective November 1, 2007, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA") relating to financial instruments. These new standards have been adopted on a prospective basis with no restatement to prior period financial statements.

a) *Financial Instruments – Recognition and Measurement*

This standard sets out criteria for the recognition and measurement of financial instruments for fiscal years beginning on or after October 1, 2006. This standard requires all financial instruments within its scope, including derivatives, to be included on a Company's balance sheet and measured either at fair value or, in certain circumstances when fair value may not be considered most relevant, at cost or amortized cost. Changes in fair value are to be recognized in the statements of operations and comprehensive income (loss).

All financial instruments are classified into one of the following five categories: held-for-trading, held-to-maturity, loans and receivables, available-for-sale financial assets, or other financial liabilities. Initial and subsequent measurement and recognition of changes in the value of financial instruments depends on their initial classification:

- Held-to-maturity investments, loans and receivables, and other financial liabilities are initially measured at fair value and subsequently measured at amortized cost.

- Available-for-sale financial assets are measured at fair value. Revaluation gains and losses are included in other comprehensive income (loss) until the asset is removed from the balance sheet.

- Held-for-trading financial instruments are measured at fair value. All gains and losses are included in net income (loss) in the period in which they arise.

- All derivative financial instruments are measured at fair value, even when they are part of a hedging relationship. All gains and losses are included in net income (loss) in the period in which they arise.

In accordance with this new standard, the Company has classified its financial instruments as follows:

Cash – held for trading
Interest receivable – loans and receivables
Short-term investment – held for trading
Accounts payable and accrued liabilities – other financial liability
Due to a director – other financial liability

b) *Comprehensive Income (Loss)*

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events, and circumstances from other than the Company's shareholders. This standard requires certain gains and losses that would otherwise be recorded as part of net income (loss) to be presented in other "comprehensive income (loss)" until it is considered appropriate to recognize into net income (loss). This standard requires the presentation of comprehensive income (loss), and its components in a separate financial statement that is displayed with the same prominence as the other financial statements.

Accordingly, the Company now reports a statement of comprehensive income (loss) and includes the account "accumulated other comprehensive income (loss)" in the shareholders' equity section of the balance sheet.

c) *Hedges*

The new standard specifies the criteria under which hedge accounting can be applied and how hedge accounting can be executed. As at February 27, 2009, the Company had not designated any hedging relationships.

New Accounting Pronouncements

Effective April 1, 2008, the Company adopted CICA Section 1535, "Capital Disclosures", which establishes standards for disclosing information about an entity's capital and how it is managed. It describes the disclosure of the entity's objectives, policies and processes for managing capital as well as summary quantitative data on the elements included in the management of capital. The standard requires disclosure of whether and entity has complied with external capital requirements and if not, the consequences of such non-compliance.

Effective April 1, 2008, the Company adopted CICA Section 3862 "Financial Instruments – Disclosure" and Section 3863 "Financial Instruments - Presentation" which establish standards for the disclosure and presentation of financial instruments and non-financial derivatives to evaluate the significance for the entity's financial position and performance as well as the nature and extent of risks arising from financial instruments to which the entity is exposed and how the entity manages those risks.

Effective April 1, 2008, the Company adopted CICA Section 1400 "General Standards of Financial Statement Presentation". The amendment to the standard requires assessing and disclosing the Company's ability to continue as a going concern.

Accounting Policies Not Yet Adopted

The following pronouncements recently issued by the Canadian Institute of Chartered Accountants ("CICA") may impact the Company's future accounting policies:

(i) CICA Handbook Section 1535 - Capital Disclosures

This standard requires disclosure of an entity's objectives, policies and processes for managing capital, quantitative data about what the entity regards as capital and whether the entity has complied with any capital requirements and, if it has not complied, the consequences of such non-compliance. This standard is effective for the Company for interim and annual periods relating to fiscal years beginning on or after January 1, 2008. The Company is currently evaluating the effects of adopting this standard.

(ii) Financial Instruments - Disclosure (Section 3862) and Presentation (Section 3863)

These standards replace CICA 3861, *Financial Instruments - Disclosure and Presentation.* They increase the disclosures currently required, which will enable users to evaluate the significance of financial instruments for an entity's financial position and performance, including disclosures about fair value. In addition, disclosure is required of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The quantitative disclosures must provide information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel. This standard is effective for the Company for interim and annual periods beginning on or after January 1, 2008. The Company expects that its disclosures will be expanded to incorporate the additional requirements.

(iii) International Financial Reporting Standards ("IFRS")

In February 2008 the Canadian Accounting Standards Board announced 2011 as the changeover date for publicly-listed companies to use IFRS, replacing Canada's own generally accepted accounting principles. The specific implementation is set for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The transition date of January 1, 2011 will require restatement for comparative purposes of amounts reported by the Company for the year ended December 31, 2010. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

3. RESULTS OF OPERATIONS

At November 30, 2010 total assets were $282,401 compared to $119,580 at May 31, 2010.

