

SECURITIES AND EXCHANGE COMMISSION

FORM S-1/A

General form of registration statement for all companies including face-amount certificate companies [amend]

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FILER

Titan Iron Ore Corp.

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1 /A AMENDMENT NO. 1 TO

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Titan Iron Ore Corp.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation or organization)

1000

(Primary Standard Industrial Classification Code Number)

98-0546715

(I.R.S. Employer Identification Number)

3040 North Campbell Ave. #110

Tucson, Arizona 85719

Telephone: (520) 898-0020

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

EastBiz.com, Inc.

5348 Vegas Drive

Las Vegas, NV 89108

Telephone: (702) 871-8678

(Name, address, including zip code, and telephone number,
including area code, of agent for service)

Copy of Communications To:

Clark Wilson LLP

Suite 800 - 885 West Georgia Street

Vancouver, British Columbia V6C 3H1, Canada

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From time to time after the effective date of this registration statement.

(Approximate date of commencement of proposed sale to the public)

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box:

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☒
(Do not check if a smaller reporting company)

Calculation of Registration Fee

Title of Each Class of Securities to be Registered	Amount to be Registered ⁽¹⁾	Proposed Maximum Offering Price Per Share ^{(3),(4)}	Proposed Maximum Aggregate Offering Price ^{(3),(4)}	Amount of Registration Fee ⁽⁴⁾
Common Stock	12,906,300 ⁽²⁾	\$0.29	\$3,742,827	\$510.52 ⁽⁵⁾

- (1) An indeterminate number of additional shares of common stock shall be issuable pursuant to Rule 416 under the Securities Act of 1933 to prevent dilution resulting from stock splits, stock dividends or similar transactions and in such an event the number of shares registered shall automatically be increased to cover the additional shares in accordance with Rule 416.
- (2) Consists of (i) up to 617,661 shares of common stock that may be issued upon conversion of debentures sold to The Marie Baier Foundation, Inc. on October 18, 2012 and up to 326,095 shares of common stock that were issued upon exercise of warrants issued to The Marie Baier Foundation, Inc. on October 25, 2012; (ii) up to 370,596 shares of common stock that may be issued upon conversion of debentures sold to Motivated Minds LLC on October 18, 2012 and up to 191,740 shares of common stock that were issued upon exercise of warrants issued to Motivated Minds LLC on October 26, 2012; and (iii) up to 1,142,858 shares of common stock issued or to be issued to Ascendant Capital Partners, LLC as commitment shares under a securities purchase agreement dated October 18, 2012, and up to 38,347 shares of common stock that were issued upon exercise of warrants, up to 10,219,003 shares of common stock to be sold to Ascendant Capital Partners, LLC under a securities purchase agreement dated October 18, 2012.
- (3) Estimated in accordance with Rule 457(c) under the Securities Act of 1933 solely for the purpose of computing the amount of the registration fee.
- (4) Based on the average of the high and low prices per share (\$0.299 high; \$0.27 low) for the registrant’s common stock on November 19, 2012, as reported by Financial Industry Regulatory Authority’s OTC Bulletin Board.
- (5) Previously paid.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. The selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated _____, 2013

Prospectus

12,906,300 Shares

TITAN IRON ORE CORP.

Common Stock

The selling stockholders identified in this prospectus may offer and sell up to 12,906,300 shares of our common stock, consisting of (i) up to 617,661 shares of common stock that may be issued upon conversion of debentures sold to The Marie Baier Foundation, Inc. on October 18, 2012 and up to 326,095 shares of common stock that were issued upon exercise of warrants issued to The Marie Baier Foundation, Inc. on October 25, 2012 ; (ii) up to 370,596 shares of common stock that may be issued upon conversion of debentures sold to Motivated Minds LLC on October 18, 2012 and up to 191,740 shares of common stock that were issued upon exercise of warrants issued to Motivated Minds LLC on October 26, 2012; and (iii) up to 1,142,858 shares of common stock issued or to be issued to Ascendant Capital Partners, LLC as commitment shares under a securities purchase agreement dated October 18, 2012, up to 38,347 shares of common stock that were issued to Ascendant Capital Partners, LLC upon exercise of warrants, and up to 10,219,003 shares of common stock to be sold to Ascendant Capital Partners, LLC under a securities purchase agreement dated October 18, 2012 .

The selling stockholders may sell all or a portion of the shares being offered pursuant to this prospectus at fixed prices, at prevailing market prices at the time of sale, at varying prices or at negotiated prices.

We will not receive any proceeds from the sale of the shares of our common stock by the selling stockholders. We will pay for expenses of this offering, except that the selling stockholders will pay any broker discounts or commissions or equivalent expenses applicable to the sale of their shares.

Ascendant Capital Partners, LLC is an underwriter within the meaning of the Securities Act of 1933 and other selling stockholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be “underwriters” within the meaning of the Securities Act of 1933 in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act of 1933.

Our common stock is quoted on Financial Industry Regulatory Authority’s OTC Bulletin Board under the symbol “TFER.OB”. On January 8, 2013 , the closing sale price for our common stock as reported by the OTC Bulletin Board was \$0.216 per share.

Investing in our common stock involves risks. See “Risk Factors” beginning on page 5 .

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2013 .

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As used in this prospectus, the terms “we”, “us”, “our” and “our company” mean Titan Iron Ore Corp. unless the context clearly indicates otherwise.

Prospectus Summary

Our Business

We were incorporated in the State of Nevada on June 5, 2007. Our plan after our inception on June 5, 2007 was to produce user-friendly software that creates interactive digital yearbook software for schools and allows them to create and burn their own interactive digital yearbooks on CD/DVD. We produced nominal revenues of \$4,855 in our early stages as a result of sales efforts undertaken.

Effective June 15, 2011, we completed a merger with our subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from “Digital Yearbook Inc.” to “Titan Iron Ore Corp.”

Also effective June 15, 2011, we effected a 37 to one forward stock split of our authorized and issued and outstanding common and preferred stock. As a result, our authorized capital increased from 100,000,000 shares of common stock with a par value of \$0.0001 to 3,700,000,000 shares of common stock with a par value of \$0.0001 of which 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, we issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000.

On June 30, 2011, we entered into an acquisition agreement for the purchase of the Wyoming Iron Complex (please see “*Description of Business – Acquisition Agreement for Wyoming Iron Complex*” for additional information on the acquisition.). In addition, effective June 30, 2011 and in connection with the closing of the acquisition agreement, Ohad David, Ruth Navon and Service Merchant Corp. entered into an affiliate stock purchase agreement, whereby, among other things, they surrendered 142,950,000 common shares for cancellation.

We are focusing our efforts in the mineral exploration. Our business plan is to proceed with the exploration of the Wyoming Iron Complex consisting of mineral leases on 320 acres and 23 unpatented mining claims aggregating approximately 463 acres located in the county of Albany, Wyoming, USA. The purchase price for the Wyoming Iron Complex was \$7,000,000, which was primarily paid through the issuance of a promissory note in the amount of \$6,855,000, of which \$6,707,500 is still outstanding as of December 20, 2012.

We have no operating income yet and, as a result, depend upon funding from various sources to continue operations and to implement our growth strategy. Because of our lack of operating revenues, operating losses since inception and need to raise additional funds, our independent auditors included an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern in their report on our financial statements for the year ended December 31, 2011.

Our principal executive office address is 3040 North Campbell Ave, Suite 110 , Tucson, Arizona 85719.

Number of Shares Being Offered

This prospectus covers the resale by the selling stockholders named in this prospectus of up to 12,906,300 shares of our common stock, consisting of (i) up to 617,661 shares of common stock that may be issued upon conversion of debentures sold to The Marie Baier Foundation, Inc. on October 18, 2012 and up to 326,095 shares of common stock that were issued upon exercise of warrants issued to The Marie Baier Foundation, Inc. on October 25, 2012; (ii) up to 370,596 shares of common stock that may be issued upon conversion of debentures sold to Motivated Minds LLC on October 18, 2012 and up to 191,740 shares of common stock that were issued upon exercise of warrants issued to Motivated Minds LLC on October 26, 2012; and (iii) up to 1,142,858 shares of common stock issued or to be issued to Ascendant Capital Partners, LLC as commitment shares under a securities purchase agreement dated October 18, 2012, up to 38,347 shares of common stock that were issued to Ascendant Capital Partners, LLC upon exercise of warrants, and up to 10,219,003 shares of common stock to be sold to Ascendant Capital Partners, LLC under a securities purchase agreement dated October 18, 2012.

Prospectus Summary - continued

Number of Shares Outstanding

There were 52,501,110 shares of our common stock issued and outstanding as at January 9, 2013 .

Use of Proceeds

We will not receive any proceeds from the sale of the shares of our common stock by the selling stockholders. We will pay for expenses of this offering, except that the selling stockholders will pay any broker discounts or commissions or equivalent expenses applicable to the sale of their shares.

Summary of Financial Data

The following information represents selected audited financial information for our company for the years ended December 31, 2011 and 2010 and selected unaudited financial information for our company for the nine month period ended September 30, 2012. The summarized financial information presented below is derived from and should be read in conjunction with our audited and unaudited financial statements, as applicable, including the notes to those financial statements which are included elsewhere in this prospectus along with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 39 of this prospectus.

Statements of Operations Data	Nine Month Period Ended September 30, 2012	Nine month Period Ended September 30, 2011	From June 5, 2007 (Inception) to September 30, 2012
Total Revenues	Nil	Nil	\$4,855
Total Operating Expenses	\$2,870,947	\$371,483	\$3,922,462
Net Loss	2,870,947	\$353,852	\$3,901,143
Basic Loss Per Share	\$(0.06)	\$(0.00)	

Statements of Operations Data	Year Ended December 31, 2011	Year Ended December 31, 2010
Total Revenues	Nil	Nil
Total Operating Expenses	\$972,308	\$8,318
Net Loss	\$954,677	\$9,485
Basic and Diluted Loss Per Share	\$0.01	\$0.00

Prospectus Summary - continued

Balance Sheets Data	At September 30, 2012	At December 31, 2011	At December 31, 2010
Cash	\$275,162	\$118,066	Nil
Working Capital	\$29,824	\$120,962	\$(17,569)
Total Assets	\$1,526,838	\$203,066	Nil
Total Liabilities	\$1,238,041	\$22,104	\$17,569
Total Stockholders' Equity (Deficit)	\$288,797	\$180,962	\$(17,569)
Total Liabilities and Stockholders' Equity (Deficit)	\$1,526,838	\$203,066	Nil

Please read this prospectus carefully. You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information provided by the prospectus is accurate as of any date other than the date on the front of this prospectus.

Risk Factors

An investment in our common stock involves a number of very significant risks. You should carefully consider the following risks and uncertainties in addition to other information in this prospectus in evaluating our company and our business before purchasing shares of our common stock. Our business, operating results and financial condition could be seriously harmed as a result of the occurrence of any of the following risks. You could lose all or part of your investment due to any of these risks. You should invest in our common stock only if you can afford to lose your entire investment.

Risks Associated with Mining

All of our mineral properties are in the exploration stage. There is no assurance that we can establish the existence of any mineral resource or reserve on any of our properties in commercially exploitable quantities. Until we can do so, we cannot earn any revenues from operations and if we do not do so we will lose all of the funds that we expend on exploration. If we do not discover any mineral resource in a commercially exploitable quantity, we will not be able to develop our properties .

We have not established that our mineral properties contain any mineral reserve, nor can there be any assurance that we will be able to do so. If we do not, we will not be able to develop our properties .

A mineral reserve is defined by the Securities and Exchange Commission in its Industry Guide 7 (which can be viewed over the Internet at <http://www.sec.gov/divisions/corpfin/forms/industry.htm#secguide7>) as that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. The probability of an individual prospect ever having a “reserve” that meets the requirements of the Securities and Exchange Commission’s Industry Guide 7 is extremely remote; in all probability our mineral properties do not contain any ‘reserve’ and any funds that we spend on exploration will probably be lost.

Even if we do eventually discover a mineral reserve on one or more of our properties, there can be no assurance that we will be able to develop our properties into producing mines and extract those resources. Both mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines.

The commercial viability of an established mineral deposit will depend on a number of factors including, by way of example, the size, grade and other attributes of the mineral deposit, the proximity of the resource to infrastructure such as a smelter or processing facilities, power, and water, roads and a point for shipping, available workforce, government regulation, proximity to markets and consumers, and market prices. Most of these factors will be beyond our control, and any of them could increase costs and make extraction of any identified mineral resource unprofitable.

Risk Factors - continued

Mineral operations are subject to applicable law and government regulation. Even if we discover a mineral resource in a commercially exploitable quantity, these laws and regulations could restrict or prohibit the exploitation of that mineral resource. If we cannot exploit any mineral resource that we might discover on our properties, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

Both mineral exploration and extraction require permits from various foreign, federal, state, provincial and local governmental authorities and are governed by laws and regulations, including those with respect to prospecting, mine development, mineral production, transport, export, taxation, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that we will be able to obtain or maintain any of the permits or bonds required for the continued exploration of our mineral properties or for the construction and operation of a mine on our properties at economically viable costs. If we cannot accomplish these objectives, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

There can be no assurance that we can comply with all material laws and regulations that apply to our activities. Current laws and regulations could be amended and we might not be able to comply with them. Further, there can be no assurance that we will be able to obtain or maintain all permits or bonds necessary for our future operations, or that we will be able to obtain them on reasonable terms. To the extent such approvals are required and are not obtained, we may be delayed or prohibited from proceeding with planned exploration or development of our mineral properties.

Exploration, development and exploitation activities are subject to comprehensive regulation and permitting which may cause substantial delays or require capital outlays in excess of those.

Exploration, development and exploitation activities are subject to federal, provincial, state and local laws, regulations and policies, including laws regulating permitting, bonding, and the removal of natural resources from the ground and the discharge of materials into the environment. Exploration, development and exploitation activities are also subject to federal, provincial, state and local laws and regulations which seek to maintain health and safety standards by regulating the design and use of drilling methods and equipment and other operational activities.

Environmental and other legal standards imposed by federal, provincial, state or local authorities may be changed and any such changes may prevent us from conducting planned activities or may increase our costs of doing so. Moreover, compliance with such laws may cause substantial delays or require capital outlays in excess of those anticipated, thus causing a material adverse effect on us. Additionally, we may be subject to liability for pollution or other environmental damages that we may not be able to or elect not to insure against due to prohibitive premium costs and other reasons. Any laws, regulations or policies of any government body or regulatory agency may be changed, applied or interpreted in a manner which could materially alter and negatively affect our ability to carry on our business.

If we establish the existence of a mineral resource on any of our properties in a commercially exploitable quantity, we will require additional capital in order to develop the property into a producing mine. If we cannot raise this additional capital, we will not be able to exploit the resource .

If we do discover mineral resources in commercially exploitable quantities on any of our properties, we will be required to expend substantial sums of money to explore and fully establish the extent of the resource, develop processes to extract it and develop extraction and processing facilities and infrastructure. Although we may derive substantial benefits from the discovery of a major deposit, there can be no assurance that such a resource will be large enough to justify commercial operations, nor can there be any assurance that we will be able to raise the funds required for development on a timely basis. If we cannot raise the necessary capital or complete the necessary facilities and infrastructure, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

Risk Factors - continued

Mineral exploration and development is subject to extraordinary operating risks. We do not currently insure against these risks. In the event of a cave-in or similar occurrence, our liability may exceed our resources.

Mineral exploration, development and production involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Our operations will be subject to all the geological, technical and operating hazards and risks inherent in the exploration for mineral resources and, if we discover a mineral resource in commercially exploitable quantity, our operations could be subject to all of the hazards and risks inherent in the development and production of resources, including liability for pollution, cave-ins or similar hazards against which we cannot insure or against which we may elect not to insure. Any such event could result in work stoppages and damage to property, including damage to the environment. We do not currently maintain any insurance coverage against these operating hazards. The payment of any liabilities that arise from any such occurrence would have a material adverse impact on our company.

Mineral prices are subject to dramatic and unpredictable fluctuations.

We expect to derive revenues, if any, either from the sale of our mineral resource properties or from the extraction and sale of iron ore and associated byproducts. The price of those commodities has fluctuated widely in recent years, and is affected by numerous factors beyond our control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of our exploration properties and projects, cannot accurately be predicted.

The mining industry is highly competitive and there is no assurance that we will be successful in acquiring additional mineral claims or selling all of the products that we produce. If we cannot acquire properties to explore for mineral resources, or successfully sell our mineral products, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

The mineral exploration, development, and production industry is largely un-integrated. We compete with other exploration companies looking for mineral resource properties. While we compete with other exploration companies in the effort to locate and acquire mineral resource properties, we may also compete with them for the removal or sales of mineral products from our properties if we should eventually discover the presence of them in quantities sufficient to make production economically feasible. Readily available markets for the sale of mineral products do not always exist for all mineral commodities. Therefore, we may not be able to sell all of the mineral products that we identify and produce.

In identifying and acquiring mineral resource properties, we compete with many companies possessing greater financial resources and technical capabilities. This competition could adversely affect our ability to acquire suitable prospects for exploration in the future. Accordingly, there can be no assurance that we will acquire any interest in additional mineral resource properties that might yield reserves or result in commercial mining operations.

Our competition includes large established mining companies with substantial capabilities and with greater financial and technical resources than us. As a result of this competition, we may have to compete for financing and may be unable to acquire financing on terms we consider acceptable. We may also have to compete with the other mining companies for the recruitment and retention of qualified managerial and technical employees. If we are unable to successfully compete for financing or for qualified employees, our exploration programs may be slowed down or suspended, which may cause us to cease operations as a company.

If our costs of exploration are greater than anticipated, then we may not be able to complete the exploration program for our Wyoming Iron Complex without additional financing, of which there is no assurance that we would be able to obtain.

We are proceeding with the initial stages of exploration on our Wyoming Iron Complex. Our exploration program outlines a budget for completion of the program. However, there is no assurance that our actual costs will not exceed the budgeted costs. Factors that could cause actual costs to exceed budgeted costs include increased prices due to competition for personnel and supplies during the exploration season, unanticipated problems in completing the exploration program and delays due to weather or other factors experienced in completing the exploration program. Increases in exploration costs could result in our not being able to carry out our exploration program without additional financing. There is no assurance that we would be able to obtain additional financing in this event.

Risk Factors - continued

Because of the speculative nature of exploration of mining properties, there is substantial risk that no commercially exploitable minerals will be found.

We have only commenced the initial stage of exploration of our mineral property, and have no way to evaluate the likelihood that we will be successful in establishing commercially exploitable reserves of iron ore or other valuable minerals on our Wyoming Iron Complex. The search for valuable minerals as a business is extremely risky. We may not find commercially exploitable reserves of iron ore or other valuable minerals in our mineral property. Exploration for minerals is a speculative venture necessarily involving substantial risk. The expenditures to be made by us on our exploration program may not result in the discovery of commercial quantities of ore. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the mineral properties that we plan to undertake. Problems such as unusual or unexpected geologic formations and other conditions are involved in mineral exploration and often result in unsuccessful exploration efforts. In such a case, we would be unable to complete our business plan.

Because of the inherent dangers involved in mineral exploration, there is a risk that we may incur liability or damages as we conduct our business.

The search for valuable minerals involves numerous hazards. In the course of carrying out exploration of our Wyoming Iron Complex, we may become subject to liability for such hazards, including pollution, cave-ins and other hazards against which we cannot insure or against which we may elect not to insure. We currently have no such insurance nor do we expect to get such insurance for the foreseeable future. If a hazard were to occur, the costs of rectifying the hazard may exceed our asset value and cause us to liquidate all of our assets, resulting in the loss of your entire investment in this offering.

We may have difficulty accessing our property.

Access to the mineral property may be restricted during the period between October and April of each year because the period between these months can typically feature heavy snow cover, extreme cold and high winds which makes it difficult if not impossible to carry out exploration and other activities at the Wyoming Iron Complex. We can attempt to visit, test or explore our mineral property only when weather permits such activities. These limitations can result in significant delays in exploration efforts, as well as in mining and production in the event that commercial amounts of minerals are found. Such delays may prevent us from exploring and developing the Wyoming Iron Complex property.

On December 7, 2012, we filed suit in state court in Albany County, Wyoming against DSS Holdings LLC and Douglas Samuelson (“Samuelson”) to regain access to the Wyoming Iron Complex. The road used by us to access the Wyoming Iron Complex crosses Samuelson’s property. Samuelson has locked the gate across the road and denied our repeated requests for access. The suit was filed in the District Court of the Second Judicial District in Wyoming, after negotiations between the parties were unsuccessful. If we cannot gain access to our property, we may not be able to conduct studies and collect samples of iron ore from the existing Iron Mountain pit and stockpile in order to evaluate the suitability of these materials to meet the specifications of potential customers.

Because our Chief Executive Officer has other business interests, he may not be able or willing to devote a sufficient amount of time to our business operation, causing our business to fail.

Our President and Chief Executive Officer will devote approximately 50% of his working time on providing management services to us. If the demands on our executive officer from his other obligations increase, he may no longer be able to devote sufficient time to the management of our business. This could negatively impact our business development.

Risk Factors - continued

We may have to pay severance to our Chief Executive Officer.

If we terminate Mr. Brodkey's employment prior to the end of his employment period for any reason other than cause or disability or if Mr. Brodkey terminates his employment for good reason, Mr. Brodkey shall be entitled to one (1) month's severance pay for each one month of service up to a maximum of two (2) year's wages, and we shall maintain all employee benefit plans and programs for the number of years remaining in the term of his employment in which he was entitled to immediately prior to the date of termination.

Mr. Brodkey's employment contract defines "cause" to mean (i) following delivery to Mr. Brodkey of a written demand for performance from us, which describes the basis for our belief that Mr. Brodkey has not substantially performed his duties, Mr. Brodkey's continued willful violation of his obligations to us, which are demonstrably willful and deliberate on his part for a period of thirty (30) days after written notice thereof, (ii) Mr. Brodkey being convicted of a felony involving moral turpitude, (iii) Mr. Brodkey willfully breaching any material term of his employment agreement or any other agreement with us, which continues uncured for a period of thirty (30) days after written notice, or (iv) without the consent of us, or as otherwise provided for herein, his commencement of employment with another employer while he is an employee of our company.

Mr. Brodkey's employment with our company may be regarded as having been constructively terminated by us, and Mr. Brodkey may therefore terminate his employment for "good reasons" if, before the end of his employment period, one or more of the following events shall occur: (i) the relocation of him to a facility or a location more than 50 miles from his then present employment location, without his express written consent; or (ii) the failure of our company to obtain the unqualified assumption of his employment agreement by any successor upon a change of control.

As of January 9, 2013, we would have to pay our Chief Executive Officer \$270,000 in severance and the maximum amount we would have to pay is \$360,000. In the event we are required to make these severance payments, it could have a material adverse effect on our results of operations for the fiscal period in which such payments are made.

Risks Related to Our Company

If we are unable to pay the promissory note when obligations become due, Wyomex LLC may take proceedings to liquidate our holdings.

In connection with the acquisition of the Wyoming Iron Ore Complex, we issued a promissory note to Wyomex LLC. The promissory note has a principal amount of US\$6,855,000 and is interest-free. As of December 20, 2012, there was \$6,707,500 outstanding under the promissory note. The promissory note is secured by a purchase money mortgage of \$7.8 million. The obligations under the promissory note are significantly greater than our current financial resources and we may not have the ability to pay the obligations under the promissory note. If we default on the promissory note and Wyomex LLC forecloses on the promissory note, Wyomex LLC could potentially liquidate the holdings of our company.

Our disclosure controls and procedures and internal control over financial reporting are not effective, which may cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public.

Our management evaluated our disclosure controls and procedures as of December 31, 2011 and as of September 30, 2012 and concluded that as of those dates, our disclosure controls and procedures were not effective. The ineffectiveness of our disclosure controls and procedures was due to (i) inadequate segregation of duties and ineffective risk assessment; and (ii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both US GAAP and SEC guidelines.

As of the date of this prospectus, we believe that these material weaknesses continue to exist and our disclosure controls and procedures and internal control over financial reporting are not effective. If such material weakness and ineffective controls are not promptly corrected in the future, our ability to report quarterly and annual financial results or other information required to be disclosed on a timely and accurate basis may be adversely affected. Also such material weakness and ineffective controls could cause our financial reporting to be unreliable and lead to misinformation being disseminated to the public. Investors relying upon this misinformation may make an uninformed investment decision.

Risk Factors - continued

We have a limited operating history on which to base an evaluation of our business and prospects.