The Company raised $250,000 during the period ended November 30, 2010. The Company closed its initial public offering of 2,500,000 common shares for gross proceeds of $250,000. Union Securities Ltd. acted as the agent for the Offering and in connection with its services, the Agent received a cash commission of $25,000 and was granted 250,000 non-transferable agent's options. Each Agent's Option entitles the holder to acquire one common share of the Company at a price of $0.10 per common share for a period of 24 months following the date the common shares of the Company are listed on the TSX Venture Exchange.

The Company has no operating revenues. During this period the Company also earned $NIL in interest income compared to $NIL for the previous period.

During the quarter ended November 30, 2010 the Company had a net loss of $46,508 compared to a net loss of $6,500 for the previous quarter ended August 31, 2010. General and administration expenses were $46,508 as compared to $6,500 for the previous quarter. These increases in expenses were as a direct result of increased activity in the Company as related to the completion of the IPO and in the future investigation of a potential Qualifying Transactions.

4. FINANCIAL CONDITION / LIQUIDITY

At November 30, 2010, the Company had cash of $274,719 compared to cash of $109,580 as at May 31, 2010. The Company has no off-balance sheet financing. The Company has no long-term debt. This increase is due to the completion of the initial public offering of the Company and an increase in activity as related to the investigation of the proposed Qualifying Transaction. Share capital also increased as a result.

At this time, the Company has no operating revenues, and does not anticipate any operating revenues until the Company is able to find, acquire, place in production, and operate a resource property. Historically, the Company has raised funds through equity financing to fund its operations.

There is no present market for the Company's securities. Subject to the Company's success in the completion of a QT, the Company may need to raise additional cash for working capital or other expenses. In the interim, the Company will have no revenue other that interest on cash deposits and significant expenses are expected in the identification and acquisition of a qualifying asset. In addition, as a result of the Company's activities, unanticipated problems or expenses could result and require additional capital requirements, subject to TSX Venture Exchange policies and approvals. Although the Company did not raise capital during the most recent quarter or subsequent to the completion of the IPO, it is acknowledged that the Company may encounter difficulty sourcing future financings in light of the recent economic downturn.

The Company has no assets other than cash deposits and has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes the Company has sufficient working capital at this time to meet its current financial obligations.

5. CAPITAL RESOURCES

Pursuant to an agency agreement with Union Securities Ltd. (the "Agent") dated November 5, 2010; the Company filed a prospectus for the issuance of a minimum of 2,000,000 and up to 2,500,000 common shares at $0.10 per share for gross proceeds of a minimum of $200,000 and up to $250,000. The agent will be paid a commission of 10% of the gross proceeds of the offering and a corporate finance fee of $10,000 ($5000 advanced), agent's legal fee of $10,700 ($5000 advanced), reimbursed its expenses incurred and granted an agent's warrant to acquire that number of common shares of the Company as is equal to 10% of the total number of shares sold under the offering at an exercise price of $0.10 per share for a period of 24 months from the date of listing of the common shares on the TSX Venture.

The completion of the Offering was to be dependent upon the issuance by regulatory authorities of a receipt in respect of the Company's prospectus.

The Company completed its initial public offering for 2,500,000 common shares at $0.10 per share for gross proceeds of $250,000. The agent was paid a commission of 10% of the gross proceeds of the offering and a corporate finance fee of $10,000, legal fees of $10,700 and reimbursed its expenses incurred and granted an agent's option to acquire that number of Common Shares of the Company as is equal to 10% of the total number of shares (250,000 options) sold under the offering at an exercise price of $0.10 per share for a period of 24 months from the date of listing of the common Shares on the TSX Venture.

The Company's principal business activity upon the successful completion of the Offering will be to identify and evaluate opportunities for an acquisition of an asset, assets or a business that will meet the definition of a QT as defined by the regulatory authorities.

6. OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

7. OUTSTANDING SHARE DATA

As at February 27, 2009 there were 4,200,000 common shares outstanding. These 2,000,000 shares are held in escrow and will be released pursuant to the Escrow Agreement dated October 23, 2006. There were no shares issued in the 9 month period ended December 31, 2008.

8. TRANSACTIONS WITH RELATED PARTIES

The Company paid a total of $18,000 ($14,000 – 2007) to directors, officers, or companies controlled by directors or officers for management, administrative, and accounting services. These transactions are in the normal course of operations and are measured at the exchange amount established and agreed to by the related parties. These transactions are permissible under with Section 8.2 of TSX Venture Policy 2.4 governing payments by CPC's to related parties.

9. PROPOSED TRANSACTIONS

The Company is continually exploring new acquisitions; however, the Company has no other proposed business or financing transactions other than pursuing the completion of a QT to report at this time.

10. CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There have been no changes in accounting policies since the incorporation of the Company.

11. FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments include cash and cash equivalents, accounts receivable, prepaid expenses, accounts payable and accrued liabilities, loans payable, and an amount due to related party. The carrying value of these financial instruments approximates their fair market value because of the short maturity of these instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency, or credit risks arising from these financial instruments.

12. LEGAL PROCEEDINGS

The Company is not involved in any legal proceedings.

13. DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company's President & Chief Executive Officer (CEO) and Chief Financial Officer (CFO) are responsible for establishing and maintaining disclosure controls and procedures as well as internal controls over financial reporting for the Company.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods designed to ensure that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is accumulated and communicated to management including its certifying officers, as appropriate to allow timely decisions regarding required disclosure. The Company's CEO and CFO have concluded, based on their evaluation as of the end of the year that the disclosure controls and procedures are effective to provide reasonable assurance that material information related to the Company is made known to them by others. It should be noted that while the Company's CEO and CFO believe that the disclosure controls and procedures provide a reasonable level of assurance and that they are effective, they do not expect that the disclosure controls and procedures will prevent all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

Internal Controls over Financial Reporting

The CEO and CFO of the Company are responsible for designing internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP. The Company has assessed the design of the internal control over financial reporting and during this process the Company identified a certain weakness in internal controls over financial reporting which is as follows:

- Due to the limited number of staff, it is not feasible to achieve complete segregation of incompatible duties

The weakness in the Company's internal controls over financial reporting results in a more than remote likelihood that a material misstatement would not be prevented or detected. Management and the Board of Directors work to mitigate the risk of a material misstatement in financial reporting; however, there can be no assurance that this risk can be reduced to less than a remote likelihood of a material misstatement.

14. OTHER MD&A REQUIREMENTS

The Company is authorized to issue an unlimited number of common shares without par value. The following table outlines the current issued and outstanding shares as at January 31, 2011:

	Shares	Amount	Contributed Surplus
Balance, May 31, 2010	2,400,000	$120,000	-
Shares issued for cash	400,000	$20,000	
Shares issued for cash by private placement	2,500,000	$181,629	-
Fair Value of agent's options granted	-		13,254
Fair Value of options granted	-	-	5,946
Shares issued on exercise of warrants	-	-	-
Balance, November 30, 2010 and January 31, 2011	5,300,000	$ 321,629	$19,200

The following table outlines the agent's warrants outstanding as at November 30, 2010 and January 31, 2011:

Issued to	Relationship	Exercise price	Number of shares	Date Granted	Expiry Date
Union Securities Ltd.	Agent	$0.10	250,000	November 30, 2010	November 30, 2012

The Company has established a stock option plan for its directors, officers and technical consultants under which the Company may grant options to acquire a maximum number of common shares equal to 10% of the total issued and outstanding common shares of the Company.

During the period ended November 30, 2010, subject to regulatory approval, the Company granted a total of 200,000 non-transferable options to the directors and officers of the Company contemporaneous with the Company becoming listed on the Exchange. The options will be exercisable at $0.15 per share for a period of five years following the date of issue.

The fair value of these options at the date of grants totalling $5,946 was estimated using the Black-Scholes option pricing model with the following weighted average assumptions: expected life of five years, risk-free interest rate of 2.68%; expected dividend yield of 0% and an expected volatility of 100%. During the period ended November 30, 2010, $5,946 was recorded as compensation expense related to options granted during this period.

*(see notes to financial statements for additional details)

Subsequent Events

There are no subsequent events to report at this time.

Risks and Uncertainties

The Company has a limited history of operations and has not yet entered into an agreement to complete a qualifying transaction. The Company is currently evaluating options and until such a time as they enter into an agreement to complete a QT there is no guarantee that such a transaction will be completed. There can be no assurance that the Company will be able to obtain adequate financing or that the terms of such financing will be favourable.

Cautionary Statement

This MD&A may contain "forward looking statements" that reflect the Company's current expectations and projections about its future results. When used in this MD&A, words such as "estimate", "intend", "expect", "anticipate" and similar expressions are intended to identify forward looking statements, which, by their very nature, are not guarantees of the Company's future, operational or financial performance, and are subject to risk and uncertainties and other factors that could cause the Company's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward looking statements.

Readers are cautioned not to place undue reliance on these forward looking statements which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risk and uncertainties, including the risk and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events or otherwise.

For further information about Titus Capital Corp. please visit Sedar at www.sedar.com.