We have been in the business of exploring mineral resource properties only since June 2011 and we have not yet located or identified any mineral reserves. As a result, we have never had any revenues from our mining operations. In addition, our operating history has been restricted to the acquisition and exploration of our mineral properties and this does not provide a meaningful basis for an evaluation of our prospects if we ever determine that we have a mineral reserve and commence the construction and operation of a mine. We have no way to evaluate the likelihood of whether our mineral properties contain any mineral reserve or, if they do that we will be able to build or operate a mine successfully. We anticipate that we will continue to incur operating costs without realizing any revenues during the period when we are exploring our properties. We therefore expect to continue to incur significant losses into the foreseeable future. We recognize that if we are unable to generate significant revenues from mining operations and any dispositions of our properties, we will not be able to earn profits or continue operations. At this early stage of our operation, we also expect to face the risks, uncertainties, expenses and difficulties frequently encountered by companies at the start up stage of their business development. We cannot be sure that we will be successful in addressing these risks and uncertainties and our failure to do so could have a materially adverse effect on our financial condition. There is no history upon which to base any assumption as to the likelihood that we will prove successful and we can provide investors with no assurance that we will generate any operating revenues or ever achieve profitable operations.

The fact that we have not earned any significant operating revenues since our incorporation raises substantial doubt about our ability to continue to explore our mineral properties as a going concern.

We have not generated any significant revenue from operations since our incorporation and we anticipate that we will continue to incur operating expenses without revenues unless and until we are able to identify a mineral resource in a commercially exploitable quantity on one or more of our mineral properties and we build and operate a mine. At September 30, 2012, we had working capital of \$29,824. We incurred a net loss of \$882,912 for the three months ended September 30, 2012, and \$3,901,143 since inception. We will require additional financing to sustain our business operations if we are not successful in earning revenues once exploration is complete. If our exploration programs are successful in discovering reserves of commercial tonnage and grade, we will require significant additional funds in order to place the Wyoming Iron Complex into commercial production. Should the results of our planned exploration require us to increase our current operating budget, we may have to raise additional funds to meet our currently budgeted operating requirements for the next 12 months. As we cannot assure a lender that we will be able to successfully explore and develop our mineral properties, we will probably find it difficult to raise debt financing from traditional lending sources. We have traditionally raised our operating capital from sales of equity and debt securities, but there can be no assurance that we will continue to be able to do so. If we cannot raise the money that we need to continue exploration of our mineral properties, we may be forced to delay, scale back, or eliminate our exploration activities. If any of these were to occur, our ability to fund future exploration activities will be impeded, we will not be able to operate profitably and investors may lose all of their investment in our company.

These circumstances lead our independent registered public accounting firm, in their report dated April 12, 2012, to comment about our company's ability to continue as a going concern. When an auditor issues a going concern opinion, the auditor has substantial doubt that our company will continue to operate indefinitely and not go out of business and liquidate its assets. These conditions raise substantial doubt about our company's ability to continue as a going concern. The financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, or the amounts of and classification of liabilities that might be necessary in the event our company cannot continue in existence. We continue to experience net operating losses.

Risks Associated with Our Common Stock

If we issue additional shares in the future, it will result in the dilution of our existing shareholders.

Our articles of incorporation authorize the issuance of up to 3,700,000,000 shares of common stock with a par value of \$0.0001 per share. Our board of directors may choose to issue some or all of such shares to acquire one or more companies or properties and to fund our overhead and general operating requirements. The issuance of any such shares will reduce the book value per share and may contribute to a reduction in the market price of the outstanding shares of our common stock. If we issue any such additional shares, such issuance will reduce the proportionate ownership and voting power of all current shareholders. Further, such issuance may result in a change of control of our corporation.

Risk Factors - continued

Our common stock is illiquid and the price of our common stock may be negatively impacted by factors which are unrelated to our operations.

The market price of our common stock could fluctuate substantially due to a variety of factors, including market perception of our ability to achieve our planned growth, quarterly operating results of our competitors, trading volume in our common stock, changes in general conditions in the economy and the financial markets or other developments affecting our competitors or us. In addition, the stock market is subject to extreme price and volume fluctuations. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to their operating performance and could have the same effect on our common stock.

We do not intend to pay cash dividends on any investment in the shares of stock of our company.

We have never paid any cash dividends and currently do not intend to pay any cash dividends for the foreseeable future. Because we do not intend to declare cash dividends, any gain on an investment in our company will need to come through an increase in the stock's price. This may never happen and investors may lose all of their investment in our company.

Trading of our stock is restricted by the Securities Exchange Commission's penny stock regulations, which may limit a stockholder's ability to buy and sell our common stock.

The Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors". The term "accredited investor" refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the Securities and Exchange Commission, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules; the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of our common stock.

FINRA sales practice requirements may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, the Financial Industry Regulatory Authority (known as "FINRA") has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

Risk Factors - continued

Risks Relating to the Early Stage of our Company and Ability to Raise Capital

We are at a very early stage and our success is subject to the substantial risks inherent in the establishment of a new business venture.

The implementation of our business strategy is in a very early stage and subject to all of the risks inherent in the establishment of a new business venture. Accordingly, our intended business and prospective operations may not prove to be successful in the near future, if at all. Any future success that we might enjoy will depend upon many factors, many of which are beyond our control, or which cannot be predicted at this time, and which could have a material adverse effect upon our financial condition, business prospects and operations and the value of an investment in our company.

We have no operating history and our business plan is unproven and may not be successful.

We have no commercial operations. None of our projects have proven or provable reserves, are built, or are in production. We have not licensed or sold any mineral products commercially and do not have any definitive agreements to do so. We have not proven that our business model will allow us to generate a profit.

We expect to suffer continued operating losses and we may not be able to achieve profitability.

We expect to continue to incur significant discovery and development expenses in the foreseeable future related to exploration and the completion of feasibility, development and commercialization of our projects. As a result, we will be sustaining substantial operating and net losses, and it is possible that we will never be able to sustain or develop the revenue levels necessary to attain profitability.

We may have difficulty raising additional capital, which could deprive us of necessary resources.

We expect to continue to devote significant capital resources to fund exploration and development of our properties. In order to support the initiatives envisioned in our business plan, we will need to raise additional funds through public or private debt or equity financing, collaborative relationships or other arrangements. Our ability to raise additional financing depends on many factors beyond our control, including the state of capital markets, the market price of our common stock, the market price for commodities, and the development or prospects for development of competitive technology or competitive projects by others. Because our common stock is not listed on a major stock market, many investors may not be willing or allowed to purchase our common shares or may demand steep discounts. Sufficient additional financing may not be available to us or may be available only on terms that would result in further dilution to the current owners of our common stock.

As of January 11, 2012, closed a private placement financing in the gross amount of \$1,000,500, and on October 18, 2012, we closed a private placement financing in the gross amount of \$200,000, and received a commitment for up to \$10 million through a securities purchase agreement/equity line financing. However, we do not have any firm commitments for funding beyond this recent placement as the ability to receive funding through the securities purchase agreement/equity line is dependent upon a number of conditions, which may or may not be satisfied. If we are unsuccessful in raising additional capital, or the terms of raising such capital are unacceptable, we may have to modify our business plan and/or significantly curtail our planned activities. If we are successful raising additional capital through the issuance of additional equity, our investor's interests will be diluted.

There are substantial doubts about our ability to continue as a going concern and if we are unable to continue our business, our shares may have little or no value.

Our ability to become a profitable operating company is dependent upon our ability to generate revenues and/or obtain financing adequate to explore and develop our properties. Achieving a level of revenues adequate to support our cost structure has raised substantial doubts about our ability to continue as a going concern. We plan to attempt to raise additional equity capital by issuing shares covered and, if necessary through one or more private placement or public offerings, and via the securities purchase agreement/equity line financing. However, the doubts raised relating to our ability to continue as a going concern may make our shares an unattractive investment for potential investors. These factors, among others, may make it difficult to raise any additional capital.

Risk Factors - continued

Failure to effectively manage our growth could place additional strains on our managerial, operational and financial resources and could adversely affect our business and prospective operating results.

Our anticipated growth is expected to continue to place a strain on our managerial, operational and financial resources. Further, as we acquire interests in more properties or subsidiaries and other entities, we will be required to manage multiple relationships. Any further growth by us, or an increase in the number of our strategic relationships will increase this strain on our managerial, operational and financial resources. This strain may inhibit our ability to achieve the rapid execution necessary to implement our business plan, and could have a material adverse effect upon our financial condition, business prospects and prospective operations and the value of an investment in our company.

Risks Related to the Offering

The selling stockholders are offering for resale of a maximum of 12,906,300 shares of our common stock, 11,400,208 shares of our common stock of which have been issued or may be issued to Ascendant Capital Partners, LLC under the equity line or as commitment shares or upon exercise of warrants. The resale of such shares by Ascendant Capital Partners, LLC could depress the market price of our common stock.

The selling stockholders are offering for the resale of a maximum of 12,906,300 shares of our common stock under this prospectus. The sale of these shares into the public market by Ascendant Capital Partners, LLC could depress the market price of our common shares. As of January 9, 2013, there were 52,501,110 shares of our common stock issued and outstanding. In total, we may issue up to \$10,000,000 of shares of our common stock to Ascendant Capital Partners, LLC pursuant to the equity line, meaning that we are obligated to file one or more registration statements covering the remaining common shares not covered by the registration statement of which this prospectus forms a part. The sale of those additional common shares into the public market by Ascendant Capital Partners, LLC could further depress the market price of our common stock.

Existing stockholders could experience substantial dilution upon the issuance of common stock pursuant to the equity line.

Our equity line with Ascendant Capital Partners, LLC contemplates our issuance of up to \$10,000,000 of shares of our common stock to Ascendant Capital Partners, LLC, subject to certain restrictions and obligations. If the terms and conditions of the equity line are satisfied, and we choose to exercise our put rights to the fullest extent permitted and sell \$10,000,000 of shares of our common stock to Ascendant Capital Partners, LLC, our existing stockholders' ownership will be diluted by such sales.

Ascendant Capital Partners, LLC will pay less than the then-prevailing market price for our common stock under the equity line.

The common stock to be issued to Ascendant Capital Partners, LLC pursuant to the equity line will be purchased at a 10% discount to the daily volume weighted average price of our common stock on the day we issue the common stock to Ascendant Capital Partners, LLC, subject to certain exceptions. In addition, each time we receive at least \$1,000,000 or \$2,000,000 in aggregate upon drawdowns, we are required to issue a number of shares of our common stock equal to \$50,000 divided by 95% of the daily volume weighted average price of our common stock during the 10 trading days as commitment shares. Accordingly, the discount received by Ascendant Capital Partners, LLC will be greater than 10% if we received at least \$1,000,000 or \$2,000,000 in aggregate upon drawdowns. Therefore, Ascendant Capital Partners, LLC has a financial incentive to sell our common stock upon receiving the shares to realize the profit equal to the difference between the discounted price and the market price. If Ascendant Capital Partners, LLC sells the shares, the price of our common stock could decrease.

Risk Factors - continued

We may not be able to access sufficient funds under the equity line when needed.

Our ability to put shares to Ascendant Capital Partners, LLC and obtain funds under the equity line is limited by the terms and conditions in the securities purchase agreement dated October 18, 2012, including restrictions on when we may exercise our put rights, restrictions on the amount we may put to Ascendant Capital Partners, LLC at any one time, which is determined in part by the trading volume of our common stock, and a limitation on our ability to put shares to Ascendant Capital Partners, LLC to the extent that it would exceed \$250,000 or cause Ascendant Capital Partners, LLC to beneficially own more than 9.99% of our outstanding common stock. In addition, we do not expect the equity line to satisfy all of our funding needs, even if we are able and choose to take full advantage of the equity line.

The lower our stock price, the lower the fluctuating, below market price conversion rate for the convertible debentures will be and the greater number of shares of our common stock we will have to issue upon conversion of the convertible debentures.

The conversion price of the convertible debentures is based upon the trading prices of our common stock at the time of such conversion, and the conversion prices cannot be higher than \$0.27 during the six months following October 18, 2012, and \$0.35 thereafter. If the trading prices of the common stock are low when the conversion price of the convertible debentures is determined, we would be required to issue a higher number of shares of our common stock, which could cause substantial dilution to our stockholders. In addition, if the debenture holders converts their debentures and sell our common stock, this could result in an imbalance of supply and demand for our common stock and reduce our stock price. The further our stock price declines, the further the adjustment of the conversion price will fall and the greater the number of shares we will have to issue upon conversion.

In addition, the number of shares issuable upon conversion of the convertible debentures is potentially limitless. While the overall ownership by each of the holders of the convertible debentures at any one moment is limited to 9.9% of the outstanding shares of our common stock, such holders are free to sell any shares into the market, which have been issued to them, thereby enabling them to convert the remaining convertible debentures. In addition, while there are monthly limits on amounts of the convertible debentures that can be converted if the price of our common stock is below certain level, such holders can simply wait until the monthly limits no longer apply.

On December 31, 2012, the conversion price of the debentures would have been \$0.147 and we would have been required to issue 1,600,680 shares upon conversion. The following table shows the resulting fall of the conversion price and the number of shares that would be required to be issued if all of the shares were converted based upon a 50% and 75% fall in the price of our common stock as of December 31, 2012.

Percentage Decline	Conversion Price of Debentures	Shares Issuable Upon Conversion of Debentures
50%	\$0.074	3,201,361
75%	\$0.037	6,402,721

Forward-Looking Statements

This prospectus contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential" or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this prospectus include statements about:

- Our future exploration programs and results;
- Our future capital expenditures; and
- Our future investments in and acquisitions of mineral resource properties.

Forward-Looking Statements - *continued*

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including:

- risks and uncertainties relating to the interpretation of sampling results, the geology, grade and continuity of mineral deposits;
- risks and uncertainties that results of initial sampling and mapping will not be consistent with our expectations;
- risks and uncertainties that the mineral deposits will never constitute proven and probable reserves which can be developed and mined economically;
- mining and development risks, including risks related to accidents, weather, equipment breakdowns, labor disputes, permitting, or other unanticipated difficulties with or interruptions and delays in development and production;
- the potential for delays in exploration activities; risks related to the inherent uncertainty of cost estimates and the potential for unexpected costs and expenses in exploration, development and production which are beyond the capacity of our company to manage;
- risks related to commodity price fluctuations;
- the uncertainty of an unproven business plan and lack of revenue generation and profitability based upon our limited history;
- substantial risks inherent in the establishment of a new business venture since our company is at a very early stage;
- risks and uncertainties inherent in mineral exploration ventures which by their very nature face a high risk of business failure;
- risks related to intense competition in the mineral exploration and exploitation industry which causes our company to have to compete with our company's competitors for financing and for qualified managerial and technical employees;
- risks related to the engagement of our company's directors and officers in other business activities whereby they may not have sufficient time to attend to our company's business affairs;
- risks related to failure to obtain adequate financing and additional capital on a timely basis and on acceptable terms for our planned exploration and development;
- risks related to environmental regulation and liability, and the ability to secure bonds, permits, and governmental consents and approvals;
- risks that the amounts reserved or allocated for environmental compliance, reclamation, post-closure control measures, monitoring and on-going maintenance may not be sufficient to cover such costs;
- risks related to tax assessments;
- political and regulatory risks associated with mining exploration, development and production; and
- the risks in the section entitled "Risk Factors".

Any of these risks could cause our company's or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

The Offering

This prospectus covers the resale by the selling stockholders named in this prospectus of up to 12,906,300 shares of our common stock, consisting of (i) up to 617,661 shares of common stock that may be issued upon conversion of debentures sold to The Marie Baier Foundation, Inc. on October 18, 2012 and up to 326,095 shares of common stock that were issued upon exercise of warrants issued to The Marie Baier Foundation, Inc. on October 25, 2012; (ii) up to 370,596 shares of common stock that may be issued upon conversion of debentures sold to Motivated Minds LLC on October 18, 2012 and up to 191,740 shares of common stock that were issued upon exercise of warrants issued to Motivated Minds LLC on October 26, 2012; and (iii) up to 1,142,858 shares of common stock issued or to be issued to Ascendant Capital Partners, LLC as commitment shares under a securities purchase agreement dated October 18, 2012, up to 38,347 shares of common stock that were issued to Ascendant Capital Partners, LLC upon exercise of warrants, and up to 10,219,003 shares of common stock to be sold to Ascendant Capital Partners, LLC under a securities purchase agreement dated October 18, 2012 .

The Offering - *continued*

Securities Purchase Agreement with Ascendant Capital Partners, LLC (Equity Line of Credit)

On October 18, 2012, we entered into a securities purchase agreement (the “**Equity Line of Credit Agreement**”) with Ascendant Capital Partners, LLC, which was amended on January 9, 2013, pursuant to which we may sell and issue to Ascendant Capital Partners, LLC, and Ascendant Capital Partners, LLC is obligated to purchase from us, up to \$10,000,000 worth of shares of our common stock from time to time over a 36-month period, provided that certain conditions are met. The financing arrangement entered into by us and Ascendant Capital Partners, LLC is commonly referred to as an “equity line of credit” or an “equity drawdown facility.”

In connection with the Equity Line of Credit Agreement, on October 18, 2012, we entered into a registration rights agreement with Ascendant Capital Partners, LLC. Pursuant to the registration rights agreement, we agreed to use our commercially reasonable efforts to prepare and file a registration statement with the Securities and Exchange Commission (the “SEC”) on or prior to November 16, 2012 and to have the registration statement declared effective by the SEC by February 14, 2013. The registration statement is to register shares of common stock to be purchased under the Equity Line of Credit Agreement and the shares of common stock to be issued to Ascendant Capital Partners, LLC as the Commitment Shares (as defined below).

Pursuant to the Equity Line of Credit Agreement, we may, in our sole discretion, issue and exercise drawdowns against \$10,000,000 over a 36-month period (the “**Commitment Period**”) commencing on the seventh trading date following the date that the initial registration statement to be filed pursuant to the registration rights agreement is first declared effective. Before we can exercise a drawdown, we must have caused a sufficient number of shares of our common stock to be registered to cover the resale of the shares to be issued pursuant to a drawdown and the daily volume weighted average price of our common stock (the “**VWAP**”) must be greater than \$0.01 per share on the trading day immediately prior to each drawdown.

We may request a drawdown once every eight trading days and there must be a minimum of three trading days between each drawn down request.

The maximum amount we can draw down at any one time is an amount equal to (i) 20% of the average daily trading volume of our common stock during the 10 trading days prior to the date of the drawdown request, multiplied by (ii) the average of the VWAPs of our common stock during such 10 trading day period. Notwithstanding the foregoing, no drawdown can exceed \$250,000 or such amount that would otherwise cause Ascendant Capital Partners, LLC to exceed a beneficial ownership of 9.99% of our outstanding common stock.

On the day following the delivery of the drawdown notice, a valuation period of five trading days will start. On each of the five trading days during the valuation period, the number of shares to be sold to Ascendant Capital Partners, LLC will be determined by dividing 1/5th of the drawdown amount by the purchase price on each trading day. The purchase price will be the lesser of (i) 90% of the VWAP of our common stock on that day and (ii) the price that is \$0.01 below the VWAP on that date.

If the purchase price on any trading day during the five trading day calculation period is below the minimum price specified by us, then Ascendant Capital Partners, LLC will not purchase any shares on that day, and the drawdown amount will be reduced by 1/5th for each such trading day withdrawn.

The term of the Equity Line of Credit Agreement will end 36 months from the date the initial registration statement filed by us pursuant to the registration rights agreement is first declared effective by the SEC, unless otherwise terminated earlier. The Equity Line of Credit Agreement will terminate if (i) our common stock is no longer quoted on the OTC Bulletin Board unless the cessation of quotation is in connection with a subsequent listing of our common stock on the Nasdaq Capital Market, NYSE Amex, the New York Stock Exchange, the Nasdaq National Market, the BX Venture Market, the OTCQB or the OTCQX, (ii) we file for protection from creditors under any applicable law or (iii) the registration statement is not declared effective by the SEC on or before July 12, 2013. In addition, we may terminate the Equity Line of Credit Agreement upon five trading days’ notice.

The Offering - *continued*

In consideration for agreeing to the terms of the Equity Line of Credit Agreement, we agreed to issue the following shares of our common stock (the “**Commitment Shares**”):

- 150,015 shares of our common stock no later than 30 days following the initial closing date (issued on October 22, 2012);
- on the trading day (the “**Second Payment Date**”) which is 30 calendar days following the initial closing date, 173,913 shares of our common stock, being equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Second Payment Date (issued on November 19, 2012);
- on the trading day (the “**Third Payment Date**”) which is 30 calendar days following the initial closing date, a number of shares of our common stock equal to 1% of \$10,000,000 divided by \$0.175, provided that, if the number of Commitment Shares to be delivered to Ascendant Capital Partners, LLC on the Third Payment Date causes Ascendant Capital Partners, LLC to receive an aggregate number of Commitment Shares (as of the Third Payment Date) of less than 2% of \$10,000,000, then additional Commitment Shares are to be issued to Ascendant Capital Partners, LLC on the Third Payment Date so that it has received an aggregate number of Commitment Shares (as of the Third Payment Date) of at least 2% of \$10,000,000. The parties agreed that the number of shares to be issued pursuant to this is 818,930 shares of our common stock;
- on the trading day (the “**Fourth Payment Date**”) in which we have received at least \$1,000,000 in aggregate upon drawdowns, a number of shares of our common stock equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Fourth Payment Date; and
- on the trading day (the “**Fifth Payment Date**”) in which we have received at least \$2,000,000 in aggregate upon drawdowns, a number of shares of our common stock equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Fifth Payment Date.

We issued and intend to issue the Commitment Shares and shares of our common stock upon drawdowns in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933.

In addition, we reimbursed Ascendant Capital Partners, LLC \$5,000 and have agreed to reimburse them for up to \$7,500 for its actual legal fees and expenses incurred in connection with this transaction.

Securities Purchase Agreements (Debentures)

On October 18, 2012, we entered into securities purchase agreements (the “**Debenture Purchase Agreements**”) with two investors (the “**Investors**”), pursuant to which we sold an aggregate of \$235,300 face value in principal amount of 5% convertible debentures due October 18, 2013 (the “**Debentures**”). In addition to the Debentures, we issued an aggregate of 705,901 common stock purchase warrants (the “**Warrants**”) with each Warrant entitling the holder to acquire one share of our common stock at a price of \$0.25 per share for three years. The Investors paid us the aggregate subscription amount of \$200,000 for the Debentures and the Warrants, which subscription amount was at a 15% discount from the principal amount of the Debentures.

Interest accrues daily on the outstanding principal amount of the Debenture at a rate per annum equal to 5% on the basis of a 365-day year. On the maturity date of October 18, 2013, we must pay the holder of the Debenture any accrued but unpaid interest on the aggregate unconverted and then outstanding principal amount of the Debenture, and on each date the conversion of the principal amount and, if applicable, interests under the Debenture, we must pay to a holder of the Debenture any accrued but unpaid interest on that portion of the principal amount then being converted, which amount may be added to and included in the principal amount being so converted on such date by the holder.

The Offering - continued

If we fail to pay any accrued and unpaid interest payable within three trading days following notice of late payment from a holder of the Debenture, then such overdue amount will entail a late fee at an interest rate equal to the lesser of 24% per annum or the maximum rate permitted by applicable law which will accrue daily from the date such interest was originally due through and including the date of actual payment in full.

The principal amount owing under the Debentures together with any interest accrued under the Debenture, are convertible into shares of our common stock at the option of the holders of the Debentures. The conversion price is equal to the lesser of (i) \$0.27 during the six months following October 18, 2012, and \$0.35 thereafter and (ii) 70% of the average daily VWAPs for our common stock during the 10 consecutive trading days immediately preceding applicable conversion date. The holder must not convert more than 30% of the initial principal sum into shares of our common stock at a price below \$0.15 during any calendar month and must not convert more than 20% of the original principal sum into shares of our common stock at a price below \$0.11 during any calendar month.

If at any time prior to the maturity date of October 18, 2013, our common stock has for any 20 consecutive trading day period (i) an average daily VWAP price of \$1.00 per share or greater, and (ii) an average daily trading volume of 100,000 shares or greater, we have the right (but not obligation) to convert the Debentures at the then applicable conversion price.

We must not affect any conversion of the Debentures and the holders of the Debentures do not have the right to convert the Debentures, to the extent that the holder (together with the holder's affiliates) would beneficially own in excess of the beneficial ownership limitation (currently 9.99% of our outstanding common stock).

In connection with the Debenture Purchase Agreement, on October 18, 2012, we entered into a piggyback registration rights agreement with the Investor, pursuant to which we agreed to register shares of our common stock issued on exercise of the Warrants or issuable to the Investor pursuant to the Debenture, together with any interest thereon accrued but unpaid, if we determine to proceed with the preparation and filing with the SEC of a registration statement relating to an offering for our own account or the account of others under the Securities Act of 1933.

In the event that there is no effective registration statement which registers the resale by the warrant holder of the shares underlying the Warrants, the Warrants may be exercised by means of a cashless exercise.

We must not affect any exercise of the Warrants and the holder of the Warrants does not have the right to exercise the Warrants, to the extent that the holder (together with the holder's affiliates) would beneficially own in excess of the beneficial ownership limitation (currently 4.99% of our outstanding common stock).

We issued the Debenture and Warrants in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933

We paid Ascendant Capital Partners, LLC \$5,000, and have agreed to pay up to \$7,500 for its actual legal fees and expenses. We also paid \$11,250 and issued common stock purchase warrants to purchase up to 52,943 shares of our common stock to Ascendant Capital Partners, LLC as placement agent fees and granted piggyback registration rights for the warrants.

On October 25 and 26, 2012, Ascendant Capital Partners, LLC and the Investors collectively exercised their full allotment of warrants on a cashless basis and received a total of 556,182 restricted shares of our common stock. We issued these shares of our common stock in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933.

Use of Proceeds

We will not receive any proceeds from the sale of the shares of our common stock by the selling stockholders. All proceeds from the sale of such shares will be for the account of the selling stockholders. We will pay for expenses of this offering, except that the selling stockholders will pay any broker discounts or commissions or equivalent expenses applicable to the sale of their shares.

Selling Stockholders

The selling stockholders may offer and sell, from time to time, all, some, or none of up to 12,906,300 shares of our common stock, consisting of (i) up to 617,661 shares of common stock that may be issued upon conversion of debentures sold to The Marie Baier Foundation, Inc. on October 18, 2012 and up to 326,095 shares of common stock that were issued upon exercise of warrants issued to The Marie Baier Foundation, Inc. on October 25, 2012; (ii) up to 370,596 shares of common stock that may be issued upon conversion of debentures sold to Motivated Minds LLC on October 18, 2012 and up to 191,740 shares of common stock that were issued upon exercise of warrants issued to Motivated Minds LLC on October 26, 2012; and (iii) up to 1,142,858 shares of common stock issued or to be issued to Ascendant Capital Partners, LLC as commitment shares under a securities purchase agreement dated October 18, 2012, up to 38,347 shares of common stock that were issued to Ascendant Capital Partners, LLC upon exercise of warrants, and up to 10,219,003 shares of common stock to be sold to Ascendant Capital Partners, LLC under a securities purchase agreement dated October 18, 2012.

None of the selling stockholders had or have any position or office, or other material relationship with us or any of our affiliates over the past three years. Ascendant Capital Partners, LLC is an affiliate of a broker-dealer. Other than Ascendant Capital Partners, LLC, none of the selling stockholders is a broker-dealer or an affiliate of a broker-dealer.

We may require the selling stockholders to suspend the sales of the shares of our common stock being offered pursuant to this prospectus upon the occurrence of any event that makes any statement in this prospectus or the related registration statement untrue in any material respect or that requires the changing of statements in those documents in order to make statements in those documents not misleading.

The following table sets forth certain information regarding the beneficial ownership of shares of common stock by the selling stockholders as of January 9, 2013 and the number of shares of our common stock being offered pursuant to this prospectus. Except as otherwise described below, we believe that the selling stockholders have sole voting and investment powers over their shares.

Name of Selling Stockholder	Shares Owned by the Selling Stockholder before the Offering ⁽¹⁾	Total Shares Offered in the Offering	Number of Shares to Be Owned by Selling Stockholder After the Offering and Percent of Total Issued and Outstanding Shares ⁽¹⁾	
			# of Shares ⁽²⁾	% of Class ⁽²⁾
The Marie Baier Foundation, Inc. ⁽³⁾	1,259,179 ⁽⁴⁾	943,756 ⁽⁵⁾	-	-
Motivated Minds LLC ⁽⁶⁾	751,590 ⁽⁷⁾	562,336 ⁽⁸⁾	-	-
Ascendant Capital Partners, LLC ⁽⁹⁾	362,276 ⁽¹⁰⁾	11,400,208 ⁽¹¹⁾	-	-
Totals	1,751,589	12,906,300	-	-

Selling Stockholders - *continued*

Notes

- (1) Beneficial ownership is determined in accordance with Securities and Exchange Commission rules and generally includes voting or investment power with respect to shares of common stock. Shares of common stock subject to options, warrants and convertible debentures currently exercisable or convertible, or exercisable or convertible within 60 days, are counted as outstanding. The actual number of shares of common stock issuable upon the conversion of the convertible debentures is subject to adjustment depending on, among other factors, the future market price of our common stock, and could be materially less or more than the number estimated in the table.
- (2) Because the selling stockholders may offer and sell all or only some portion of the 12,906,300 shares of our common stock being offered pursuant to this prospectus and may acquire additional shares of our common stock in the future, we cannot provide an estimate of the number and percentage of shares of our common stock that any of the selling stockholders will hold upon termination of the offering.
- (3) John F. Baier exercises voting and dispositive power with respect to the shares of our common stock that are beneficially owned by The Marie Baier Foundation, Inc.
- (4) Consists of 933,084 shares of our common stock issuable upon conversion of the principal amount of convertible debentures and interests accrued as of January 2, 2012 at a conversion price as of January 2, 2013 of \$0.1593 per share and 326,095 shares of our common stock issued upon exercise of warrants.
- (5) Consists of 617,661 shares of our common stock issuable upon conversion of convertible debentures and 326,095 shares of our common stock issued upon exercise of warrants.
- (6) Ira Gaines exercises voting and dispositive power with respect to the shares of our common stock that are beneficially owned by Motivated Minds LLC.
- (7) Consists of 559,850 shares of our common stock issuable upon conversion of the principal amount of convertible debentures and interests accrued as of January 2, 2012 at a conversion price as of January 2, 2013 of \$0.1593 per share and 191,740 shares of our common stock issued upon exercise of warrants.
- (8) Consists of 370,596 shares of our common stock issuable upon conversion of convertible debentures and 191,740 shares of our common stock issued upon exercise of warrants.
- (9) Bradley J. Wilhite or Mark A. Bergendahl exercises voting and dispositive power with respect to the shares of our common stock that are beneficially owned by Ascendant Capital Partners, LLC. They are equal owners of Ascendant Capital Partners, LLC, and each holds one of the two positions on the board of directors. Therefore, any actions to be taken by Ascendant Capital Partners, LLC must be approved by both of them.
- (10) Consists of 323,928 shares of our common stock and 38,347 shares of our common stock issued upon exercise of warrants.
- (11) Consists of 1,142,858 shares of our common stock issued or to be as commitment shares, 38,347 shares of common stock that were issued upon exercise of warrants and 10,219,003 shares of our common stock to be sold under a securities purchase agreement dated October 18, 2012.

Plan of Distribution

Each of the selling stockholders named above and any of their pledgees, assignees and successors-in-interest may, from time to time, sell any or all of their shares of common stock on the Financial Industry Regulatory Authority's OTC Bulletin Board or any other stock exchange, market or trading facility on which the shares of our common stock are traded or in private transactions. These sales may be at fixed prices, at prevailing market prices at the time of sale, at varying prices or at negotiated prices. The selling stockholders may use any one or more of the following methods when selling shares:

- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- privately negotiated transactions;
- broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; or
- any other method permitted pursuant to applicable law.

The selling stockholders may also sell shares under Rule 144 under the Securities Act of 1933, if available, rather than under this prospectus.

Broker-dealers engaged by the selling stockholders may arrange for other brokers-dealers to participate in sales. Broker-dealers may receive commissions or discounts from the selling stockholders (or, if any broker-dealer acts as agent for the purchaser of shares, from the purchaser) in amounts to be negotiated, but, except as set forth in a supplement to this prospectus, in the case of an agency transaction not in excess of a customary brokerage commission in compliance with FINRA Rule 2440; and in the case of a principal transaction a markup or markdown in compliance with FINRA IM-2440.

Ascendant Capital Partners, LLC is an underwriter within the meaning of the Securities Act of 1933 and other selling stockholders and any broker-dealers or agents that are involved in selling the shares may be deemed to be "underwriters" within the meaning of the Securities Act of 1933 in connection with such sales. In such event, any commissions received by such broker-dealers or agents and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act of 1933. Except for an arrangement between Ascendant Capital Partners, LLC and Mike Cole, the selling stockholders have informed us that they do not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the common stock of our company. We have been informed that approximately 45,000 shares of our common stock issued to Ascendant Capital Partners, LLC are due to Mike Cole under his arrangement while he was still with Ascendant Capital Partners, LLC. Pursuant to a requirement by the Financial Industry Regulatory Authority, or FINRA, the maximum commission or discount to be received by any FINRA member or independent broker/dealer may not be greater than 8% of the gross proceeds received by us for the sale of any securities being registered pursuant to Rule 415 promulgated under the Securities Act of 1933.

Discounts, concessions, commissions and similar selling expenses, if any, attributable to the sale of shares will be borne by the selling stockholders. The selling stockholders may agree to indemnify any agent, dealer or broker-dealer that participates in transactions involving sales of the shares if liabilities are imposed on that person under the Securities Act of 1933.

Plan of Distribution - continued

We are required to pay certain fees and expenses incurred by us incident to the registration of the shares covered by this prospectus. We have agreed to indemnify the selling stockholders against certain losses, claims, damages and liabilities, including liabilities under the Securities Act of 1933. We estimate that the expenses of the offering to be borne by us will be approximately \$50,000. We will not receive any proceeds from the resale of any of the shares of our common stock by the selling stockholders. We may, however, receive proceeds from the sale of our common stock under the security purchase agreement with Ascendant Capital Partners, LLC or exercise of warrants by the selling stockholders. Neither the securities purchase agreement with Ascendant Capital Partners, LLC nor any rights of the parties under the securities purchase agreement with Ascendant Capital Partners, LLC may be assigned or delegated to any other person.

Because Ascendant Capital Partners, LLC is, and other selling stockholders may be, an “underwriter” within the meaning of the Securities Act of 1933, they will be subject to the prospectus delivery requirements of the Securities Act of 1933 including Rule 172 thereunder. There is no underwriter or coordinating broker acting in connection with the proposed sale of the resale shares by the selling stockholders.

We agreed with Ascendant Capital Partners, LLC to keep this prospectus effective until all shares of our common stock covered by a registration statement of which this prospectus forms a part (i) have been sold, thereunder or pursuant to Rule 144, or (ii) (A) may be sold without volume or manner-of-sale restrictions pursuant to Rule 144 and (B) (I) may be sold without the requirement for us to be in compliance with the current public information requirement under Rule 144 or (II) we are in compliance with the current public information requirement under Rule 144, or (iii) the commitment period under the securities purchase agreement with Ascendant Capital Partners, LLC has expired and no registrable securities are then held of record by Ascendant Capital Partners, LLC that are subject to any resale restriction under Rule 144, as determined by our counsel in a written opinion letter to such effect, addressed and acceptable to the transfer agent and the affected Ascendant Capital Partners, LLC.

The resale shares will be sold only through registered or licensed brokers or dealers if required under applicable state securities laws. In addition, in certain states, the resale shares may not be sold unless they have been registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

Under applicable rules and regulations under the Securities Exchange Act of 1934, any person engaged in the distribution of the resale shares may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period, as defined in Regulation M, prior to the commencement of the distribution. In addition, the selling stockholders will be subject to applicable provisions of the Securities Exchange Act of 1934 and the rules and regulations thereunder, including Regulation M, which may limit the timing of purchases and sales of shares of the common stock by the selling stockholders or any other person. We will make copies of this prospectus available to the selling stockholders and have informed them of the need to deliver a copy of this prospectus to each purchaser at or prior to the time of the sale.

Description of Securities

General

Effective June 15, 2011, we effected a 37 to one forward stock split of our authorized and issued and outstanding common and preferred stock. As a result, our authorized capital increased from 100,000,000 shares of common stock with a par value of \$0.0001 to 3,700,000,000 shares of common stock with a par value of \$0.0001. The authorized shares of our common stock are available for issuance without further action or approval by our stockholders, unless such action is required by applicable law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded.

As of January 9, 2013, there were 52,501,110 shares of our common stock issued and outstanding held by 20 holders of record of our common stock.

Description of Securities - *continued*

Voting Rights

Each share of common stock entitles the holder to one vote on all matters submitted to a vote of the stockholders including the election of directors. Except as otherwise required by law the holders of our common stock possess all voting power. According to our bylaws, in general, each director is to be elected by a majority of the votes cast with respect to the directors at any meeting of our stockholders for the election of directors at which a quorum is present. According to our bylaws, in general, the affirmative vote of a majority of the shares represented at the meeting and entitled to vote on any matter (which shares voting affirmatively also constitute at least a majority of the required quorum), except for the election of directors, is to be the act of our stockholders. Our bylaws provide that stockholders holding at least 10% of the shares entitled to vote, represented in person or by proxy, constitute a quorum at the meeting of our stockholders. Our bylaws also provide that any action which may be taken at any annual or special meeting of our stockholders may be taken without a meeting and without prior notice if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Our articles of incorporation and bylaws do not provide for cumulative voting in the election of directors. Because the holders of our common stock do not have cumulative voting rights and directors are generally to be elected by a majority of the votes casts with respect to the directors at any meeting of our stockholders for the election of directors, holders of more than fifty percent, and in some cases less than 50%, of the issued and outstanding shares of our common stock can elect all of our directors.

Dividend Rights

The holders of our common stock are entitled to receive the dividends as may be declared by our board of directors out of funds legally available for dividends. Our board of directors is not obligated to declare a dividend. Any future dividends will be subject to the discretion of our board of directors and will depend upon, among other things, future earnings, the operating and financial condition of our company, its capital requirements, general business conditions and other pertinent factors. We have not paid any dividends since our inception and we do not anticipate that dividends will be paid in the foreseeable future.

Miscellaneous Rights and Provisions

In the event of our liquidation or dissolution, whether voluntary or involuntary, each share of our common stock is entitled to share ratably in any assets available for distribution to holders of our common stock after satisfaction of all liabilities.

Our common stock is not convertible or redeemable and has no preemptive, subscription or conversion rights. There are no conversions, redemption, sinking fund or similar provisions regarding our common stock.

Our common stock, after the fixed consideration thereof has been paid or performed, are not subject to assessment, and the holders of our commons tock are not individually liable for the debts and liabilities of our company.

Our bylaws provide that our board of directors may amend our bylaws by a majority vote of our board of directors including any bylaws adopted by our stockholders, but our stockholders may from time to time specify particular provisions of these bylaws, which must not be amended by our board of directors. Our current bylaws were adopted by our board of directors. Therefore, our board of directors can amend our bylaws to make changes to the provisions relating to the quorum requirement and votes requirements to the extent permitted by the Nevada Revised Statutes.

Anti-Takeover Provisions

Some features of the Nevada Revised Statutes, which are further described below, may have the effect of deterring third parties from making takeover bids for control of our company or may be used to hinder or delay a takeover bid. This would decrease the chance that our stockholders would realize a premium over market price for their shares of common stock as a result of a takeover bid.

Description of Securities - *continued*

Acquisition of Controlling Interest

The Nevada Revised Statutes contain provisions governing acquisition of controlling interest of a Nevada corporation. These provisions provide generally that any person or entity that acquires certain percentage of the outstanding voting shares of a Nevada corporation may be denied voting rights with respect to the acquired shares, unless the holders of a majority of the voting power of the corporation, excluding shares as to which any of such acquiring person or entity, an officer or a director of the corporation, and an employee of the corporation exercises voting rights, elect to restore such voting rights in whole or in part. These provisions apply whenever a person or entity acquires shares that, but for the operation of these provisions, would bring voting power of such person or entity in the election of directors within any of the following three ranges:

- 20% or more but less than 33 1/3%;
- 33 1/3% or more but less than or equal to 50%; or
- more than 50%.

The stockholders or board of directors of a corporation may elect to exempt the stock of the corporation from these provisions through adoption of a provision to that effect in the articles of incorporation or bylaws of the corporation. Our articles of incorporation and bylaws do not exempt our common stock from these provisions.

These provisions are applicable only to a Nevada corporation, which:

- has 200 or more stockholders of record, at least 100 of whom have addresses in Nevada appearing on the stock ledger of the corporation; and
- does business in Nevada directly or through an affiliated corporation.

At this time, we do not have 100 stockholders of record who have addresses in Nevada appearing on the stock ledger of our company nor do we believe that we do business in Nevada directly or through an affiliated corporation. Therefore, we believe that these provisions do not apply to acquisitions of our shares and will not until such time as these requirements have been met. At such time as they may apply to us, these provisions may discourage companies or persons interested in acquiring a significant interest in or control of our company, regardless of whether such acquisition may be in the interest of our stockholders.

Combination with Interested Stockholder

The Nevada Revised Statutes contain provisions governing combination of a Nevada corporation that has 200 or more stockholders of record with an interested stockholder. As of January 9, 2013, we had 20 stockholders of record. Therefore we believe that these provisions do not apply to us. If we obtain over 200 stockholders of record, these provisions may also have effect of delaying or making it more difficult to effect a change in control of our company.

A corporation affected by these provisions may not engage in a combination within three years after the interested stockholder acquires his, her or its shares unless the combination or purchase is approved by the board of directors before the interested stockholder acquired such shares. Generally, if approval is not obtained, then after the expiration of the three-year period, the business combination may be consummated with the approval of the board of directors before the person became an interested stockholder or a majority of the voting power held by disinterested stockholders, or if the consideration to be received per share by disinterested stockholders is at least equal to the highest of:

Description of Securities - *continued*

- the highest price per share paid by the interested stockholder within the three years immediately preceding the date of the announcement of the combination or within three years immediately before, or in, the transaction in which he, she or it became an interested stockholder, whichever is higher;
- the market value per share on the date of announcement of the combination or the date the person became an interested stockholder, whichever is higher; or
- if higher for the holders of preferred stock, the highest liquidation value of the preferred stock, if any.

Generally, these provisions define an interested stockholder as a person who is the beneficial owner, directly or indirectly of 10% or more of the voting power of the outstanding voting shares of a corporation. Generally, these provisions define combination to include any merger or consolidation with an interested stockholder, or any sale, lease, exchange, mortgage, pledge, transfer or other disposition, in one transaction or a series of transactions with an interested stockholder of assets of the corporation having:

- an aggregate market value equal to 5% or more of the aggregate market value of the assets of the corporation;
- an aggregate market value equal to 5% or more of the aggregate market value of all outstanding shares of the corporation; or
- representing 10% or more of the earning power or net income of the corporation.

Articles of Incorporation and Bylaws

There are no provisions in our articles of incorporation or our bylaws that would delay, defer or prevent a change in control of our company and that would operate only with respect to an extraordinary corporate transaction involving our company or any of our subsidiaries, such as merger, reorganization, tender offer, sale or transfer of substantially all of its assets, or liquidation.

Experts and Counsel

The financial statements of our company included in this prospectus have been audited by Manning Elliott LLP, to the extent and for the period set forth in their report (which contains an explanatory paragraph regarding our ability to continue as a going concern) appearing elsewhere in the prospectus, and are included in reliance upon such report given upon the authority of said firm as experts in auditing and accounting.

Clark Wilson LLP, of Suite 800 – 885 West Georgia Street, Vancouver, British Columbia, Canada has provided an opinion on the validity of the shares of our common stock being offered pursuant to this prospectus.

Interest of Named Experts and Counsel

No expert named in the registration statement of which this prospectus forms a part as having prepared or certified any part thereof (or is named as having prepared or certified a report or valuation for use in connection with such registration statement) or counsel named in this prospectus as having given an opinion upon the validity of the securities being offered pursuant to this prospectus or upon other legal matters in connection with the registration or offering such securities was employed for such purpose on a contingency basis. Also at the time of such preparation, certification or opinion or at any time thereafter, through the date of effectiveness of such registration statement or that part of such registration statement to which such preparation, certification or opinion relates, no such person had, or is to receive, in connection with the offering, a substantial interest, direct or indirect, in our company or any of its parents or subsidiaries. Nor was any such person connected with our company or any of its parents or subsidiaries as a promoter, managing or principal underwriter, voting trustee, director, officer or employee.

Information with respect to Our Company

Description of Business

Corporate Overview

We were incorporated in the State of Nevada on June 5, 2007. Our plan after our inception on June 5, 2007 was to produce user-friendly software that creates interactive digital yearbook software for schools and allows them to create and burn their own interactive digital yearbooks on CD/DVD.

Effective June 15, 2011, we completed a merger with our subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from “Digital Yearbook Inc.” to “Titan Iron Ore Corp.”

Also effective June 15, 2011, we effected a 37 to one forward stock split of our authorized and issued and outstanding common and preferred stock. As a result, our authorized capital increased from 100,000,000 shares of common stock with a par value of \$0.0001 to 3,700,000,000 shares of common stock with a par value of \$0.0001 of which 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, we issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000.

Effective June 30, 2011 and in connection with the closing of the Acquisition Agreement, as defined below under the heading “Acquisition Agreement”, Ohad David, Ruth Navon and Service Merchant Corp. (the “**Vendors**”), entered into an affiliate stock purchase agreement, whereby, among other things, the Vendors surrendered 142,950,000 common shares for cancellation.

On October 18, 2012 we entered into agreements to secure up to \$10 million in equity line financing. Separately, we also received \$200,000 in funding from convertible debentures.

Acquisition Agreement for Wyoming Iron Complex

Effective June 30, 2011 and in connection with the entry into an agreement (the “**Acquisition Agreement**”) with J2 Mining Ventures Ltd. (“**J2 Mining**”) dated June 13, 2011 and attached as Exhibit 10.1 to our Current Report on Form 8-K filed June 16, 2011, we completed the acquisition of a 100% right, title and interest in and to a properties option agreement (the “**Option Agreement**”) from J2 Mining with respect to iron ore mineral properties located in Albany County, Wyoming, by way of entering an assignment of mineral property option agreement with J2 Mining and Wyomex LLC (the “**Assignment Agreement**”), whereby our company was assigned 100% of the right, title and interest in and to the Option Agreement from J2 Mining.

The Option Agreement assigned to us from J2 Mining on September 30, 2011 was entered into on May 26, 2011 between J2 Mining and Wyomex LLC, pursuant to which Wyomex LLC, as optionor, granted to J2 Mining, as optionee, an exclusive right and option to acquire 100% undivided legal and beneficial interests in and to certain unpatented lode mining claims, fee lands, leased lands, and other interests in real property situated in Albany County, Wyoming (the “**Wyoming Iron Complex**”). Pursuant to the Assignment Agreement, J2 Mining agreed to assign all its rights and interests in the property and the Option Agreement, and transfer all of its obligations under the Option Agreement, to our company, and our company accepted and agreed to be bound by the terms of the Option Agreement.

The term of the option commenced on May 26, 2011 and was extended for a total of six successive one-month periods, up through and including December 26, 2011, by providing notice to Wyomex LLC and payment of \$5,000 for each of the first three additional months and \$15,000 for the last three additional months (for a total payment of \$60,000). Our company elected to exercise the option on December 21, 2011 by giving Wyomex LLC written notice of such election.

Description of Business - continued

On April 10, 2012, we entered into and closed an asset purchase agreement (the “**Asset Purchase Agreement**”) with Wyomex LLC whereby we purchased the Wyoming Iron Complex mineral project located in Albany County, Wyoming.

The purchase price for the Wyoming Iron Complex is \$7,000,000 payable as follows:

- Acknowledgement by Wyomex and credit to us of the sum of US\$60,000, previously received by Wyomex for expenses and option payments related to the Wyoming Iron Complex.
- Immediate payment by us to Wyomex of US\$85,000, which payment was received by Wyomex on April 1, 2012.

A promissory note (the “**Note**”) in the principal amount of US\$6,855,000 was executed by us and delivered to Wyomex on April 10, 2012. The Note is interest-free. All Advance Production Payments and Production Payments (defined below) paid to Wyomex will be credited against any outstanding balance of or amounts due under the Note. The Note is secured by a purchase money mortgage (the “**Mortgage**”).

- Commencing six months from the date of closing and every six months thereafter, we will pay Wyomex, as an advance production payment, the initial amount of \$62,500 (the “**Advance Production Payment**”), as adjusted for inflation, until Commencement of Commercial Production from the Property, which is defined as the first quarter of production in which 4.5 percent of the metal values or gross proceeds from the sales of mineral materials derived from the Wyoming Iron Complex exceeds the amount of the Advance Production Payment.

- We assumed all liabilities of Wyomex to make all lease or other payments required following the closing under the mineral lease agreement between Wyomex and Chugwater Iron Company (the “**Mineral Lease Agreement**”) relating to certain leased real property (the “**Leased Real Property**”), including payment of real property taxes and payment of the sum of \$1,000 per month to be paid as an advance production payment under the Mineral Lease Agreement. We also assumed the responsibility of Wyomex to make the payments to maintain the federal unpatented lode mining claims described below, in the approximate yearly amount of \$3,200.

- At the Commencement of Commercial Production, the Advance Production Payment is converted to a 4.5% gross metal value payment (“**GMP**”) on iron ore, concentrates, and/or other mineral materials produced and sold from the Wyoming Iron Complex by us to unrelated third parties (the “**Production Payment**”), provided, that for the Leased Real Property, the GMP payable to Wyomex is reduced by 50% such that Wyomex receives a 2.25% GMP on production from such lands, and the owner of the Leased Real Property shall receive the balance or a 2.25% GMP. Except for events of force majeure (including non-operation of the facilities after startup) in no event shall the total Production Payment paid by us to Wyomex and the owner of the Leased Real Property be less than US\$150,000 in any given calendar year. All Advance Production Payments and Production Payments, as they relate to Leased Real Property, shall be reduced to Wyomex by the amounts of such payments that must be transmitted to the lessor of the Leased Real Property in accordance with the terms and obligations of the Mineral Lease for the Leased Real Property.

Subsequent to the payment by us of the full amount of \$7 million, the Purchase Price is deemed to be satisfied, and the Production Payment is reduced such that we pay to Wyomex, and the owner of the Leased Real Property, a total GMP royalty of 1.5% for all iron product and/or other mineral materials produced and sold from the Wyoming Iron Complex during the previous month. The Production Payments due to Wyomex and the owner of Leased Real Property shall be similarly reduced, as provided above, such that Wyomex receives a 0.75% GMP on such assets, and the owner of Leased Real Property shall receive a 0.75% GMP.

The Wyoming Iron Complex consist of certain unpatented lode mining claims situated in an unorganized mining district, Albany County, Wyoming, in Sections 14 and 24, Township 19 North, Range 72 West, 6th Principal Meridian, the names of which and the place of record of the location notices thereof in the official records of the county recorder and the authorized office of the Bureau of Land Management.

Description of Business - *continued*

Our Current Business

With the entry into the Asset Purchase Agreement with respect to the Wyoming Iron Complex, we abandoned our efforts as an interactive software developer, and we are focusing our efforts in the mineral exploration. Our business plan is to proceed with the exploration of the Wyoming Iron Complex consisting of mineral leases on 320 acres and 23 unpatented mining claims aggregating approximately 463 acres located in the county of Albany, Wyoming, USA.

Proposed Initial Work Program

The initial two phases lasted six to seven months and entailed expenditures of approximately \$258,000.

The initial phase lasted three months and included:

- Compilation of all existing geological data into one comprehensive data base for each of the Strong Creek and Iron Mountain Deposits; and
- Development of an additional work program for the properties.

The second phase took a further three to four months. The specific work undertaken included confirmation drilling of existing drill targets to validate historic data (2000 feet).

The third phase will involve expansion and infill drilling to expand the resource on the Strong Creek deposit to upgrade and enhance the quality of the resource data base, bulk testing of Iron Mountain Ores to confirm the validity of the Krupp Renn or other pyrometallurgical process as applied to Strong Creek and Iron Mountain ores, bench scale tests on the Strong Creek ores to validate the Hazen /USBM separation results, and the initiation of a prefeasibility study based on historic and current data. This work program, subject to the receipt of adequate funding, is expected to take at least one year and entail an aggregate expenditure of up to \$8 million.

Once we complete each phase of exploration, we will make a decision as to whether or not and how we proceed with each successive phase based upon the analysis of the results of that program.

Progress

On October 13, 2011, we announced a targeted first phase drilling program of 1700 feet at the Strong Creek Property in the Wyoming Iron Complex. A total of three HQ (2.5 inch diameter) diamond drill holes were completed to duplicate and verify drilling results obtained by Union Pacific Resources [c.1955], the State of Wyoming [1995], and Radar Acquisitions Limited (2005). One hole was extended to a depth of 700 feet to explore the vertical potential of the mineralized zone. All work during this phase was done on the Strong Creek Project, the larger of our two projects within the Wyoming Iron Complex. All samples were collected by drill crews with on site supervision and placed in standard core boxes then transported to the facilities of Wyoming Analytical Laboratories Inc. in Laramie Wyoming, where the core samples were cut in half lengthwise and then logged as to rock type, mineralization and structure. Samples were then taken consisting of one half of the cut core over a five foot interval, bagged and transported to the staff of the laboratory. There, samples were catalogued in the laboratory's management system and then taken to their preparation lab where they were crushed, screened and split to obtain a representative sample for analysis. These representative samples were then sent to Wyoming Analytical Laboratories' satellite lab in Golden Colorado where they were analyzed using X-Ray Fluorescence [XRF] methodology for Iron, Titanium, and Vanadium. The results of the Phase 1 drilling program are summarized as follows:

Description of Business - continued

Hole SC - 2011 - 01	From Feet	To feet	Interval feet	Fe₂O₃	TiO₂	V₂O₅
Total weighted average	0	700	700	19.719%	6.129%	0.117%
Including 430 ft	70	500	430	19.950%	6.225%	0.119%
Which itself included 5 ft	350	355	5	26.720%	12.560%	0.155%
Including an additional 196 ft	504	700	196	19.617%	6.110%	0.114%
Hole SC - 2011 - 02	From Feet	To feet	Interval feet	Fe₂O₃	TiO₂	V₂O₅
Total weighted average	0	652	652	16.184%	5.049%	0.090%
Including 410 ft	0	410	410	17.511%	5.606%	0.433%
Which itself included	0	258	258	17.839%	5.925%	0.107%
And 65 ft of	340	405	65	18.945%	5.822%	0.118%
Including an additional 30 feet of	550	580	30	21.408%	6.490%	0.104%
Hole SC - 2011 - 03	From Feet	To feet	Interval feet	Fe₂O₃	TiO₂	V₂O₅
Total weighted average	22	597	575	16.947%	4.690%	0.111%
Including 137 ft of Lower grade	22	137	115	13.559%	2.098%	0.074%
Including 460 ft Higher Grade	137	597	460	17.745%	5.335%	0.120%

All three holes were collared in iron-titanium-vanadium mineralization and were terminated in iron mineralization higher than hole averages, which suggests that mineralization extends to greater depth. Holes 1 and 2 were in higher grade material from the surface to the bottom of the hole. Hole 3 encountered weaker iron grades near the surface but strengthened for the last 3/4 of the hole. All values expressed here are weighted average grades over the core length specified.

In the case of the Strong Creek Property the prospect is without known reserves and our program of work has been and remains exploratory in nature. There are no existing facilities or historic mining or mineral processing facilities on this site.

Quality assurance and control (QA/QC) measures consisted of the analysis of duplicate samples which were taken at 50 foot intervals and tested in the same manner and a random series of samples from rejects were sent to SGS Lakefield Laboratories in Lakefield Ontario, Canada which acted as an umpire laboratory. SGS also performed Davis tube tests on selected random samples as a preliminary test for magnetic iron recovery.

All sample rejects were retained for a period of 90 days in the event any retesting was considered necessary. All remaining core was retained for future reference and analysis and sent to a secure and locked storage facility. .

All work conducted during this program is under the direct control the independent consulting geologist who managed the activities of the drilling contractor, civil contractor, and laboratory personnel. Water for drilling was provided by the rancher who holds the surface and water rights. All other supplies, fuel and power were provided by the drilling contractor.

All permits were obtained through the Land Division of the Wyoming Department of Environmental Quality, (WDEQ), the lead agency in Wyoming for permitting and reclamation matters. All holes were abandoned and reclaimed in accordance with the policies and procedures of WDEQ and included capping of the holes, re-contouring the surface and reseeding with an approved seed mix vegetation. In November 2012 the drill sites were re-contoured and reseeded to the satisfaction of the surface rights owner.

Titan also has the Iron Mountain property under lease. This is an historic mining operation that has an existing open pit and ore stockpile on the property. This project is situated on private property and the lease held by Titan includes all surface, mineral, and water rights on the 160 acre parcel. When this property was operating it was served by a dedicated power line connecting to the grid which can be reconnected should the project be reactivated. There are no existing facilities on this site. Some 100 drill holes were drilled on this property defining a mining reserve which underpinned production and internal feasibility work undertaken by previous operators. We are planning to twin several of the historic drill holes to confirm these resources. Currently our work at Iron Mountain remains exploratory in nature. At this time we maintain an environmental bond with the WDEQ covering historic liabilities at Iron Mountain.

Description of Business - *continued*

On September 20, 2012, we announced that we were changing our immediate corporate development focus to the Iron Mountain deposit at the Wyoming Iron Complex, as we believe this will provide an opportunity for nearer-term production and cash flow opportunities. The Iron Mountain deposit has an existing open pit with past production, information from approximately 100 historical drillholes, and we believe it may result in a considerably shorter timeframe to complete feasibility-level work and a much quicker path to production than Strong Creek. An ore stockpile at Iron Mountain contains run of mine ("ROM") grade material. An independent sample analysis substantiated iron and titanium grades at 52% and 15% respectively. We are investigating arrangements to sell this material, which if successful, could potentially provide for short-term cash flow opportunities to help support future exploration and development on the site. We are also currently evaluating the potential customer and marketing base for which Iron Mountain ROM material may be suitable. This includes the area cement industry and domestic primary steel producers.

Our technical plan for the winter of 2012 is to conduct metallurgical studies on Iron Mountain ore, including the engagement of a laboratory for compression and crush testing. During 2013, we intend to evaluate and design a laboratory-scale test program for the production of high value-added semi-steel and titanium products, replicating the historical studies from the 1960's completed by the Natural Resources Division of the Union Pacific Railroad Company. We further anticipate that during 2013, we plan to implement an additional drill and exploration program at Iron Mountain, designed to upgrade the technical nature of the deposit. Also during 2013, we hope to initiate work towards completing a feasibility-level report for the development of Iron Mountain.

Option Agreement with Globex Mining

On July 19, 2011, we entered into an option agreement with Globex Mining Enterprises Inc. ("Globex") effective July 12, 2011 (the "Globex Agreement"), pursuant to which Globex granted us the right (the "Option") for a period of 90 days from July 12, 2011 to acquire an undivided 100% interest in and to 202 mining claims (the "Property") located in the Labrador Trough area in the Province of Quebec, Canada.

In September 2011, we initiated a geological reconnaissance survey of a magnetic geophysical anomaly located on the Labrador Trough iron property. This survey determined that the anomaly was not of sufficient mineral type, grade or size to merit further exploration costs. Accordingly, we have determined to drop the option on the Labrador Trough iron property and on October 12, 2011 notified the owner of the property that we will not be exercising its option to acquire the property.

Competition

We are a mineral resource exploration company. We compete with other mineral resource exploration companies for financing and for the acquisition of new mineral properties. Many of the mineral resource exploration companies with whom we compete have greater financial and technical resources than those available to us. Accordingly, these competitors may be able to spend greater amounts on acquisitions of mineral properties of merit, on exploration of their mineral properties and on development of their mineral properties. In addition, they may be able to afford more geological expertise in the targeting and exploration of mineral properties. This competition could result in competitors having mineral properties of greater quality and interest to prospective investors who may finance additional exploration and development. This competition could adversely impact on our ability to achieve the financing necessary for us to conduct further exploration of our mineral properties.

We also compete with other mineral resource exploration companies for financing from a limited number of investors that are prepared to make investments in mineral resource exploration companies. The presence of competing mineral resource exploration companies may impact on our ability to raise additional capital in order to fund our exploration programs if investors are of the view that investments in competitors are more attractive based on the merit of the mineral properties under investigation and the price of the investment offered to investors. We also compete with other mineral resource exploration companies for available resources, including, but not limited to, professional geologists, camp staff, helicopter or float planes, mineral exploration supplies and drill rigs.

Description of Business - *continued*

Compliance with Environmental Laws

Our business plan calls for exploration activities and future mining operations. These activities are subject to extensive laws and regulations governing the protection of the environment, waste disposal, worker safety, mine construction, and protection of endangered and protected species. We expect to make in the future, significant expenditures to comply with such laws and regulations. Future changes in applicable laws, regulations and permits or changes in their enforcement or regulatory interpretation could have an adverse impact on our financial condition or results of operations. In the event that we make a mineral discovery and decide to proceed to production, the costs and delays associated with compliance with these laws and regulations could stop us from proceeding with a project or the operation or further improvement of a mine or increase the costs of improvement or production.

Government Regulation

Mining operations and exploration activities are subject to various federal, state, provincial and local laws and regulations in the United States, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters. In the United States, the Federal government owns public lands that are administered by the Bureau of Land Management or the United States Forest Service. Ownership of the subsurface mineral estate can be acquired by staking a twenty (20) acre mining claim granted under the General Mining Law of 1872, as amended (the "General Mining Law"). Unless it has been conveyed, the Federal government still owns the surface estate even though the subsurface can be controlled with a right to extract through claim staking.

Employees and Key Consultants

Our company has one full time employee and 5 part time consultants.

Intellectual Property

We do not own, either legally or beneficially, any patents or trademarks.

Description of Property

Principal Office

Our executive offices consist of 800 square feet are located at 3040 North Campbell Ave, Suite 110 Tucson, Arizona 85719. The office lease costs \$2,100 per month, which, along with utilities and related expenses, is allocated proportionally among our company and several other junior mining companies which are administered by Kriyah Consultants LLC out of the same location. We believe that our office space and facilities are sufficient to meet our present needs and do not anticipate any difficulty securing alternative or additional space, as needed, on terms acceptable to us.

Our registered agent is located at Eastbiz.com, Inc., 5348 Vegas Drive, Las Vegas, NV 89108.

Mineral Properties

Pursuant to the Asset Purchase Agreement, we have acquired a 100% interest in the Wyoming Iron Complex properties. The mineral concessions and rights that form the Wyoming Iron Complex property consist of 23 unpatented US mining claims (Strong Creek Claims) located under the Mining Law of 1872, comprising approximately 463 acres, and a mineral leases (Iron Mountain Lease) totalling approximately 320 acres with Chugwater Mining Company. The mining claims were originally staked by John Simons, an individual, then conveyed to Wyomex Resources Inc, and then assigned to Wyomex LLC, a duly incorporated limited liability company under the laws of Wyoming, and are registered with the Office of the Registrar Albany County, Wyoming and with the US Bureau of Land Management located in Cheyenne Wyoming and registered in the name of Wyomex LLC in accordance with the requirements of the Mining Law of 1872. Costs of maintaining the unpatented mining claims in 2010 were \$140 per claim payable annually by August 31st. Wyomex LLC is also the lessee under the aforementioned mineral lease, covering the fee estate for the SE¼ of Section 22, T.19N., R. 71W., 6th P.M., Albany County, Wyoming.

Description of Property - continued

The unpatented lode mining claims are situated in an unorganized mining district, Albany County, Wyoming, in Sections 14 and 24, Township 19 North, Range 72 West, 6th Principal Meridian, the names of which and the place of record of the location notices thereof in the official records of the county recorder and the authorized office of the Bureau of Land Management are as follows

Claim Name	Location Date	County Records		BLM Serial # WMC & Location
		Book	Page	
VAN NO. 1	10/12/1976	256	946	127756 SW ¹ / ₄ Sec. 24
VAN NO. 2	10/12/1976	256	947	127757 SW ¹ / ₄ Sec. 24
VAN NO. 3	10/12/1976	256	948	127758 SW ¹ / ₄ Sec. 24
VAN NO. 4	10/12/1976	256	949	127759 SW ¹ / ₄ Sec. 24
VAN NO. 5	10/12/1976	256	950	127760 SW ¹ / ₄ Sec. 24
VAN NO. 6	10/12/1976	256	951	127761 SW ¹ / ₄ Sec. 24
VAN NO. 7	10/12/1976	256	952	127762 SW ¹ / ₄ Sec. 24
VAN NO. 8	10/12/1976	256	953	127763 SW ¹ / ₄ Sec. 24
VAN NO. 9	10/12/1976	256	954	127764 SW ¹ / ₄ Sec. 24
VAN NO. 10	10/12/1976	256	955	127765 SW ¹ / ₄ Sec. 24
VAN NO. 11	10/12/1976	256	956	127766 SW ¹ / ₄ Sec. 24
VAN NO. 12	10/12/1976	256	957	127767 SE ¹ / ₄ Sec. 24
TI NO. 15	10/12/1976	256	993	127744 NW ¹ / ₄ Sec 14
TI NO. 16	10/12/1976	256	993	127745 NE ¹ / ₄ Sec. 14

Document Number			
VAN 13	7/17/2005	2005-6333	268116 SE ¹ / ₄ Sec. 24
VAN 14	7/17/2005	2005-6334	268117 SE ¹ / ₄ Sec. 24
VAN 15	7/17/2005	2005-6335	268118 E ¹ / ₂ Sec. 24
VAN 16	7/17/2005	2005-6336	268119 E ¹ / ₂ Sec. 24
VAN 17	7/17/2005	2005-6337	268120 NW ¹ / ₄ Sec 24
VAN 18	7/17/2005	2005-6338	268121 NW ¹ / ₄ Sec 24
VAN 19	7/17/2005	2005-6339	268122 NW ¹ / ₄ Sec 24
VAN 20	7/17/2005	2005-6340	268123 SW ¹ / ₄ Sec. 24
VAN 21	7/17/2005	2005-6341	268124 NW ¹ / ₄ Sec 24
VAN 22	7/17/2005	2005-6342	268125 NE ¹ / ₄ Sec. 24
VAN 23	7/17/2005	2005-6343	268126 NE ¹ / ₄ Sec. 24
VAN 24	7/17/2005	2005-6344	268127 NE ¹ / ₄ Sec. 24

Note: The VAN Nos. 1-12 are included within Mineral Survey No. 605.

Technical Reports

All reports completed prior to January 2002 are considered to be "historic in nature" and are not compliant with National Instrument 43-101 or SEC Guide 7, and therefore cannot be relied upon. In August 2005, a due diligence program was undertaken by Radar Acquisitions Corp. in which 10 rotary air blast drill holes were completed on a selected area of the Strong Creek portion of the property that exhibited higher grade titanium grades. A technical report compliant with National Instrument 43-101 was produced for this area but its content is not considered to be applicable to our planned work program.

Description of Property - continued

Description of Property, Location, Means and Access

The Wyoming Iron Complex is located approximately 30 miles north-northeast of the city Laramie in southeastern Wyoming, (See [Figure 1](#) below). The Strong Creek Claims are located in the central portion of the Laramie Anorthosite Complex (LAC), approximately a one hour drive north from Laramie, along Hwy 287 to 34 and then secondary roads from the Greaser Ranch. The Iron Mountain Leases are located approximately 6 miles to the east of Strong Creek and are accessible by secondary roads. The Strong Creek portion of the Wyoming Iron Complex also lies 9 miles to the east of the main rail line of the Union Pacific. Power and water are available at the property.

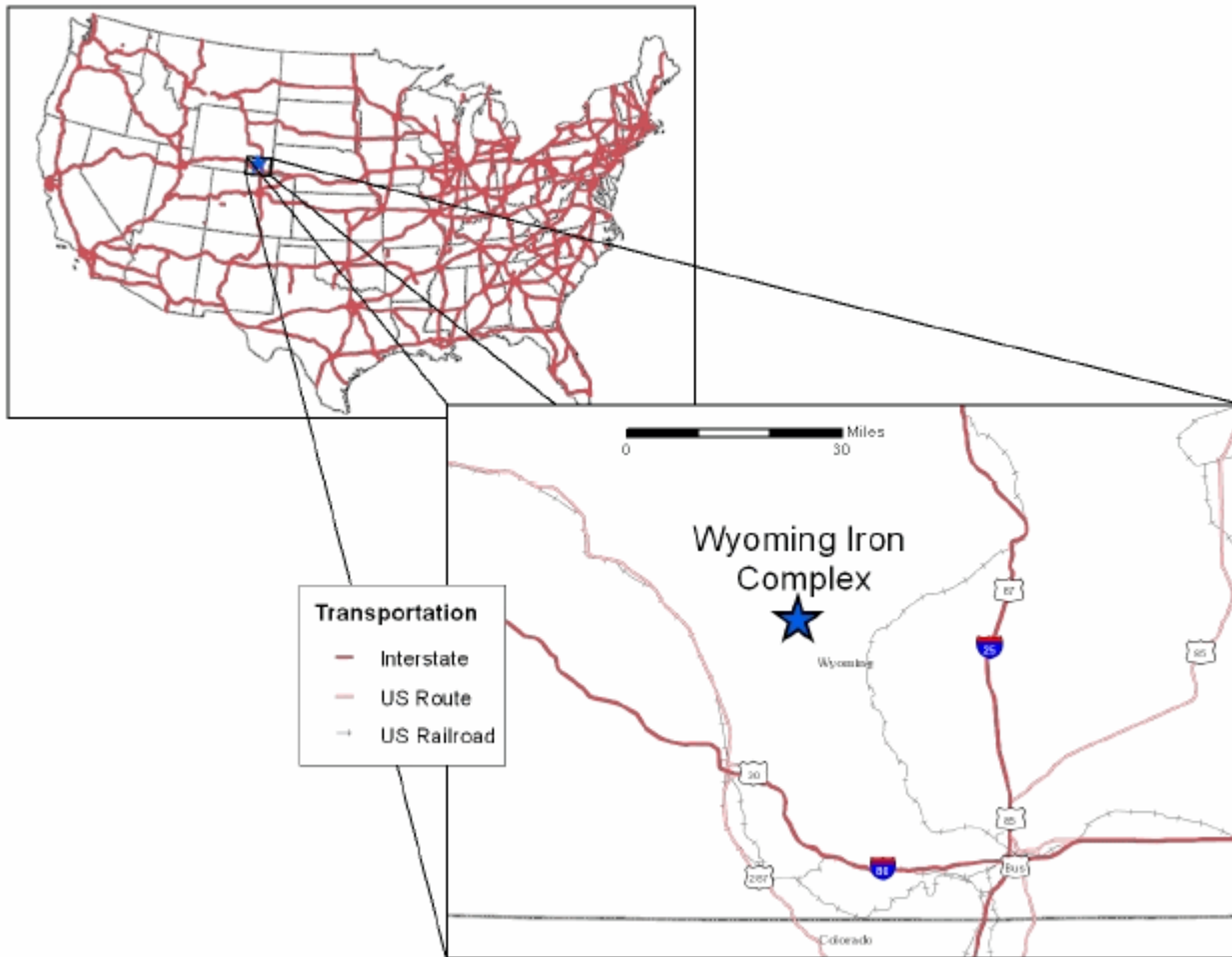
On December 7, 2012, we filed suit in state court in Albany County, Wyoming against DSS Holdings LLC and Douglas Samuelson (“Samuelson”) to regain access to the Wyoming Iron Complex. The road used by us to access the Wyoming Iron Complex crosses Samuelson’s property. Samuelson has locked the gate across the road and denied our repeated requests for access. The suit was filed in the District Court of the Second Judicial District in Wyoming, after negotiations between the parties were unsuccessful. Under Wyoming Statute§ 1-26-507, we hope to gain access to our property in order to conduct studies and collect samples of iron ore from the existing Iron Mountain pit and stockpile in order to evaluate the suitability of these materials to meet the specifications of potential customers.

The leases relating to the Wyoming Iron Complex, as amended by instrument dated February 1, 2012, continues in perpetuity until commercial production provided that a \$1,000 per month advance royalty is paid (as adjusted for inflation). At the commencement of commercial production, the royalty is paid as a function of gross metal values on products produced and sold.

The closest major town to the Wyoming Iron Complex is Laramie, Wyoming, a city of approximately 25,000 people. It has an elevation of 7,200 feet, resulting in a varied, but semi-arid climate. Laramie is located along the I-80 corridor and is on the main rail line of the Union Pacific. Laramie is a full-service city which hosts all amenities, and is the home of the University of Wyoming.

Description of Property - *continued*

Figure 1 Wyoming Iron Complex



Climate, Local Resources, Infrastructure and Physiography

Albany County, population 27,204 (US Census Bureau, 2003), is located in the high plains region of south-eastern Wyoming. Most of the county is located in a cool and arid basin (<12 inches of precipitation annually) containing the Laramie River watershed, a major tributary to the North Platte River system. The county is flanked on the west by the Medicine Bow Mountains and on the east by the Laramie Range.

Due to its elevation, Wyoming has a relatively cool climate. Above the 6,000 foot level, the temperature rarely exceeds 100 F. Summer nights are usually cool, though daytime readings may be quite high. Away from the mountains, low July temperatures range from 50 to 60 F. A typical winter would see freezing temperatures from December through March with most accumulation of snow occurring in March.

History of Exploration

Since the earliest geological investigations of the area by Stansbury in 1851, and Hayden in 1871, Fe-Ti oxide deposits have been known in Albany County. There have been numerous economic evaluations of these deposits by Ball, 1907; Singewald, 1913; Frey, 1946 and Hild, 1953.

From the completion of the railway until 1975 the property was owned by Union Pacific Resources (“UPR”) a wholly owned subsidiary of Union Pacific. From the mid 1950’s through 1972 the properties were drilled and evaluated which produced a resource estimate (non-compliant with SEC Guide 7 or Canadian NI 43-101) for contained iron, titanium dioxide and vanadium.

Description of Property - *continued*

UPR conducted a comprehensive drilling program on both of the properties and which included bulk sampling and a 30,000 ton pilot plant test based on the Krupp Renn pyrometallurgical recovery process. This was part of a study produced in 1968 later revisited in 1972 for the processing of Fe and Ti ore which concluded that Iron can be recovered using the Iron Mountain ores and that the Strong Creek concentrates may also be amenable to the Krupp Renn process. The iron material produced from this process is referred to as Luppen – a semi-steel product containing 98.5%) iron, considered to be a superior feed stock for electric arc furnaces as it contains none of the contaminants found in scrap or Pig Iron. This test also confirmed that a portion of the Vanadium could be recovered as Vanadium Pentoxide.

In 1995, the State of Wyoming drilled 27 large bore rotary drill holes on the Strong Creek Property to obtain a bulk sample for testing by the laboratories US Bureau of Mines of Salt Lake City, Utah and by Hazen Research Inc. of Golden, Colorado. These tests demonstrated that the ore can be concentrated using a coarsely ground product (-20 + 40 mesh), followed by spiral concentration, magnetic separation, and electrostatic concentration to produce two distinct concentrates of Titanium Dioxide and Magnetite – Vanadium .

To date, our activities have been limited to organizational matters, obtaining a geology report on the Strong Creek claims and planning and carrying out our initial, 2000 foot, 3-hole exploration program on the Strong Creek claims.

Geological Setting and Mineralization

The Laramie Anorthosite Complex (LAC), hosting the Strong Creek Fe-Ti deposits, is a 1.4 Billion year old intrusion that was emplaced into the Cheyenne suture between the Archean Wyoming Province and Early Proterozoic island-arc assemblages of the south-western United States. The LAC is comprised of older, layered anorthositic and gabbroic rocks and younger syenitic to monzonitic rocks.

The oxide-bearing gabbro-noritic and anorthositic rocks at Strong Creek host layered, late stage cumulate horizons of disseminated oxide mineralization. These rocks are unaltered and only show weak alteration along late fractures. A north-south, doubly plunging antiform produces local geology that has a core complex of anorthosite grading into progressively more differentiated leuco-gabbro-norite and syenite outer rims.

The economic model proposed for the Wyoming Iron Complex is an example of a Magmatic TiFe-V Oxide Deposit, which is described in “Magmatic Ti-Fe±V Oxide Deposits, in Geological Fieldwork 1997, British Columbia Ministry of Employment and Investment” by Gross, G.A., Gower, C.F., and Lefebure, D. V., as follows:

- Geologic Setting: Deposits occur in intrusive complexes which typically are emplaced at deeper levels in the crust. Progressive differentiation of liquids residual from anorthosite-norite magmas leads to late stage intrusions enriched in Fe and Ti oxides and apatite. Some of the iron-titanium deposits occur at continental margins related to island arc magmatism, followed by an episode of orogenic compression.
- Age of Mineralization: Mainly Mid proterozoic (1.65 to 0.90 Bn Years old) for the ilmenite deposits, but this may be a consequence of a particular combination of tectonic circumstances, rather than any a prior temporal control. The Fe-Ti deposits with titaniferous magnetite do not appear to be restricted in time.
- Host/Associated Rocks: Hosted by massive, layered or zoned intrusive complexes - anorthosite, norite, gabbro, diorite, diabase, quartz monzonite and hornblende pyroxenite. The anorthosites are commonly emplaced in granitoid gneiss, granulite, schist, amphibolite and quartzite. Some deposits associated with lower grade rocks.

Legal Proceedings

On December 7, 2012, we filed suit in state court in Albany County, Wyoming against DSS Holdings LLC and Douglas Samuelson (“Samuelson”) to regain access to our Iron Mountain holdings. This road crosses Samuelson’s property. Samuelson has locked the gate across the road providing access to the Iron Mountain holdings and denied our repeated requests for access. The suit was filed in the District Court of the Second Judicial District in Wyoming, after negotiations between the parties were unsuccessful. Under Wyoming Statute§ 1-26-507, we hope to gain access to our property in order to conduct studies and collect samples of iron ore from the existing Iron Mountain pit and stockpile in order to evaluate the suitability of these materials to meet the specifications of potential customers.

Legal Proceedings - continued

Other than the suit against DSS Holdings LLC and Samuelson, we know of no material pending legal proceedings to which our company or any of our subsidiaries is a party or of which any of our properties, or the properties of any of our subsidiaries, is the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or any of our subsidiaries or has a material interest adverse to our company or any of our subsidiaries.

Market Price of and Dividends on Our Common Equity and Related Stockholder Matters

Market information

Our common stock is quoted on the OTC Bulletin Board of Financial Industry Regulatory Authority under the symbol “TFER”.

Set forth below are the range of high and low bid quotations for the periods indicated as reported by the OTC Bulletin Board. The market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commissions and may not necessarily represent actual transactions.

Quarter Ended	High Bid	Low Bid
September 30, 2012	0.53	0.20
June 30, 2012	1.23	0.17
March 31, 2012	\$1.81	\$0.90
December 31, 2011	\$1.10	\$0.40
September 30, 2011 ⁽¹⁾	\$1.01	\$0.98

(1) The first trade of the shares of our common stock on the OTC Bulletin Board was July 12, 2011.

On January 8, 2013, the closing price for our common stock as reported by the OTC Bulletin Board was \$0.216 per share.

Transfer Agent

Our shares of common stock are issued in registered form. Our transfer agent is Computershare, Inc., 350 Indiana Street, Suite 750, Golden CO 80401, phone (303) 262.0678.

Holders of Common Stock

As of January 9 2013, there were 20 registered holders of record of our common stock. As of such date, 52,501,110 shares of our common stock were issued and outstanding.

Market Price of and Dividends on Our Common Equity and Related Stockholder Matters - *continued*

Dividends

The payment of dividends, if any, in the future, rests within the sole discretion of our board of directors. The payment of dividends will depend upon our earnings, our capital requirements and our financial condition, as well as other relevant factors. We have not declared any cash dividends since our inception and have no present intention of paying any cash dividends on our common stock in the foreseeable future.

There are no restrictions in our articles of incorporation or bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend:

1. We would not be able to pay our debts as they become due in the usual course of business; or
2. Our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

Financial Statements

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MANNING ELLIOTT
CHARTERED ACCOUNTANTS

11th floor, 1050 West Pender

Phone: 604.714.3600 Fax:

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Titan Iron Ore Corp.
(An Exploration Stage Company)

We have audited the accompanying balance sheets of Titan Iron Ore Corp. (An Exploration Stage Company) (formerly Digital Yearbook Inc.) as of December 31, 2011 and 2010 and the related statements of operations, cash flows and stockholders' deficit for the years then ended and for the period from June 5, 2007 (date of inception) through to December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control over financial reporting. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Titan Iron Ore Corp. (An Exploration Stage Company) (formerly Digital Yearbook Inc.) as of December 31, 2011 and 2010, and the results of its operations, cash flows and stockholders' deficit for the years then ended and for the period from June 5, 2007 (date of inception) through December 31, 2011 in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has accumulated losses since inception. These factors raise substantial doubt about the

Company's ability to continue as a going concern. Management's plans in regard to these matters are also discussed in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ "Manning Elliott LLP"
CHARTERED ACCOUNTANTS

Vancouver, Canada

April 12, 2012

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
BALANCE SHEETS
(Expressed in US dollars)

ASSETS	December 31, 2011	December 31, 2010
Current Assets		
Cash	\$ 118,066	\$ -
Prepaid expenses (Note 8)	25,000	
Total current assets	143,066	-
Mineral property options (Note 3)	60,000	-
TOTAL ASSETS	\$ 203,066	\$ -
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 21,457	\$ 7,491
Accrued expenses - related party (Note 8)	647	10,078
Total Current Liabilities	22,104	17,569
Total Liabilities	22,104	17,569
Commitments and Contingencies (Notes 1 and 7)		
Subsequent Events (Note 12)		
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock, 50,000,000 shares authorized at par value of \$0.0001, no shares issued and outstanding	-	-
Common stock, 3,700,000,000 shares authorized at par value of \$0.0001, 49,737,000 (December 31, 2010 – 190,587,000) shares issued and outstanding (Note 4)	4,974	19,059
Additional paid-in capital	1,206,184	38,891
Deficit accumulated during the exploration stage	(1,030,196)	(75,519)
Total Stockholders' Equity (Deficit)	180,962	(17,569)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$ 203,066	\$ -

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF OPERATIONS
(Expressed in US dollars)

	Year ended December 30, 2011	Year ended December 30, 2010	Accumulated from June 5, 2007 (Inception) to December 31, 2011
REVENUES	\$ -	\$ -	\$ 4,855
OPERATING EXPENSES			
Advertising	22,732		22,732
General and administrative (Note 8)	345,928	2,333	392,063
Impairment of mineral property acquisition costs (Note 3)	50,124		50,124
Investor relations	22,046		22,046
Professional fees	93,056	5,985	126,128
Mineral property exploration costs (Note 10)	329,107		329,107
Stock-based compensation (Note 6)	107,772	-	107,772
Travel	1,543		1,543
TOTAL OPERATING EXPENSES	<u>972,308</u>	<u>8,318</u>	<u>1,051,515</u>
LOSS FROM OPERATIONS	(972,308)	(8,318)	(1,046,660)
OTHER INCOME (EXPENSES)			
Gain on debt settlement	17,631	-	17,631
Other income (expenses)	<u>-</u>	<u>(1,167)</u>	<u>(1,167)</u>
NET LOSS	<u>\$ (954,677)</u>	<u>\$ (9,485)</u>	<u>\$ (1,030,196)</u>
BASIC LOSS PER SHARE	<u>(0.01)</u>	<u>\$ (0.00)</u>	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	<u>121,990,562</u>	<u>190,587,000</u>	

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' DEFICIT
FOR THE PERIOD FROM INCEPTION TO DECEMBER 31, 2011
(Expressed in US dollars)

	Common # Stock (Note 4)	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total
Balance, June 5, 2007 (Inception)	-	\$ -	\$ -	\$ -	\$ -
Common Stock issued for cash at \$0.0001 per share	148,000,000	14,800	(14,400)	-	400
Common Stock issued for cash at \$0.05 per share	29,637,000	2,964	37,086	-	40,050
Net loss for the period ended December 31, 2007	-	-	-	(21,874)	(21,874)
Balance, December 31, 2007	177,637,000	17,764	22,686	(21,874)	18,576
Common Stock issued for creditors at \$0.05 per share	12,950,000	1,295	16,205	-	17,500
Net loss 2008	-	-	-	(34,675)	(34,675)
Balance, December 31, 2008	190,587,000	19,059	38,891	(56,549)	1,401
Net loss 2009	-	-	-	(9,485)	(9,485)
Balance, December 31, 2009	190,587,000	19,059	38,891	(66,034)	(8,084)
Net loss 2010	-	-	-	(9,485)	(9,485)
Balance, December 31, 2010	190,587,000	19,059	38,891	(75,519)	(17,569)
Common Stock issued for cash at \$0.50 per share	2,100,000	210	1,049,790	-	1,050,000
Share issuance costs	-	-	(4,564)	-	(4,564)
Shares cancelled	(142,950,000)	(14,295)	14,295	-	-
Stock-based compensation	-	-	107,772	-	107,772
Net loss 2011	-	-	-	(954,677)	(954,677)
Balance, December 31, 2011	<u>49,737,000</u>	<u>\$ 4,974</u>	<u>\$ 1,206,184</u>	<u>\$ (1,030,196)</u>	<u>\$ 180,962</u>

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CASH FLOWS
(Expressed in US dollars)

	Year ended December 31, 2011	Year ended December 31, 2010	Period from June 5, 2007 (Inception) to December 31, 2011
Cash Flows from Operating Activities:			
Net loss	\$ (954,677)	\$ (9,485)	\$ (1,030,196)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Depreciation expense	-	2,333	5,833
Stock-based compensation	107,772	-	107,772
Loss on disposal of assets	-	1,167	1,167
Impairment of mineral property	50,124	-	50,124
Shares issued for services	-	-	17,500
Gain on debt settlement	(17,631)	-	(17,631)
Changes in Assets and Liabilities			
Decrease (increase) in prepaid expenses	(25,000)	-	(25,000)
Increase (decrease) in accounts payable	21,519	785	29,010
Increase in accrued expenses – related party	647	5,200	10,725
Net Cash Provided by (Used in) Operating Activities	<u>(817,246)</u>	<u>-</u>	<u>(850,696)</u>
Cash Flows used in Investing Activities:			
Acquisition of property and equipment	-	-	(7,000)
Payment on mineral property options	(110,124)	-	(110,124)
Net Cash Used in Investing Activities	<u>(110,124)</u>	<u>-</u>	<u>(117,124)</u>
Cash Flows from Financing Activities:			
Common stock issued for cash	1,045,436	-	1,085,886
Net Cash Provided by Financing Activities	<u>1,045,436</u>	<u>-</u>	<u>1,085,886</u>
Net Increase in Cash and Cash Equivalents	118,066	-	118,066
Cash and Cash Equivalents – Beginning	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Cash Equivalents – Ending	<u>\$ 118,066</u>	<u>\$ -</u>	<u>\$ 118,066</u>
Supplemental Cash Flow Information:			
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(Expressed in US dollars)

1. NATURE OF BUSINESS

Titan Iron Ore Corp. (the Company) (formerly Digital Yearbook, Inc.) was incorporated in the State of Nevada on June 5, 2007. At its inception, the Company was engaged in developing and offering software products for the creation of interactive digital yearbook software for high schools.

Effective June 15, 2011, the Company completed a merger with its subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from "Digital Yearbook Inc." to "Titan Iron Ore Corp." effective becoming an exploration stage company. The Company's principal business includes the acquisition, and exploration of mineral properties.

Also effective June 15, 2011, the Company effected a 37 to one forward stock split of our authorized and issued and outstanding common stock. As a result, 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, the Company issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000. Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which implies that the Company would continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at December 31, 2011, the Company has accumulated losses of \$1,030,196 since inception and its operations continue to be funded primarily from sales of its stock. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern, including completion of the acquisition, exploration and development of its mineral properties is dependent on the Company's ability to obtain the necessary financing from sales of its stock financings. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year-end is December 31, 2011.

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Revenue Recognition

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Advertising Costs

The Company's policy regarding advertising is to expense advertising when incurred.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(Expressed in US dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based compensation

The Company records stock-based compensation in accordance with ASC 718, *Compensation – Stock Based Compensation*, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method in determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

The Company is in the exploration stage and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are capitalized. The Company assesses the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

Asset Retirement Obligations

The Company records asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or loss on settlement. As at December 31, 2011, the Company has not incurred any asset retirement obligation related to the exploration of its mineral property option.

Comprehensive Loss

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements. As at December 31, 2011 and December 31, 2010, the Company has no items that represent other comprehensive loss and, therefore, has not included a schedule of other comprehensive loss in the financial statements.

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(FORMERLY DIGITAL YEARBOOK, INC.)
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NOTES TO THE FINANCIAL STATEMENTS
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximate fair values because of the short-term 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.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 5,000,000 as of December 31, 2011.

Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Recent Accounting Pronouncements

Comprehensive Income

In June 2011, ASC guidance was issued related to comprehensive income. Under the updated guidance, an entity will have the option to present the total of comprehensive income either in a single continued statement of comprehensive income or in two separate but consecutive statements. In addition, the update requires certain disclosure requirements when reporting other comprehensive income. The update does not change the items reported in other comprehensive income or when an item of other comprehensive income must be reclassified to income. The update is effective for the Company's fiscal year beginning January 1, 2012. The Company does not expect the updated guidance to have an impact on the balance sheets, results of operations or cash flows.

Fair Value Accounting

In May 2011, ASC guidance was issued related to disclosures around fair value accounting. The updated guidance clarifies different components of fair value accounting including the application of the highest and best use and valuation premise concepts, measuring the fair value of an instrument classified in a reporting entity's shareholders' equity and disclosing quantitative information about the unobservable inputs used in fair value measurements that are categorized in Level 3 of the fair value hierarchy. The update is effective for

the Company's fiscal year beginning January 1, 2012. The Company does not expect the updated guidance to have a significant impact on the balance sheets, results of operations or cash flows.

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

TITAN IRON ORE CORP.
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3. MINERAL PROPERTY OPTIONS

Strong Creek and Iron Mountain Properties

Effective June 30, 2011 and in connection with the entry into an agreement (the "Acquisition Agreement") with J2 Mining Ventures Ltd. ("J2 Mining") dated June 13, 2011, the Company completed the acquisition of a 100% right, title and interest in and to a properties (Strong Creek and Iron Mountain) option agreement (the "Option Agreement") from J2 Mining with respect to an iron ore mineral property located in Albany County, Wyoming by entering into an assignment of mineral property option agreement with J2 Mining and Wyomex LLC (the "Assignment Agreement"), whereby the Company was assigned the 100% right, title and interest in and the Option Agreement from J2 Mining.

The Option Agreement assigned to the Company from J2 Mining on June 30, 2011, was originally entered into on May 26, 2011 between J2 Mining and Wyomex LLC, pursuant to which Wyomex LLC ("Optionor"), granted to J2 Mining, as optionee, an exclusive right and option to acquire 100% undivided legal and beneficial interests in and to certain unpatented lode mining claims, fee lands, leased lands, and other interests in real property situated in Albany County, Wyoming (the "Wyoming Iron Complex"). Pursuant to the Assignment Agreement, J2 Mining agreed to assign all its rights and interests in the property and the Option Agreement, and transfer all of its obligations under the Option Agreement, to the Company.

The term of the option commenced on May 26, 2011 and could be extended for a maximum of six successive one-month periods, at the sole election of the Company, through notice to Wyomex LLC and tender of \$5,000 from the Company to Wyomex LLC for each of the first three additional months and \$15,000 for each additional month for months four through six. As at December 31, 2011, total payments of \$60,000 had been made.

Prior to December 31, 2010, the Company provided written notice to the Optionor of its intent to exercise its option. Subsequent to the balance sheet date, on April 10, 2012, the Company executed an asset purchase agreement (see Note 12) to exercise its option for consideration of \$7,000,000, consisting of the following:

- a) A cash payment at closing of \$85,000 as an initial payment (paid);
- b) \$60,000 of consideration previously paid and received by the Optionor (see above);
A \$6,855,000 promissory note (issued), non-interest bearing, secured by the Strong Creek and Iron Mountain properties. The note is repayable through advance minimum royalty payments of \$62,500 commencing six months from the date of closing and after receipt of the initial payment, and every six months thereafter, until the commencement of commercial production from the property. At the commencement of commercial production from the properties, the semi-annual advance minimum royalty shall convert to a 4.5% gross metal value royalty on iron ore and/or other mineral materials produced and sold from the property and, except for events of force majeure, in no event shall the production royalty paid to the Optionor be less than \$150,000 in any given calendar year. Repayment of the promissory note may be demanded by the Optionor upon an event of default as defined in the agreement.
- c)

Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay the optionor a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property.

Labrador Trough Property

On July 19, 2011, the Company entered into an option agreement with Globex Mining Enterprises Inc. ("Globex") effective July 12, 2011 (the "Agreement"), pursuant to which Globex granted the Company the right (the "Option") for a period of 90 days from July 12, 2011 to acquire an undivided 100% interest in and to 144 mining claims (the "Property") located in the Labrador trough area in the Province of Quebec, Canada.

On October 12, 2011, the Company notified the owner of the Labrador Trough iron ore property that the Company would not be exercising the option to acquire the property. The Company recorded an impairment of mineral property charge of \$50,124 during the year ended December 31, 2011.

TITAN IRON ORE CORP.
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DECEMBER 31, 2011
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4. COMMON STOCK

Effective June 15, 2011 the Company effected a 37 to 1 forward stock split of the Company's authorized and outstanding commons stock. As a result, the 5,151,000 shares outstanding increased to 190,587,000. All share amounts have been retroactively adjusted for all periods presented.

On June 20, 2011, the Company closed a private placement for 2,100,000 units at a price of \$0.50 per units for net proceeds of \$1,045,436 after share issue costs. Each unit consists of one share of our common stock and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one share of our common stock at a purchase price of \$0.75 for a period of three years.

Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000.

5. SHARE PURCHASE WARRANTS

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2010 and 2009	-	-
Warrants granted with private placement	1,050,000	\$ 0.75
Balance, December 31, 2011	<u>1,050,000</u>	<u>\$ 0.75</u>

Details of share purchase warrants outstanding as of December 31, 2011 are:

Number of Warrants Outstanding and Exercisable 2011	per Share	Exercise Price Expiry Date
1,050,000	\$ 0.75	June 20, 2014

TITAN IRON ORE CORP.
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DECEMBER 31, 2011
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6. STOCK BASED COMPENSATION

On November 22, 2011, the Board of Directors approved a stock option plan ("2011 Stock Option Plan"), the purpose of which is to enhance the Company's stockholder value and financial performance by attracting, retaining and motivating the Company's officers, directors, key employees, consultants and its affiliates and to encourage stock ownership by such individuals by providing them with a means to acquire a proprietary interest in the Company's success through stock ownership. Under the 2011 Stock Option Plan, officers, directors, employees and consultants who provide services to the Company may be granted options to acquire common shares of the Company. The aggregate number of options authorized by the plan shall not exceed 9,947,400 common shares of the Company.

During the year ended December 31, 2011, the Company granted 3,450,000 and 500,000 stock options at an exercise price of \$0.84 per share for 10 years and 3 years respectively. During the year ended December 31, 2011, the Company recorded stock-based compensation of \$107,772.

The weighted average grant date fair value of stock options granted during the year ended December 31, 2011 was \$0.80.

The weighted average assumptions used for each of the years ended December 31, are as follows:

	2011
Expected dividend yield	0%
Risk-free interest rate	1.64%
Expected volatility	115%
Expected option life (in years)	8.41

The following table summarizes the options outstanding as at December 31, 2011:

Expiry Date	Option Price Per Share	Number of shares	
		2011	2010
December 21, 2021	0.84	3,450,000	-
December 21, 2014	0.84	500,000	-

The following table summarizes the continuity of the Company's stock options:

	Number of Options	Weighted Average Exercise Price	Weighted- Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
			\$	\$
Outstanding, December 31, 2010 and 2009	-	-		
Granted	3,950,000	0.84		
Outstanding, December 31, 2011	3,950,000	0.84	9.08	869,000
Exercisable, December 31, 2011	-	-	-	-

As at December 31, 2011, there was \$6,058,492 of unrecognized compensation cost related to non-vested stock option agreements. This cost is expected to be recognized over a weighted average period of 1.47 years.

TITAN IRON ORE CORP.
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7. COMMITMENTS AND CONTINGENCIES

On June 30, 2011, the Company entered into an employment agreement with an officer to serve as President and Chief Executive Officer of our company for a term of two years with automatic renewals for similar two year periods pursuant to the terms of the agreement. Under the agreement, the officer receives monthly remuneration at a gross rate of \$15,000. The Company can terminate the agreement within 60 days of notice. If the executive is terminated without cause, the executive shall be entitled to one month's severance pay for each one month of service up to a maximum of two years. The officer shall also be entitled to receive 2.4 million options to purchase shares of the Company's common stock pursuant to the Company's Stock Option Plan, with 1.0 million of the options being granted in calendar year 2011 (completed) and 1.4 million option being granted after December 31, 2011.

On June 30, 2011, the Company entered into consulting agreements with a management company managed by the CEO, for consulting fee of \$2,500 per month to provide office space and administrative services. The Company can terminate the agreement within 15 days written notice. The agreement commences on June 30, 2011 for a one year period and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a firm to provide the services of the company's Vice President, Exploration, who will provide and perform for the benefit of our company certain geological advisory services as may be requested by our company. Under the agreement, the firm receives monthly compensation at a gross rate of \$6,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a consulting firm who will provide and perform for the benefit of our company certain geological, engineering, marketing and project management services as may be requested by our company at monthly rate of \$8,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On November 1, 2011, the Company entered into a consulting agreement with a financial public relations firm for a term of 1 year. Under the agreement, the consultant receives \$8,000 per month, and 500,000 options (granted) to purchase common stock of the Company.

8. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended December 31, 2011 the Company advanced \$25,000 at December 31, 2011 to a management firm managed by the Company's CEO (2010: \$0). This advance for expenses to be incurred on the Company's behalf was recorded as prepaid expenses.

During the year ended December 31, 2010 a former officer provided \$10,078 in advances to the Company and this amount was owing as at December 31, 2010. This amount was assumed by previous management during the year ended December 31, 2011 in connection with the acquisition of an option to purchase a mineral property.

During the year ended December 31, 2011 the Company incurred \$30,000 (2010: \$0) in management fees to a former officer and director.

During the year ended December 31, 2011 the Company incurred \$15,000 in management fees and \$7,355 in rent expense to a management firm managed by the Company's CEO (2010: \$0) with such costs being recorded as general and administrative costs. As at December 31, 2011, the Company owed \$430 including unreimbursed expenses to this firm (2010: \$0).

During the year ended December 31, 2011 the Company incurred \$194,797 in management fees to officers and director of the Company (2010: \$0) with such costs being recorded as general and administrative costs. As at December 31, 2011, the Company owed \$217 in unreimbursed expenses to an officer (2010: \$0).

During the year ended December 31, 2011 the Company incurred \$10,000 in management fees to a director (2010: \$0) with such costs being recorded as general and administrative costs.

The above transactions were recorded at their exchange amounts, being the amounts agreed by the related parties.

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9. FAIR VALUE MEASUREMENT

ASC 820, Fair Value Measurements and Disclosures require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities. Valuations are based on quoted prices that are readily and regularly available in an active market and do not entail a significant degree of judgment.

Level 2

Level 2 applies to assets or liabilities for which there are other than Level 1 observable inputs such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 2 instruments require more management judgment and subjectivity as compared to Level 1 instruments. For instance: determining which instruments are most similar to the instrument being priced requires management to identify a sample of similar securities based on the coupon rates, maturity, issuer, credit rating and instrument type, and subjectively select an individual security or multiple securities that are deemed most similar to the security being priced; and determining whether a market is considered active requires management judgment.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The determination of fair value for Level 3 instruments requires the most management judgment and subjectivity.

Pursuant to ASC 825, cash is based on "Level 1" inputs. The Company believes that the recorded values of accounts payable approximate their current fair values because of their nature or respective relatively short durations.

Assets measured at fair value on a recurring basis were presented on the Company's balance sheet as of December 31, 2011, as follows.

Fair Value Measurements Using

Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2011
\$	\$	\$	\$

Assets:

Cash	118,066	—	—	118,066
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As at December 31, 2011, there were no liabilities measured at fair value on a recurring basis presented on the Company's balance sheet.

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(Expressed in US dollars)

10. MINERAL PROPERTY EXPLORATION COSTS

During the year ended December 31, 2011 the following project costs were incurred:

	Year ended December 31, 2011	Year ended December 31, 2010
Strong Creek and Iron Mountain:		
Technical Report	\$ 49,767	\$ -
Drilling	202,098	
Travel	2,652	-
Claims	3,255	-
TOTAL	257,772	-
Labrador Trough:		
Reconnaissance	71,335	-
Total Exploration Costs	\$ 329,107	\$ -

11. INCOME TAXES

The Company has adopted the provisions of ASC 740, Income Taxes. Pursuant to ASC 740 the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefit of net operating losses have not been recognized in the financial statements because the Company cannot be assured that it is more likely than not that it will utilize the net operating losses carried forward in future years. The Company has approximately \$846,905 of net operating losses to carry forward which are available to offset taxable income in future years which expire through fiscal 2031. For the years ended December 31, 2011, and 2010, the valuation allowance established against the deferred tax assets increased by \$296,417, and \$3,320 respectively.

The components of the net deferred tax asset at December 31, 2011, and 2010, the statutory tax rate, the effective tax rate, and the amount of the valuation allowance are indicated below:

	December 31, 2011 \$	December 31, 2010 \$
Net loss before taxes	(954,677)	(9,485)
Statutory rate	35%	35%
Computed expected tax (recovery)	(334,137)	(3,320)
Stock-based compensation	37,720	-
Increase in valuation allowance:	296,417	3,320
Reported income taxes	-	-

	2011 \$	2010 \$
Potential deferred tax asset		
- Net operating losses	194,729	26,431
- Mineral properties	128,119	—
- Less valuation allowance	(322,848)	(26,431)
Net deferred tax asset	—	—

TITAN IRON ORE CORP.
(FORMERLY DIGITAL YEARBOOK, INC.)
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(Expressed in US dollars)

12. SUBSEQUENT EVENTS

On January 12, 2012 the Company completed a non-brokered private placement of 1,334,000 units at \$0.75 per unit, for total gross proceeds of \$1,000,500. Each unit consists of one common share in the capital of the Company and one half common share purchase warrant entitling the purchaser to acquire one additional common share at the exercise price of \$1.00 per common share until January 10, 2015.

On April 10, 2012, the Company exercised its option to purchase the Strong Creek and Iron Mountain mineral properties located in Albany County, Wyoming for consideration totaling \$7,000,000 (see Note 3).

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
BALANCE SHEETS
(Expressed in US dollars)

ASSETS	September 30, 2012 (unaudited)	December 31, 2011
Current Assets		
Cash	\$ 275,162	\$ 118,066
Prepaid expenses (Note 9)	25,000	25,000
Total current assets	300,162	143,066
Mineral property options (Note 3)	1,226,676	60,000
TOTAL ASSETS	\$ 1,526,838	\$ 203,066
LIABILITIES AND STOCKHOLDERS' EQUITY		
LIABILITIES		
Current Liabilities		
Accounts payable	\$ 63,399	\$ 21,457
Current portion of promissory note (Note 6)	189,853	-
Accrued expenses - related party (Note 9)	17,086	647
Total Current Liabilities	270,338	22,104
Promissory note (Note 6)	967,703	-
Total Liabilities	1,238,041	22,104
Contingency (Note 1)		
Commitments (Note 8)		
Subsequent events (Note 12)		
STOCKHOLDERS' EQUITY		
Preferred stock, 50,000,000 shares authorized at par value of \$0.0001, no shares issued and outstanding	-	-
Common stock, 3,700,000,000 shares authorized at par value of \$0.0001, 51,621,000 (December 31, 2011 – 49,737,000) shares issued and outstanding (Note 4)	5,162	4,974
Additional paid-in capital	4,184,778	1,206,184
Deficit accumulated during the exploration stage	(3,901,143)	(1,030,196)
Total Stockholders' Equity	288,797	180,962
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 1,526,838	\$ 203,066

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF COMPREHENSIVE LOSS (UNAUDITED)
(Expressed in US dollars)

	Three Months Ended September 30, 2012 \$	Three Months Ended September 30, 2011 \$	Nine Months Ended September 30, 2012 \$	Nine Months Ended September 30, 2011 \$	Period from June 5, 2007 (Inception) to September 30, 2012 \$
REVENUES	-	-	-	-	4,855
OPERATING EXPENSES					
Advertising	657	17,550	1,971	17,550	24,703
General and administrative (Note 9)	143,181	149,298	450,038	179,298	842,101
Impairment of mineral acquisition costs (Note 3)	-	50,124	-	50,124	50,124
Accretion on promissory note (Note 6)	37,940	-	75,880	-	75,880
Investor relations	157,249	2,899	216,590	2,899	238,636
Professional fees	44,725	29,508	128,718	32,763	254,846
Mineral property exploration costs (Note 11)	62,904	87,469	133,700	87,469	462,807
Stock-based compensation (Note 7)	433,408	-	1,851,782	-	1,959,554
Travel	2,848	1,380	12,268	1,380	13,811
TOTAL OPERATING EXPENSES	<u>882,912</u>	<u>338,228</u>	<u>2,870,947</u>	<u>371,483</u>	<u>3,922,462</u>
LOSS FROM OPERATIONS	(882,912)	(338,228)	(2,870,947)	(371,483)	(3,917,607)
OTHER INCOME (EXPENSES)					
Gain on debt settlement	-	-	-	17,631	17,631
Other income (expenses)	-	-	-	-	(1,167)
NET LOSS AND COMPREHENSIVE LOSS	<u>(882,912)</u>	<u>(338,228)</u>	<u>(2,870,947)</u>	<u>(353,852)</u>	<u>(3,901,143)</u>
BASIC LOSS PER SHARE	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.06)</u>	<u>(0.00)</u>	
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	<u>51,107,957</u>	<u>49,737,000</u>	<u>51,034,723</u>	<u>143,197,989</u>	

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENT OF STOCKHOLDERS' EQUITY (UNAUDITED)
FOR THE PERIOD FROM INCEPTION TO SEPTEMBER 30, 2012
(Expressed in US dollars)

	Common # Stock (Note 4)	Common Stock Amount	Additional Paid-in Capital	Deficit Accumulated During the Development Stage	Total
Balance, June 5, 2007 (Inception)	-	\$ -	\$ -	\$ -	\$ -
Common Stock issued for cash at \$0.0001 per share	148,000,000	14,800	(14,400)	-	400
Common Stock issued for cash at \$0.05 per share	29,637,000	2,964	37,086	-	40,050
Net loss for the period ended December 31, 2007	-	-	-	(21,874)	(21,874)
Balance, December 31, 2007	177,637,000	17,764	22,686	(21,874)	18,576
Common Stock issued for creditors at \$0.05 per share	12,950,000	1,295	16,205	-	17,500
Net loss for the period ended December 31, 2008	-	-	-	(34,675)	(34,675)
Balance, December 31, 2008	190,587,000	19,059	38,891	(56,549)	1,401
Net loss for the period ended December 31, 2009	-	-	-	(9,485)	(9,485)
Balance, December 31, 2009	190,587,000	19,059	38,891	(66,034)	(8,084)
Net loss for the period ended December 31, 2010	-	-	-	(9,485)	(9,485)
Balance, December 31, 2010	190,587,000	19,059	38,891	(75,519)	(17,569)
Common Stock issued for cash at \$0.50 per share	2,100,000	210	1,049,790	-	1,050,000
Share issuance costs	-	-	(4,564)	-	(4,564)
Shares cancelled	(142,950,000)	(14,295)	14,295	-	-
Stock-based compensation	-	-	107,772	-	107,772
Net loss for the period ended December 31, 2011	-	-	-	(954,677)	(954,677)
Balance, December 31, 2011	49,737,000	\$ 4,974	\$ 1,206,184	\$ (1,030,196)	\$ 180,962
Common Stock issued for cash at \$0.75 per share	1,334,000	133	1,000,367	-	1,000,500
Shares issued for services	550,000	55	126,445	-	126,500

Stock-based compensation	-	-	1,851,782	-	1,851,782
Net loss of the nine months ended September 30, 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,870,947)</u>	<u>(2,870,947)</u>
Balance, September 30, 2012	<u>51,621,000</u>	<u>\$ 5,162</u>	<u>\$ 4,184,778</u>	<u>\$ (3,901,143)</u>	<u>\$ 288,797</u>

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
STATEMENTS OF CASH FLOWS (UNAUDITED)
(Expressed in US dollars)

	Nine Months Ended September 30, 2012	Nine Months Ended September 30, 2011	Period from June 5, 2007 (Inception) to September 30, 2012
Cash Flows from Operating Activities:			
Net loss	\$ (2,870,947)	\$ (353,852)	\$ (3,901,143)
Adjustments to Reconcile Net Loss to Net Cash Used in Operating Activities:			
Depreciation expense	-	-	5,833
Stock-based compensation	1,851,782	-	1,959,554
Loss on disposal of assets	-	-	1,167
Impairment of mineral property	-	50,124	50,124
Accretion on promissory note	75,880	-	75,880
Shares issued for services	126,500	-	144,000
Gain on debt settlement	-	(17,631)	(17,631)
Changes in Operating Assets and Liabilities			
Decrease (increase) in prepaid expenses	-	(35,000)	(25,000)
Increase (decrease) in accounts payable	41,942	95,322	70,952
Increase in accrued expenses – related party	16,439	39,250	27,164
Net Cash Provided by (Used in) Operating Activities	<u>(758,404)</u>	<u>(221,787)</u>	<u>(1,609,100)</u>
Cash Flows used in Investing Activities:			
Acquisition of property and equipment	-	-	(7,000)
Payment on mineral property options	(85,000)	(80,124)	(195,124)
Net Cash Used in Investing Activities	<u>(85,000)</u>	<u>(80,124)</u>	<u>(202,124)</u>
Cash Flows from Financing Activities:			
Common stock issued for cash	1,000,500	1,008,531	2,086,386
Advances provided by related parties	-	100	-
Net Cash Provided by Financing Activities	<u>1,000,500</u>	<u>1,008,631</u>	<u>2,086,386</u>
Net Increase in Cash	157,096	706,720	275,162
Cash– Beginning	<u>118,066</u>	<u>-</u>	<u>-</u>
Cash– Ending	<u>\$ 275,162</u>	<u>\$ 706,720</u>	<u>\$ 275,162</u>
Supplemental Cash Flow Information:			
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Non-cash Investing and Financing Items:			
Shares issued for services	\$ 126,500	\$ -	\$ 144,000
Promissory note issued for mineral property	<u>1,208,646</u>	<u>-</u>	<u>1,208,646</u>

The accompanying notes are an integral part of the financial statements.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2012
(Expressed in US dollars)

1. NATURE AND CONTINUANCE OF BUSINESS

Titan Iron Ore Corp. (the Company) (formerly Digital Yearbook, Inc.) was incorporated in the State of Nevada on June 5, 2007.

Effective June 15, 2011, the Company completed a merger with its subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from "Digital Yearbook Inc." to "Titan Iron Ore Corp." effective becoming an exploration stage company. The Company's principal business includes the acquisition, and exploration of mineral properties.

Also effective June 15, 2011, the Company effected a 37 to one forward stock split of our authorized and issued and outstanding common stock. As a result, 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, the Company issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000. Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000. During the nine-months ended September 30, 2012 the Company issued 1,334,000 shares in a private placement and issued 550,000 shares for services received, bringing the total outstanding shares to 51,621,000.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which implies that the Company would continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at September 30, 2012 the Company has accumulated losses of \$3,901,143 since inception and its operations continue to be funded primarily from sales of its stock. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern, including completion of the acquisition, exploration and development of its mineral properties is dependent on the Company's ability to obtain the necessary financing from sales of its stock financings. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year end is December 31.

Interim Financial Statements

The interim unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions for Securities and Exchange Commission ("SEC") Form 10-Q. They do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Therefore, these financial statements should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2011, included in the Company's Annual Report on Form 10-K filed on April 16, 2012, with the SEC.

The interim financial statements included herein are unaudited; however, they contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position as at September 30, 2012 and the results of its operations and cash flows for the nine months ended September 30, 2012 and September 30, 2011. The results of operations for the nine months ended September 30, 2012 are not necessarily indicative of the results to be expected for future quarters or the full year ending December 31, 2012.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2012
(Expressed in US dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Revenue Recognition

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Advertising Costs

The Company's policy regarding advertising is to expense advertising when incurred.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718, *Compensation – Stock Based Compensation*, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method in determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

The Company is in the exploration stage and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are capitalized. The Company assesses the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2012
(Expressed in US dollars)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset Retirement Obligations

The Company records asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or loss on settlement. As at September 30, 2012, the Company has not incurred any asset retirement obligation related to the exploration of its mineral property option.

Comprehensive Loss

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements.

Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximates fair values because of the short-term maturity of these instruments. The fair value of the Company's promissory note approximate carrying value as the underlying imputed interest rate approximates the market rate. 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.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 6,667,000 as of September 30, 2012.

Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Recent Accounting Pronouncements

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2012
(Expressed in US dollars)

3. MINERAL PROPERTY OPTIONS

Strong Creek and Iron Mountain Properties

Effective June 30, 2011 and in connection with the entry into an agreement (the "Acquisition Agreement") with J2 Mining Ventures Ltd. ("J2 Mining") dated June 13, 2011, the Company completed the acquisition of a 100% right, title and interest in and to a properties (Strong Creek and Iron Mountain) option agreement (the "Option Agreement") from J2 Mining with respect to an iron ore mineral property located in Albany County, Wyoming by entering into an assignment of mineral property option agreement with J2 Mining and Wyomex LLC (the "Assignment Agreement"), whereby the Company was assigned the 100% right, title and interest in and the Option Agreement from J2 Mining.

The Option Agreement assigned to the Company from J2 Mining on June 30, 2011, was originally entered into on May 26, 2011 between J2 Mining and Wyomex LLC, pursuant to which Wyomex LLC ("Optionor"), granted to J2 Mining, as optionee, an exclusive right and option to acquire 100% undivided legal and beneficial interests in and to certain unpatented lode mining claims, fee lands, leased lands, and other interests in real property situated in Albany County, Wyoming (the "Wyoming Iron Complex"). Pursuant to the Assignment Agreement, J2 Mining agreed to assign all its rights and interests in the property and the Option Agreement, and transfer all of its obligations under the Option Agreement, to the Company.

The term of the option commenced on May 26, 2011 and could be extended for a maximum of six successive one-month periods, at the sole election of the Company, through notice to Wyomex LLC and tender of \$5,000 from the Company to Wyomex LLC for each of the first three additional months and \$15,000 for each additional month for months four through six. As at September 30, 2012, total payments of \$145,000 had been made.

Prior to December 31, 2011, the Company provided written notice to the Optionor of its intent to exercise its option. On April 10, 2012, the Company executed an asset purchase agreement to exercise its option for consideration of \$7,000,000, consisting of the following:

- a) A cash payment at closing of \$85,000 as an initial payment (paid on March 30, 2012);
- b) \$60,000 of consideration previously paid and received by the Optionor (see above);
- c) A \$6,855,000 promissory note with an estimated fair value of \$1,081,676 on the date of issuance. See Note 6 for details.

Commencing six (6) months from the date of the initial payment and every six (6) months thereafter, Titan shall pay seller, as advance production payment, the initial amount of \$62,500, as adjusted by CPI, until commencement of commercial production from the property. At the commencement of commercial production, the semi-annual advance production payment shall convert to a 4.5% gross metal value royalty on iron ore, concentrates, and/or other mineral materials produced and sold from the property by Titan. Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay the Optionor a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property.

Labrador Trough Property

On July 19, 2011, the Company entered into an option agreement with Globex Mining Enterprises Inc. ("Globex") effective July 12, 2011 (the "Agreement"), pursuant to which Globex granted the Company the right (the "Option") for a period of 90 days from July 12, 2011 to acquire an undivided 100% interest in and to 144 mining claims (the "Property") located in the Labrador trough area in the Province of Quebec, Canada.

On October 12, 2011, the Company notified the owner of the Labrador Trough iron ore property that the Company would not be exercising the option to acquire the property. The Company recorded an impairment of mineral property charge of \$50,124 during the year ended December 31, 2011.

TITAN IRON ORE CORP.
(AN EXPLORATION STAGE COMPANY)
NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
SEPTEMBER 30, 2012
(Expressed in US dollars)

4. COMMON STOCK

On January 11, 2012, the Company closed a private placement for 1,334,000 units at a price of \$0.75 per unit for proceeds of \$1,000,500. Each unit consists of one share of our common stock and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one share of our common stock at a purchase price of \$1.00 for a period of three years.

On September 12, 2012, the Company issued 50,000 shares to a consultant under a contract entered into on July 18, 2012 to provide fund raising services to the Company. Per substance of the agreement, the shares are valued at the contract date. The closing price of the Company's stock on July 18, 2012 was \$0.43 and therefore the transaction was valued at \$21,500.

On September 25, 2012, the Company issued 500,000 shares to a consultant under a contract to provide various corporate finance advisory services to the Company. Per substance of the agreement, the shares were valued at the contract date. The closing price of the Company's stock on September 5, 2012 was \$0.21 and therefore the transaction was valued at \$105,000.

5. SHARE PURCHASE WARRANTS

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2011	1,050,000	0.75
Warrants granted with private placement	667,000	\$ 1.00
Balance, September 30, 2012	1,717,000	\$ 0.85

Details of share purchase warrants outstanding as of September 30, 2012 are:

Number of Warrants Outstanding and Exercisable		
Number	Exercise Price per Share	Expiry Date
1,050,000	\$ 0.75	June 20, 2014
667,000	\$ 1.00	January 10, 2015
1,717,000	\$ 0.85	

6. PROMISSORY NOTE

On April 10, 2012 the Company issued a non-interest bearing promissory note in the amount of \$6,855,000 to Wyomex Limited Liability Company ("Wyomex") secured by the Strong Creek and Iron Mountain properties. The note is repayable through advance minimum royalty payments of \$62,500 (adjusted for the consumer price index in successive period) beginning six months from March 30, 2012 ("closing date") and after receipt of the initial payment, and every six months thereafter, until the commencement of commercial production from the property. At the commencement of commercial production from the properties, the semi-annual advance minimum royalty shall convert to a 4.5% gross metal value royalty on iron ore and/or other mineral materials produced and sold from the property and, except for events of force majeure, in no event shall the production royalty paid to Wyomex be less than \$150,000 in any given calendar year. Repayment of the promissory note may be demanded by Wyomex upon an event of default as defined in the agreement. Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay Wyomex a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property. The estimated fair value of the note (based on estimated 14.03% interest rate) was calculated to be \$1,081,676 on April 10, 2012. The Company recorded an accretion expense of \$75,880 for the nine months ended September 30, 2012. As of September 30, 2012, the carrying value of the promissory note is \$1,157,556.

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6. PROMISSORY NOTE - continued

At September 30, 2012, estimated contractual principal payments due on the promissory note for the next five years are as follows:

September 30, 2013	189,853
September 30, 2014	130,557
September 30, 2015	133,841
September 30, 2016	137,208
September 30, 2017	140,660
Total	<u>\$ 732,119</u>

7. STOCK-BASED COMPENSATION

On November 22, 2011, the Board of Directors approved a stock option plan ("2011 Stock Option Plan"), the purpose of which is to enhance the Company's stockholder value and financial performance by attracting, retaining and motivating the Company's officers, directors, key employees, consultants and its affiliates and to encourage stock ownership by such individuals by providing them with a means to acquire a proprietary interest in the Company's success through stock ownership. Under the 2011 Stock Option Plan, officers, directors, employees and consultants who provide services to the Company may be granted options to acquire common shares of the Company. The aggregate number of options authorized by the plan shall not exceed 9,947,400 common shares of the Company.

During the year ended December 31, 2011, the Company granted 3,450,000 and 500,000 stock options at an exercise price of \$0.84 per share for 10 years and 3 years respectively. The fair value of the options has been estimated using the Black Scholes option pricing model using the following assumptions: risk free interest rate of 1.63%, dividend yield of 0%, volatility of 113% and expected life of 10 years. During the nine months ended September 30, 2012, the Company granted 1,000,000 stock options at an exercise price of \$0.20 for 10 years. During the nine months ended September 30, 2012, the Company recorded stock-based compensation of \$1,851,782 related to the vesting period for these stock options.

The following table summarizes the options outstanding as at September 30, 2012:

Expiry Date	Option Price Per Share	Number
December 21, 2021	0.84	3,450,000
December 21, 2014	0.84	500,000
June 21, 2022	0.20	1,000,000
	0.71	4,950,000

The following table summarizes the continuity of the Company's stock options:

	Number of Options	Weighted Average Exercise Price	Weighted- Average Remaining Contractual Term (years) \$	Aggregate Intrinsic Value \$
Outstanding, December 31, 2011	3,950,000	0.84	8.33	869,000

Options granted	1,000,000	0.20	9.73	
Outstanding, September 30, 2012	4,950,000	0.71	8.62	110,000
Exercisable, September 30, 2012	987,500	0.84	8.33	-

As at September 30, 2012, there was \$583,296 of unrecognized compensation cost related to non-vested stock options. This cost is expected to be recognized over a weighted average period of 0.83 years.

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8. COMMITMENTS

On June 30, 2011, the Company entered into an employment agreement with an officer to serve as President and Chief Executive Officer of our company for a term of two years with automatic renewals for similar two year periods pursuant to the terms of the agreement. Under the agreement, the officer receives monthly remuneration at a gross rate of \$15,000. The Company can terminate the agreement within 60 days of notice. If the executive is terminated without cause, the executive shall be entitled to one month's severance pay for each one month of service up to a maximum of two years. The officer shall also be entitled to receive 2.4 million options to purchase shares of the Company's common stock pursuant to the Company's Stock Option Plan, with 1.0 million of the options being granted in calendar year 2011 (completed) and 1.4 million option (800,000 options granted) being granted after December 31, 2011.

On June 30, 2011, the Company entered into consulting agreements with a management company managed by the CEO, for consulting fee of \$2,500 per month to provide office space and administrative services. The Company can terminate the agreement within 15 days written notice. The agreement commences on June 30, 2011 for a one year period and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a firm to provide the services of the Company's Vice President, Exploration, who will provide and perform certain geological advisory services. Under the agreement, the firm receives monthly compensation at a gross rate of \$6,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a consulting firm to provide certain geological, engineering, marketing and project management services as may be requested by Company at monthly rate of \$8,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On November 1, 2011, the Company entered into a consulting agreement with a financial public relations firm for a term of 1 year. Under the agreement, the consultant receives \$8,000 per month, and 500,000 options (granted) to purchase common stock of the Company.

On September 5, 2012, the Company entered into a consulting and professional service agreement with a consultant to provide corporate advisory, corporate finance, strategic planning, marketing and related advisory services in consideration for the issuance of 500,000 shares of restricted common stock. The 500,000 shares were issued on September 25, 2012. The term of the agreement is for a period of 6 months, provided, however, that the Company may extend the agreement for a successive 6 month period for an additional 500,000 shares of restricted stock.

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9. RELATED PARTY TRANSACTIONS AND BALANCES

During the year ended December 31, 2011 the Company advanced \$25,000 to a management firm managed by the Company's CEO and this amount was outstanding as at September 30, 2012. This advance for expenses to be incurred on the Company's behalf was recorded as prepaid expenses.

During the nine months ended September 30, 2012 the Company incurred \$22,500 in management fees and \$7,355 in rent expense to the management firm managed by the Company's CEO (2011: \$7,500) with such costs being recorded as general and administrative costs. As at September 30, 2012, the Company owed \$17,086 including unreimbursed expenses to this firm (2011: \$Nil).

During the nine months ended September 30, 2012 the Company incurred \$278,979 in management fees to officers and directors of the Company (2011: \$128,511) with such costs being recorded as general and administrative costs.

The above transactions were recorded at their exchange amounts, being the amounts agreed by the related parties.

10. FAIR VALUE MEASUREMENT

ASC 820, Fair Value Measurements and Disclosures require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities. Valuations are based on quoted prices that are readily and regularly available in an active market and do not entail a significant degree of judgment.

Level 2

Level 2 applies to assets or liabilities for which there are other than Level 1 observable inputs such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 2 instruments require more management judgment and subjectivity as compared to Level 1 instruments. For instance: determining which instruments are most similar to the instrument being priced requires management to identify a sample of similar securities based on the coupon rates, maturity, issuer, credit rating and instrument type, and subjectively select an individual security or multiple securities that are deemed most similar to the security being priced; and determining whether a market is considered active requires management judgment.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The determination of fair value for Level 3 instruments requires the most management judgment and subjectivity.

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10. FAIR VALUE MEASUREMENT (CONTINUED)

Pursuant to ASC 825, cash is based on "Level 1" inputs. The Company believes that the recorded values of accounts payable approximate their current fair values because of their nature or respective relatively short durations. The fair value of the Company's promissory note approximates carrying value as the underlying imputed interest rate approximates the market rate.

Assets measured at fair value on a recurring basis were presented on the Company's balance sheet as of September 30, 2012, as follows.

Fair Value Measurements Using

	Quoted Prices in Active Markets For Identical Instruments (Level 1) \$	Significant Other Observable Inputs (Level 2) \$	Significant Unobservable Inputs (Level 3) \$	Balance as of September 30, 2012 \$
Assets:				
Cash	275,162	–	–	275,162

As at September 30, 2012, there were no liabilities measured at fair value on a recurring basis presented on the Company's balance sheet.

11. MINERAL PROPERTY EXPLORATION COSTS

During the nine months ended September 30, 2012 and 2011 the following project costs were incurred:

	Nine months Ended September 30, 2012	Nine Months Ended September 30, 2011
Strong Creek and Iron Mountain:		
Technical Report	\$ 73,137	\$ 12,879
Claims	3,230	3,255
Drilling	11,655	
Travel	20,678	-
Aeromagnetic Survey	20,000	-
Lease payments	5,000	
TOTAL	133,700	16,134
Labrador Trough:		
Reconnaissance	-	71,335
Total Exploration Costs	\$ 133,700	\$ 87,469

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12. SUBSEQUENT EVENTS

On October 1, 2012, the Company made the first advance royalty payment of \$63,563 under the Strong Creek and Iron Mountain asset purchase agreement.

On October 19, 2012 the Company announced that it had entered into an agreement with an accredited investor (the "Investor") to secure equity line financing. Separately, the Company also received funding from convertible debentures.

Under a Securities Purchase Agreement, upon Titan registering its common shares under a registration statement, the Investor will make equity financing available to the Company over a 36-month commitment, allowing the Company to sell up to \$10,000,000 in value of its common shares. The Company will determine, at its own discretion, the timing and amount of its sales of stock, subject to certain conditions and limitations. Shares will be priced at the lesser of a 10% discount from the Volume Weighted Average Prices ("VWAP") for the Company's common stock during the five consecutive trading days following a sales notice and the price that is \$0.01 below the VWAP on the date in question, but are limited to \$250,000 per pricing period or result in the investor beneficially owning more than 9.99% of the then outstanding common stock. The Investor will also receive Commitment shares up to a total of 3% of the \$10 million commitment amount for the equity line. On October 22, 2012 the Investor received 150,015 shares as the first tranche of commitment shares. The Company can terminate the line at any time.

In addition to equity line financing, the Company received bridge loans in the form of convertible debentures with gross proceeds to the Company of \$200,000. These debentures carry an interest rate of 5%, with an original issue discount of 15%, and are convertible at the lesser of: (a) \$0.27 during the six months following the closing date, and \$.35 thereafter, and (b) 70% of the average daily VWAP for the common stock during the ten (10) consecutive trading days immediately preceding the applicable conversion date. The investors also collectively received 3-year warrants to purchase a total of 705,901 shares at an exercise price of \$0.25, exercisable on a cashless basis. A finder's fee of 9% of the purchase price in cash and 9% in warrants was paid to an affiliate of the Investor with respect to a portion of the convertible debenture financing.

On October 25 and 26, 2012, the investors and the finder collectively exercised their full allotment of warrants on a cashless basis and received a total of 556, 183 restricted shares of the Company.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Our management's discussion and analysis provides a narrative about our financial performance and condition that should be read in conjunction with the audited and unaudited consolidated financial statements and related notes thereto included in this prospectus. This discussion contains forward looking statements reflecting our current expectations and estimates and assumptions about events and trends that may affect our future operating results or financial position. Our actual results and the timing of certain events could differ materially from those discussed in these forward-looking statements due to a number of factors, including, but not limited to, those set forth in the sections of this prospectus titled "Risk Factors" beginning at page 5 above and "Forward-Looking Statements" beginning at page 14 above.

Overview

We are a mineral exploration company. Our plan of operation is to carry out exploration work on our Wyoming Iron Complex in order to ascertain whether it possesses commercially exploitable quantities of iron ore and other metals. We intend to primarily explore for iron ore but if we discover that our mineral property hold potential for other minerals that our management determines are worth exploring further, then we intend to explore for those other minerals. We will not be able to determine whether or not the property contains a commercially exploitable mineral deposit, or reserve, until appropriate exploratory work is done and an economic evaluation based on that work indicates economic viability.

According to our plan of operation for a full exploration program, we estimate our cash needs for the next 12 months to be as follows:

Expense	Amount
Mineral exploration expenses for Wyoming Complex	\$ 8,000,000
Amounts payable under acquisition agreement for Wyoming Iron Complex	210,000
Professional Fees	130,000
General Administrative Expenses	650,000
Investor Relations	120,000
Travel	30,000
Total	\$ 9,140,000

We have no ongoing revenues, have achieved losses since inception, have been issued a going concern opinion by our auditors and rely upon the sale of our securities to fund operations. Accordingly, we will be dependent on future additional financing in order to fund our anticipated cash needs, and to seek other business opportunities in the mining industry or new business opportunities. There are no assurances that we will be able to complete such future additional financings or seek other business opportunities.

We are considered an exploration stage company as we are involved in the examination and investigation of the mineral property that we believe may contain valuable minerals, for the purpose of discovering the presence of ore, if any, and its extent. Since we are an exploration stage company, there is no assurance that a commercially viable mineral deposit exists on our property, and a great deal of further exploration will be required before a final evaluation as to the economic and legal feasibility for our exploration is determined. We have no known reserves of any type of mineral. To date, we have not discovered an economically viable mineral deposit on the mineral property, and there is no assurance that we will discover one.

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

Results of Operations

Years Ended December 31, 2011 and 2010

We were incorporated in the State of Nevada on June 5, 2007. Our plan after our inception on June 5, 2007 was to produce user-friendly software that creates interactive digital yearbook software for schools and allows them to create and burn their own interactive digital yearbooks on CD/DVD.

On June 13, 2011, we entered into a mineral property option acquisition agreement ("Acquisition Agreement") with J2 Mining Ventures Ltd. pursuant to which J2 Mining agreed to transfer, sell and assign all (100%) of its right, title and interest in and to a iron ore mineral property option agreement (the "Option Agreement") regarding property located in Albany County, Wyoming.

On June 30, 2011, we closed the Acquisition Agreement and entered into an assignment agreement (the "Assignment Agreement") with J2 Mining and the owner of the property, Wyomex LLC, transferring J2 Mining's interest in the Option Agreement to our company.

Our cash in the bank at December 31, 2011 was \$118,066. For the period from inception (June 5, 2007) to December 31, 2011 we had no operating revenues and incurred net operating losses of \$1,046,660 consisting of general and administrative expenses and professional fees incurred in connection with the day-to-day operation of our business and filing of our periodic reports.

As a result of our minimal amount of revenues and ongoing expenditures in pursuit of our business, we incurred net losses since our inception. For the year ended December 31, 2011, our net loss was \$954,677.

Our net loss and comprehensive loss for our fiscal year ended December 31, 2011 and 2010 and the changes between those periods for the respective items are summarized as follows:

	Year ended December 30, 2011	Year ended December 30, 2010
REVENUES	\$ -	\$ -
Advertising	22,732	
General and administrative	345,928	2,333
Impairment of mineral property acquisition costs	50,124	
Investor Relations	22,046	
Professional fees	93,056	5,985
Mineral property exploration costs	329,107	
Stock based compensation	107,772	-
Travel	1,543	
TOTAL OPERATING EXPENSES	972,308	8,313

Total operating expenses were \$972,308 for the year ended December 31, 2011 compared to \$8,313 for the year ended December 31, 2010. All expenses increased due to our company beginning operations in earnest in the year 2011.

From Inception on June 5, 2007 through September 30, 2012

Our cash at September 30, 2012 was \$275,162. For the period from inception (June 5, 2007) to September 30, 2012 we had \$4,855 in revenues and incurred net loss of \$3,901,143.

Management's Discussion and Analysis of Financial Condition and Results of Operations - continued

As a result of receiving minor revenues and ongoing expenditures in pursuit of our business, we have incurred net losses since our inception. For the three months ended September 30, 2012, our net loss was \$882,912. Since our inception to September 30, 2012, our accumulated deficit was \$3,901,143.

For the three and nine months ended September 30, 2012 compared to 2011

Our net loss and comprehensive loss for our interim period ended September 30, 2012 and 2011 and the changes between those periods for the respective items are summarized as follows:

	Three Months Ended September 30 2012	Three Months Ended September 30 2011	Nine months Ended September 30 2012	Nine months Ended September 30 2011
Revenues	\$ --	\$ --	\$ --	\$ --
Total Operating Expenses	882,912	338,228	2,870,947	371,483
Loss From Operations	(882,912)	(338,228)	(2,870,947)	(371,483)
Other Income (Expenses)	--	--	--	17,631
Net Loss	(882,912)	(338,228)	(2,870,947)	(353,852)

Total operating expenses increased 161.0% for the three months ended September 30, 2012 compared to the three months ended September 30, 2011. Our operating expenses for the three months ended September 30, 2012 primarily consists of stock-based compensation, investor relations, and general and administrative expenses. All expenses increased primarily due to start up of operations as a mining exploration company.

Total operating expenses increased 672.8% for the nine months ended September 30, 2012 compared to the nine months ended September 30, 2011. Our operating expenses for the nine months ended September 30, 2012 primarily consists of stock-based compensation, investor relations, and general and administrative expenses. All expenses increased primarily due to start up of operations as a mining exploration company.

Liquidity and Capital Resources

	September 30, 2012 (unaudited)	December 31, 2011 (audited)
Current Assets	\$ 300,162	\$ 143,066
Current Liabilities	270,338	22,104
Working Capital(Deficiency)	\$ 29,824	\$ 120,962

As of September 30, 2012, we had \$275,162 in cash, as compared to \$118,066 as of December 31, 2011. Our cash increased due to raising of capital via a private placement, offset by operating expenses during the period.

As of September 30, 2012, we had accounts payable of \$63,399, as compared to \$21,457 as of December 31, 2011. Our accounts payable increased due to increased exploration costs.

As of September 30, 2012, we had a current portion of promissory note of \$189,853, as compared to nil as of December 31, 2011. Our current portion of promissory note increased due to payments due under the Wyomex property acquisition.

As of September 30, 2012, we had accrued expenses to related parties of \$17,086, as compared to \$647 as of December 31, 2011. Our accrued expenses to related parties increased due to payments due to a related party for office expenses and payroll.

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

We currently do not have sufficient capital to fund our needs for the next 12 months. We anticipate that the equity line, once approved and effective, may be sufficient to meet our needs and we plan to rely upon it at least in part. Other possible sources of capital relate to: (1) sales from the stockpile of iron ore tailings at Iron Mountain which are a potential source of product to area cement producers, which we believe can provide revenue upon sale and delivery with minimal operational costs and under our existing State of Wyoming permit; and (2) the pit and titaniferous iron ore resource at Iron Mountain which is of interest to domestic steel mills as direct-ship feedstock, and which we believe could be developed and put in production upon securing of permits, under a basic mine plan, and after minimal capital outlays of approximately \$1,000,000. Both of these mining revenue possibilities are dependent first upon access to Iron Mountain which currently does not exist, and for which we have commenced a lawsuit in Albany County, Wyoming against the recalcitrant landowner.

We currently have no plans to prepay the Note to Wyomex, and intend to remit to Wyomex in advance of commercial production only the required advance minimum royalty payments, which are due semi-annually in the amount of \$62,500 as adjusted for inflation.

Cash Flows

For the years ended December 31, 2011 and 2010

	December 31, 2011 (audited)	December 31, 2010 (audited)
Net Cash Provided by (Used in) Operating Activities	\$ (817,246)	\$ --
Net Cash Used in Investing Activities	\$ (110,124)	\$ --
Net Cash Provided by Financing Activities	\$ 1,045,436	\$ --
Net Increase in Cash and Cash Equivalents	<u>\$ 118,066</u>	<u>\$ --</u>

Operating Activities

Net cash used in operating activities was \$817,246 for our 12-month period ended December 31, 2011 compared with nil cash used in operating activities in the same period in 2010. The reason for the change is the start up of operations and exploration activity in 2011.

Investing Activities

Net cash used in investing activities was \$110,124 for our 12-month period ended December 31, 2011 compared with nil net cash used in investing activities in the same period in 2010. The reason for the change is payments for options on mineral properties

Financing Activities

Net cash from financing activities was \$1,045,436 for our 12-month period ended December 31, 2011 compared with nil net cash in the same period in 2010. The reason for the change is the raising of funds through private placements in 2011.

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

Nine month Periods Ended September 30, 2012 and 2011

	Period Ended September 30, 2012	Nine month Period Ended September 30, 2011
Cash Provided by (Used in) Operating Activities	\$ (758,404)	\$ (221,787)
Cash Provided by (Used in) Investing Activities	(85,000)	(80,124)
Cash Provided by (Used in) Financing Activities	1,000,500	1,008,631
Net Increase in Cash and Cash Equivalents	<u>\$ 157,096</u>	<u>\$ 706,720</u>

Operating Activities

Our cash used in operating activities for the nine month period ended September 30, 2012 increased for the comparative nine month period ended September 30, 2011 due to start up of operations as a mining exploration company.

Investing Activities

Our cash used in investing activities for the nine month period ended September 30, 2012 increased for the comparative nine month period ended September 30, 2011 due to payments under the Wyomex mineral property option.

Financing Activities

Our cash provided by financing activities for the nine month period ended September 30, 2012 decreased for the comparative nine month period ended September 30, 2011 due to slightly less funds raised under a private placement.

Securities Purchase Agreement with Ascendant Capital Partners, LLC (Equity Line of Credit)

On October 18, 2012, we entered into a securities purchase agreement with Ascendant Capital Partners, LLC, pursuant to which we may sell and issue to Ascendant Capital Partners, LLC, and Ascendant Capital Partners, LLC is obligated to purchase from us, up to \$10,000,000 worth of shares of our common stock from time to time over a 36-month period, provided that certain conditions are met. The financing arrangement entered into by us and Ascendant Capital Partners, LLC is commonly referred to as an "equity line of credit" or an "equity drawdown facility." For further information regarding the securities purchase agreement with Ascendant Capital Partners, LLC, see "The Offering".

Securities Purchase Agreements (Debentures)

On October 18, 2012, we entered into securities purchase agreements with two investors, pursuant to which we sold an aggregate of \$235,300 face value in principal amount of 5% convertible debentures due October 18, 2013. In addition to the debentures, we issued an aggregate of 705,901 common stock purchase warrants with each warrant entitling the holder to acquire one share of our common stock at a price of \$0.25 per share for three years. The investors paid us the aggregate subscription amount of \$200,000 for the debentures and the warrants, which subscription amount was at a 15% discount from the principal amount of the debentures. For further information regarding the debentures, see "The Offering".

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Going Concern

At September 30, 2012, we had an accumulated deficit of \$3,901,143 since our inception and incurred a net loss of \$882,912 for the three month period ended September 30, 2012. We expect to incur further losses in the development of our business, all of which casts substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is dependent upon our ability to generate future profitable operations and/or to obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. Our independent auditors included an explanatory paragraph regarding substantial doubt about our ability to continue as a going concern in their report on our annual financial statements for the year ended December 31, 2011.

We have generated minimal revenues and have incurred losses since inception. Accordingly, we will be dependent on future additional financing in order to seek other business opportunities in the mining industry or new business opportunities. We are considered an exploration stage company as we are involved in the examination and investigation of the mineral property that we believe may contain valuable minerals, for the purpose of discovering the presence of ore, if any, and its extent. Since we are an exploration stage company, there is no assurance that a commercially viable mineral deposit exists on our property, and a great deal of further exploration will be required before a final evaluation as to the economic and legal feasibility for our exploration is determined. We have no known reserves of any type of mineral. To date, we have not discovered an economically viable mineral deposit on the mineral property, and there is no assurance that we will discover one.

Internal Controls

Our management, with the participation of our principal executive officer and our principal financial officer, evaluated the effectiveness of our internal control over financial reporting as of September 30, 2012. Our management's evaluation of our internal control over financial reporting was based on the framework in Internal Control—Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, our management concluded that our internal control over financial reporting was not effective as of September 30, 2012 due to the following material weaknesses which are indicative of many small companies with small staff: (i) inadequate segregation of duties and ineffective risk assessment; and (ii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both US GAAP and SEC guidelines. To remediate such weaknesses, we believe we would need to implement the following changes: (i) appoint additional qualified personnel to address inadequate segregation of duties and ineffective risk management; and (ii) adopt sufficient written policies and procedures for accounting and financial reporting. The remediation efforts set out in (i) and (ii) are largely dependent upon our securing additional financing to cover the costs of implementing the changes required. If we are unsuccessful in securing such funds, remediation efforts may be adversely affected in a material manner. Until we have the required funds, we do not anticipate implementing these remediation steps.

Application of Critical Accounting Policies

Basis of Presentation

Our financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. Our fiscal year-end is December 31, 2011.

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. We regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. We base our estimates and assumptions on current facts, historical experience and various other factors that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced

by us may differ materially and adversely from our estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Management's Discussion and Analysis of Financial Condition and Results of Operations - continued

Revenue Recognition

We recognize revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Advertising Costs

Our policy regarding advertising is to expense advertising when incurred.

Cash and Cash Equivalents

We consider all highly liquid instruments purchased with a maturity of six months or less to be cash equivalents to the extent the funds are not being held for investment purposes.

Impairment of Long-Lived Assets

We continually monitor events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, we assess the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

If the total of the future cash flows is less than the carrying amount of those assets, we recognize an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based compensation

We record stock-based compensation in accordance with ASC 718, *Compensation – Stock Based Compensation*, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. We use the Black-Scholes option pricing model as its method in determining fair value. This model is affected by our stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to our expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

We are in the exploration stage and have not yet realized any revenues from operations. We are primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are initially capitalized. We assess the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

Asset Retirement Obligations

We record asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, we will recognize a gain or loss on settlement. As at December 31, 2011, we have not incurred any asset retirement obligation related to the exploration and development of its resource properties.

Comprehensive Loss

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements. As at December 31, 2011 and December 31, 2010, we have no items that represent other comprehensive loss and, therefore, have not included a schedule of other comprehensive loss in the financial statements.

Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

Our assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximate fair values because of the short-term maturity of these instruments. Unless otherwise noted, it is management's opinion that we are not exposed to significant interest, currency or credit risks arising from these financial instruments.

Basic and Diluted Net Loss Per Share

We compute net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 5,000,000 as of December 31, 2011.

Income Taxes

We account for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. We record a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Management's Discussion and Analysis of Financial Condition and Results of Operations - *continued*

Recent Accounting Pronouncements

Comprehensive Income

In June 2011, ASC guidance was issued related to comprehensive income. Under the updated guidance, an entity will have the option to present the total of comprehensive income either in a single continued statement of comprehensive income or in two separate but consecutive statements. In addition, the update requires certain disclosure requirements when reporting other comprehensive income. The update does not change the items reported in other comprehensive income or when an item of other comprehensive income must be reclassified to income. The update is effective for our fiscal year beginning January 1, 2012. The Company does not expect the updated guidance to have an impact on the balance sheets, results of operations or cash flows.

Fair Value Accounting

In May 2011, ASC guidance was issued related to disclosures around fair value accounting. The updated guidance clarifies different components of fair value accounting including the application of the highest and best use and valuation premise concepts, measuring the fair value of an instrument classified in a reporting entity's shareholders' equity and disclosing quantitative information about the unobservable inputs used in fair value measurements that are categorized in Level 3 of the fair value hierarchy. The update is effective for our fiscal year beginning January 1, 2012. We do not expect the updated guidance to have a significant impact on the balance sheets, results of operations or cash flows.

We have implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Directors and Executive Officers

Directors and Executive Officers

Our directors hold office until the next annual meeting or until their successors have been elected and qualified, or until they resign or are removed. Our board of directors appoints our officers, and our officers hold office for such term as may be prescribed by our board of directors and until their successors are chosen and qualify, or until their death or resignation, or until their removal.

Our directors and executive officers, their ages, positions held, and duration of such are as follows:

Name	Position Held with Our Company	Age	Date First Elected or Appointed
Andrew Brodkey	President, CEO and Director	56	June 30, 2011
Frank Garcia	CFO	55	June 30, 2011
Dr. David Hackman	V.P. Exploration	70	June 30, 2011
Dr. Ronald Richman	Director	72	July 22, 2011

Business Experience

The following is a brief account of the education and business experience during at least the past five years of each director and executive officer of our company, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Directors and Executive Officers - *continued*

Andrew Brodkey, President Chief Executive Officer and Director

Andrew Brodkey is a mining engineer and a lawyer. He graduated with distinction with a B.S. in Mining Engineering from the University of Arizona in 1979. Mr. Brodkey earned a law degree, cum laude, from Creighton University in 1982. He worked at the Denver, Colorado law firm of Gorsuch, Kirgis, Campbell, Walker and Grover as an associate specializing in natural resources and environmental law from 1982 until 1987. Subsequently, Mr. Brodkey joined Magma Copper Company, a NYSE-traded mining company in 1987, where he held various positions, eventually succeeding to the role of Vice President and General Counsel in 1992. Following Magma's acquisition by BHP in 1996, he remained in a senior legal position with BHP Copper Inc., and in 2000 moved to the position of Vice President, Business Development for BHP Copper. Following his departure from BHP in 2002, Mr. Brodkey held the position of Managing Director of the International Mining & Metals Group of CB Richard Ellis, Inc ("CBRE"), where he was responsible for creating and building the mining property practice of CBRE. From August 2007 to September 2011, Mr. Brodkey was formerly CEO and a Director of both Pacific Copper Corp. and Zoro Mining Corp (Mr. Brodkey remained a director of Zoro Mining Corp. until November 2012). Since December 2009, he has been President, CEO and a Director of First Potash Corp., formerly Pan American Lithium Corp. His is also the manager of Kriyah Consultants LLC, which has a contractual relationship with our company. Mr. Brodkey devotes approximately 50% of his time to our company.

We believe Mr. Brodkey is qualified to serve as an officer and director because he brings significant mineral industry background as well as business and public company experience to our company.

Frank Garcia, CFO

Frank Garcia from 2007 to the present has worked as Accounting Manager for Kriyah Consultants LLC providing accounting services for mining exploration companies. From 1997 to 2006, Mr. Garcia was employed in senior management positions by Misys PLC, a global software and solutions company serving customers in international banking and securities, international healthcare, and UK retail financial services. Prior to 1997 Mr. Garcia held executive positions with CEMEX, a world leader in the construction materials industry. Mr. Garcia is currently the CFO of two publicly-traded mining companies-- Zoro Mining Corp. (OTCBB: ZORM) and Pan American Lithium Corp. (OTCBB: PALTF; TSX-V: PL). Mr. Garcia received his Bachelor of Science –Business Administration—Major in Accounting from the University of Arizona in 1981. Mr. Garcia devotes approximately 33% of his time to our company.

We believe Mr. Garcia is qualified to serve as an officer because he brings significant mineral industry background as well as business and public company experience to our company.

Dr. David Hackman, V.P. Exploration

Dr. Hackman is a geologist and a registered professional engineer with over 35 years international experience specializing in the evaluation of leachable and other metal deposits. He has worked as a geologist for Mobil Oil Company and ALCOA. From 1990 to 1995, he was the president, of Liximin, Inc., a mineral exploration and mine development company based in Tucson, Arizona. From 1996 to 2000, he was an officer and director of Silver Eagle Resources Ltd. Since August 2007, Dr. Hackman has been the V.P. of Exploration and a Director of Zoro Mining Corp. and CEO and a Director of Pacific Copper Corp. Dr. Hackman has also been the V.P. of Exploration for First Potash Corp, formerly Pan American Lithium Corp. Mr. Hackman devotes approximately 33% of his time to our company.

We believe Dr. Hackman is qualified to serve as an officer because he brings significant mineral industry background as well as business and public company experience to our company.

Dr. Ronald Richman, Independent Director

Dr. Ronald J. Richman from 2008 to the present was a co-director at Arid Lands Bioenergy Institute at the University of Arizona responsible for developing industrial liaison program, and reviewing programs for potential commercialization responsible for developing industrial liaison program, and reviewing programs for potential commercialization. Dr. Richman was appointed as a Director and to the Audit Committee of Pan American Lithium Corp. in 2010. From 2003 to the present, Dr. Richman was Director and Chief Executive Officer of Innovative Technology Development Center in Tucson, AZ a not-for-profit organization promoting sustainable economic development across Southern Arizona with focus on renewable resources. Prior to this, Dr. Richman held senior executive positions with IBM where he worked for 35 years. Dr. Richman received a Bachelor of Science Degree in Chemistry from New York University, a Master of Science in Chemistry at the University of Colorado, a Doctor of Philosophy in Chemistry from the University

of Colorado, the Wharton Executive Program, Wharton School, Senior Management Development at Sands Point IBM. Mr. Richman devotes approximately 25% of his time to our company.

Directors and Executive Officers - *continued*

We believe Dr. Richman is qualified to serve as a director because he brings significant business and public company experience to our company.

Conflict of Interest

We have determined that there are no meaningful possibilities of conflicts of interest for our directors and officers since none of our directors or officers are involved in other companies engaged in the iron ore business. To the extent that iron ore opportunities arise, they are and will be offered to our company.

Term of Office

Directors of our company hold office until the annual meeting of the stockholders next succeeding his or her election, or until his or her prior death, resignation or removal. Executive officers of our company hold office until the annual meeting of our board of directors next succeeding his or her election, and until his or her succession has been duly elected and qualified, subject to earlier termination by his or her death, resignation or removal.

Committees of the Board

Our board of directors has the authority to appoint committees to perform certain management and administration functions. Currently, we do not have an audit committee, compensation committee or nominating and corporate governance committee and do not have an audit committee financial expert. Our board of directors currently intends to appoint various committees in the near future.

Nominating and Corporate Governance Committee

We do not have a nominating and corporate governance committee. Our board of directors performed the functions associated with a nominating committee. Generally, nominees for directors are identified and suggested by the members of our board of directors or management using their business networks. Our board of directors has not retained any executive search firms or other third parties to identify or evaluate director candidates in the past and does not intend to in the near future. We have elected not to have a nominating committee because we are an exploration stage company with limited operations and resources.

Our board of directors does not have a written policy or charter regarding how director candidates are evaluated or nominated for our board of directors. Additionally, our board of directors has not created particular qualifications or minimum standards that candidates for our board of directors must meet. Instead, our board of directors considers how a candidate could contribute to our business and meet our needs and those of our board of directors. As we are an exploration stage company, our board of directors will not consider candidates for director recommended by our stockholders, and we have received no such candidate recommendations from our stockholders.

Compensation Committee

We currently do not have a compensation committee. However, our board of directors may establish a compensation committee once we are no longer in the exploration stage, which would consist of inside directors and independent members. Until a formal committee is established, our board of directors will continue to review all forms of compensation provided to our executive officers, directors, consultants and employees including stock compensation.

Directors and Executive Officers - continued

Audit Committee

We currently do not have an audit committee. However, our board of directors may establish an audit committee once we are no longer in the exploration stage, which would consist of inside directors and independent members. Until a formal committee is established, our board of directors will continue to perform the functions of an audit committee.

Audit Committee Financial Expert

Our board of directors has determined that it does not have a member that qualifies as an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K issued by the United States Securities and Exchange Commission.

We believe that our entire board of directors is capable of analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues reasonably expected to be raised by our company. We believe that retaining an independent director who would qualify as an “audit committee financial expert” would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development and the fact that we have not generated revenues to date.

Family Relationships

There are no family relationships between any director or executive officer.

Involvement in Certain Legal Proceedings

During the past ten years, our directors and executive officers have not been involved in any of the following events:

- a bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- conviction in a criminal proceeding or being subject to a pending criminal proceeding, excluding traffic violations and other minor offenses;
- being subject to any order, judgment or decree, not substantially reversed, suspended or vacated, of any court of competent jurisdiction, permanently enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking business;
- being found by a court of competent jurisdiction, in a civil action, the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended or vacated;
- being the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of: (i) any federal or state securities or commodities law or regulation; or (ii) any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order; or (iii) any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
- being the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Securities Exchange Act of 1934), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Directors and Executive Officers - continued

Code of Ethics

We have not yet adopted a Code of Ethics. We believe that due to our size of our management, we do not currently require a code of ethics.

Executive Compensation

Summary Compensation

The particulars of compensation paid to the following persons:

- (a) all individuals serving as our principal executive officer during the year ended December 31, 2011;
- (b) each of our two most highly compensated executive officers other than our principal executive officer who were serving as executive officers at December 31, 2011 who had total compensation exceeding \$100,000; and
- (c) up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at December 31, 2011,

who we will collectively refer to as the named executive officers, for the years ended December 31, 2011 and 2010, are set out in the following summary compensation table:

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards ⁽¹⁾ (\$)	Non Equity Incentive Plan Compensation (\$)	Nonqualified Deferred	All other Compensation (\$)	Total (\$)
							Earnings (\$)		
Andrew Brodkey President, Secretary, Treasurer & Director ⁽²⁾	2011	99,645	Nil	Nil	786,905	Nil	Nil	Nil	886,550
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Frank Garcia Chief Financial Officer ⁽²⁾	2011	30,634	Nil	Nil	314,762	Nil	Nil	Nil	345,396
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr. David Hackman VP of Exploration ⁽²⁾	2011	36,000	Nil	Nil	Nil	Nil	Nil	Nil	36,000
	2010	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ed Mulhern (former President, Secretary, Treasurer & Director) ⁽³⁾	2011	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Arunkumar Rajapandy (former President, Secretary, Treasurer & Director) ⁽⁴⁾	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2010	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) The amounts reported for option awards and any other equity-based awards represent the grant date fair value, computed in accordance with ASC Topic 718.

(2) Messrs. Brodkey, Garcia and Hackman were appointed as officers on June 30, 2011.

(3) Mr. Mulhern was appointed as President, Secretary and Treasurer on April 6, 2011 and resigned as an officer on June 30, 2011 and as a director on July 22, 2011.

(4) On March 14, 2011, Arunkumar Rajapandy resigned as our president, chief executive officer and director;

Compensation for Executive Officers and Directors

Compensation arrangements for our named executive officers and directors are described below.

Executive Compensation - continued

Employment Agreement – Andrew A. Brodkey

Effective June 30, 2011, we entered into an employment agreement with Andrew A. Brodkey to serve as President and Chief Executive Officer of our company for a term of two years with automatic renewals for similar two year periods pursuant to the terms of the agreement. Mr. Brodkey's duties shall include the duties and responsibilities for our company's corporate and administration offices and positions as set forth in our company's and such other duties and responsibilities as the board of directors may from time to time reasonably assign to Mr. Brodkey. Under the agreement, Mr. Brodkey receives monthly remuneration at a gross rate of \$15,000 with such increases as our board of directors may approve. Mr. Brodkey is also entitled to receive 2.4 million options to purchase shares of our common stock pursuant to our Stock Option Plan which has been approved by our directors. One million of these options have been granted during the calendar year 2011, and the remaining 1.4 million options will be granted after December 31, 2011. To the extent that benefit plans are implemented and made available to officers or employees of our company, Mr. Brodkey shall participate in employee incentive, bonus, pension, profit sharing, deferred compensation, stock appreciation or stock purchase, health, welfare and disability plans, or other benefit plans or other programs of our company, if any, to the extent that his position, tenure, salary, age, health and other qualifications make him eligible to participate. Our company may terminate Mr. Brodkey's employment prior to the end of his employment period by giving the Mr. Brodkey 60 days' advance notice in writing. If we terminate Mr. Brodkey's employment prior to the end of his employment period for any reason other than cause or disability or if Mr. Brodkey terminates his employment for good reason, Mr. Brodkey shall be entitled to one (1) month's severance pay for each one month of service up to a maximum of two (2) year's wages, and we shall maintain all employee benefit plans and programs for the number of years remaining in the term of his employment in which he was entitled to immediately prior to the date of termination. If Mr. Brodkey, however, terminates his employment prior to the end of the employment period other than for good reason, Mr. Brodkey shall not be entitled to any severance and our company shall have no further liability to Mr. Brodkey. The employment agreement also contains a 12-month non-competition clause related to the iron ore exploration mining business and is construed and interpreted in accordance with the laws of the State of Arizona. He is also permitted under the terms of the employment agreement to pursue other business interests not in conflict with our company, including serving as CEO and a Director of other public companies

Consulting and Payroll Agreements with Kriyah Consultants LLC

Effective June 30, 2011, we entered into consulting agreements with Kriyah Consultants LLC, a company managed by Andrew Brodkey, whereby Kriyah will be paid a consulting fee of \$2,500 per month to:

- (a) provide office space, office equipment, utilities, phones and furniture;
- (b) employ secretarial, bookkeeping, accounting, recordkeeping, legal compliance and related personnel;
- (c) advise our company regarding financial planning, corporate development, and corporate governance;
- (d) provide instructions and directions to our company's legal counsel, accountants and auditors; and
- (e) ensure that all accounting records are maintained to meet generally accept accounting principals and quarterly and annual reports are prepared and filed to meet regulatory requirements.

The Kriyah agreement also provides that our company will reimburse Kriyah for its proportionate share of all expenses incurred with respect to the operation of the administration of our company, including but not limited to, our company's allocable share of Kriyah's office rent, office equipment, employee and contractor wages and benefits, phones and other office operational costs (such allocable share to be determined according to the number of clients being serviced by Kriyah at its Tucson location, which is currently three). Also under this agreement, Kriyah will provide the services of Frank Garcia as CFO and Aryn Gruneisen as Corporate Secretary.

In addition to the consulting agreement, our company entered into a payroll services agreement with Kriyah, whereby Kriyah agrees to administer the payroll health insurance benefits to be provided by our company to Mr. Brodkey as contemplated in the employment agreement with Mr. Brodkey. Such payroll services include administering payroll deductions, unemployment compensation, social security taxes and workers compensation and any other withholdings or payroll related payments required under applicable law.

Executive Compensation - continued

Consulting Agreement - Sage Associates, Inc.

Effective June 30, 2011, we entered into a consulting agreement with Sage Associates, Inc. whereby Sage through its owner, Dr. David Hackman, will serve as our company's Vice President, Exploration, and will provide and perform for the benefit of our company certain geological advisory services as may be requested by our company. Under the agreement, Sage receives monthly compensation at a gross rate of \$6,000. In addition to any fees that may be payable to Sage under the agreement, we agreed to promptly reimburse Sage within thirty (30) days of receipt of detailed invoice, for all reasonable travel and other out-of-pocket expenses incurred in performing the services under the agreement, which are approved by our company. The term of the agreement is expected to continue through the end of the 2011 calendar year and shall automatically renew from year to year unless terminated. If our company exercises its right to terminate the agreement, we shall only be obligated to pay Sage for the fees actually earned by Sage in performing the services up to the time that such right of termination is exercised and effective.

Consulting Agreement - J2 Mining Ventures Ltd.

Effective June 30, 2011, we entered into a consulting agreement with J2 Mining Ventures Ltd. whereby J2 Mining will provide and perform for the benefit of our company certain geological, engineering, marketing and project management services as may be requested by our company. Under the agreement, J2 Mining receives monthly compensation at a gross rate of \$8,000. In addition to any fees that may be payable to J2 Mining under the agreement, we agreed to promptly reimburse J2 Mining within thirty (30) days of receipt of detailed invoice, for all reasonable travel and other out-of-pocket expenses incurred in performing the services under the agreement, which are approved by our company. The term of the agreement is expected to continue through the end of the 2011 calendar year and shall automatically renew from year to year unless terminated. If our company exercises its right to terminate the agreement, we shall only be obligated to pay J2 Mining for the fees actually earned by J2 Mining in performing the services up to the time that such right of termination is exercised and effective.

Outstanding Equity Awards at Fiscal Year-End of Named Executive Officers

The following table sets forth for each named executive officer certain information concerning the outstanding equity awards as of December 31, 2011:

Name	OPTION AWARDS					STOCK AWARDS			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (#)
Andrew Brodkey	750,000	250,000 ⁽¹⁾	Nil	\$0.84	12/21/2021	Nil	Nil	Nil	Nil
Frank Garcia	300,000	100,000 ⁽²⁾	Nil	\$0.84	12/21/2021	Nil	Nil	Nil	Nil
Dr. David Hackman	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Ed Mulhern	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Arunkumar Rajapandy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- (1) These options will vest on June 21, 2013.
- (2) These options will vest on June 21, 2013.

Executive Compensation - continued

Director Compensation

The following table sets forth for each director certain information concerning his compensation for the year ended December 31, 2011.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards ¹ (\$)	Option Awards ⁽¹⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Ronald Richman	10,000	Nil	590,178	Nil	Nil	Nil	600,178

(1) The amounts reported for option awards and any other equity-based awards represent the grant date fair value, computed in accordance with ASC Topic 718.

Outstanding Equity Awards at Fiscal Year-End of Directors

OPTION AWARDS						STOCK AWARDS			
Name	Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)	Equity Incentive Plan Awards: Number of Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)
Ronald Richman	562,500	187,500 ⁽¹⁾	Nil	\$0.84	12/21/2021	Nil	Nil	Nil	Nil

(1) These options will vest on June 21, 2013.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of January 9, 2013, certain information with respect to the beneficial ownership of our common stock by each stockholder known by us to be the beneficial owner of more than 5% of our common stock and by each of our directors and executive officers and by our directors and executive officers as a group. We have determined the number and percentage of shares beneficially owned by such person in accordance with Rule 13d-3 under the *Securities Exchange Act of 1934*. This information does not necessarily indicate beneficial ownership for any other purpose.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership ⁽¹⁾	Percent of Class ⁽²⁾
common stock	Andrew Brodkey Tucson, AZ	6,750,000 ⁽³⁾ Direct	12.7%
common stock	Frank Garcia Tucson, AZ	1,300,000 ⁽⁴⁾ Direct	2.5%
common stock	Dr. David Hackman Tucson, AZ	800,000 Direct	1.5%
common stock	Dr. Ronald Richman Tucson, AZ	1,169,400 ⁽⁵⁾ Direct	2.2%
Common Stock	Directors and Executive Officers as a group (4 persons)	10,019,400	18.5%

- Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission and generally includes voting or investment power with respect to securities. Shares of common stock subject to options, warrants and convertible securities currently exercisable or convertible, or exercisable or convertible within 60 days, would be counted as outstanding for computing the percentage of the person holding such options, warrants or convertible securities but not counted as outstanding for computing the percentage of any other person.
- (1) Based on 52,501,110 shares of common stock issued and outstanding as of January 9, 2013.
- (2) 750,000 of which are stock options exercisable at \$0.84 until December 21, 2021.
- (3) 300,000 of which are stock options exercisable at \$0.84 until December 21, 2021.
- (4) 562,500 of which are stock options exercisable at \$0.84 until December 21, 2021.

Changes in Control

We are unaware of any contract or other arrangement the operation of which may at a subsequent date result in a change in control of our company.

Transactions with Related Persons, Promoters and Certain Control Persons and Corporate Governance

Other than as disclosed below, there has been no transaction, or currently proposed transaction, in which our company was or is to be a participant and the amount involved exceeds the lesser of \$120,000 or one percent of the average of our total assets at year end for the last two completed fiscal years, and in which any of the following persons had or will have a direct or indirect material interest:

- (i) Any director or executive officer of our company;
- (ii) Any beneficial owner of shares carrying more than 5% of the voting rights attached to our outstanding shares of common stock;
- (iii) Any person who acquired control of our company when it was a shell company or any person that is part of a group, consisting of two or more persons that agreed to act together for the purpose of acquiring, holding, voting or disposing of our common stock, that acquired control of Titan Iron Ore Corp. when it was a shell company; and
- (iv) Any immediate family member (including spouse, parents, children, siblings and in-laws) of any of the foregoing persons.

Transactions with Related Persons, Promoters and Certain Control Persons and Corporate Governance - *continued*

During the year ended December 31, 2011, we advanced \$25,000 at December 31, 2011 to Kriyah Consultants LLC , a management firm managed by our CEO (2010: \$0) and this advance was recorded as prepaid expenses. Please see the discussion under the heading “*Executive Compensation – Compensation for Executive Officers and Directors – Consulting and Payroll Agreements with Kriyah Consultants LLC.*” Messrs. Brodkey and Garcia do not have any ownership interest in Kriyah.

During the year ended December 31, 2010, a former officer provided \$10,078 in advances to us and this amount was owing as at December 31, 2010. This amount was assumed by previous management during the year ended December 31, 2011 in connection with the acquisition of an option to purchase a mineral property.

Corporate Governance

Our common stock is quoted on the OTC Bulletin Board operated by the Financial Industry Regulatory Authority and on the over-the-counter market operated by Pink OTC Markets Inc., which do not impose any director independence requirements. Under NASDAQ rule 5605(a)(2), a director is not independent if he or she is also an executive officer or employee of the corporation. Under that definition of independent director, we only have one independent director, Ronald Richman

Where You Can Find More Information

We are not required to deliver an annual report to our stockholders unless our directors are elected at a meeting of our stockholders or by written consents of our stockholders. We do not anticipate sending any reports to our stockholders. If our directors are not elected in such manner, we are not required to deliver an annual report to our stockholders and will not voluntarily send an annual report. Our periodic reports are available free of charge on our website at <http://www.titan-iron.com/>.

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission. Such filings are available to the public over the internet at the Securities and Exchange Commission’s website at <http://www.sec.gov>.

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act of 1933 with respect to the securities offered under this prospectus. This prospectus, which forms a part of that registration statement, does not contain all information included in the registration statement. Certain information is omitted and you should refer to the registration statement and its exhibits.

You may review a copy of the registration statement at the Securities and Exchange Commission’s public reference room at 100 F Street, N.E. Washington, D.C. 20549 on official business days during the hours of 10 a.m. to 3 p.m. You may obtain information on the operation of the public reference room by calling the Securities and Exchange Commission at 1-800-SEC-0330. You may also read and copy any materials we file with the Securities and Exchange Commission at the Securities and Exchange Commission’s public reference room. Our filings and the registration statement can also be reviewed by accessing the Securities and Exchange Commission’s website at <http://www.sec.gov>.

12,906,300 Shares

Titan Iron Ore Corp.

Common Stock

End of Prospectus

_____, 2013

No finder, dealer, sales person or other person has been authorized to give any information or to make any representation in connection with this offering other than those contained in this prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by our company. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby by anyone in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of these securities. Our business, financial condition, results of operation and prospects may have changed after the date of this prospectus.

Information Not Required in Prospectus

Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses payable by us in connection with the issuance and distribution of the securities being registered hereunder. The selling stockholders will bear no expenses associated with this offering except for any broker discounts and commissions or equivalent applicable to the sale of their shares. All of the amounts shown are estimates, except for the Securities and Exchange Commission registration fees.

Securities and Exchange Commission registration fees	\$ 511
Accounting fees and expenses	\$ 15,000
Legal fees and expenses	\$ 40,000
Transfer agent and registrar fees	\$ 1,000
Miscellaneous expenses	\$ 4,000
Total	\$ 60,511

Indemnification of Directors and Officers

Nevada Revised Statutes provide that:

- a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he or she acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful;
- a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys' fees actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit if he or she acted in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper; and
- to the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding, or in defense of any claim, issue or matter therein, the corporation must indemnify him or her against expenses, including attorneys' fees, actually and reasonably incurred by him or her in connection with the defense.

Indemnification of Directors and Officers - *continued*

Nevada Revised Statutes provide that we may make any discretionary indemnification only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances. The determination must be made:

- by our stockholders;
- by our board of directors by majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding;
- if a majority vote of a quorum consisting of directors who were not parties to the action, suit or proceeding so orders, by independent legal counsel in a written opinion;
- if a quorum consisting of directors who were not parties to the action, suit or proceeding cannot be obtained, by independent legal counsel in a written opinion; or
- by court order.

Our bylaws provide that we have the power to indemnify each of our directors, officers, employees, or agents of our company against expenses and have the power to advance to each such agent expenses incurred in defending any such proceeding to the maximum extent permitted by that law. The term “proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, any appeal in such an action, suit, or proceedings and any inquiry or investigation that could lead to such an action, suit or proceeding.

Recent Sales of Unregistered Securities

On June 20, 2011 we entered into subscription agreements with two investors and issued 2,100,000 units of our securities at a purchase price of US \$0.50 per unit for gross proceeds of US \$1,050,000. Each unit consists of one share of our common stock and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one share of our common stock at a purchase price of US \$0.75 per share for a period of three years.

We issued the units to three non-U.S. persons (as that term is defined in Regulation S of the *Securities Act of 1933, as amended*) in an offshore transaction in which we relied on the registration exemption provided for in Regulation S and/or Section 4(2) of the *Securities Act of 1933, as amended*.

Effective November 1, 2011, but subject to our adoption of a stock option plan, we granted 500,000 options to Wolfe Axelrod Weinberger Associates LLC in connection with their appointment as our investor relations agency. The options are exercisable into common stock of our company, will expire in 3 years and have an exercise price per share of \$0.40 for 125,000 options, \$0.50 for 125,000 options, \$0.60 for 125,000 options and \$0.70 for the final 125,000 options.

On December 12, 2011 we granted stock options to acquire an aggregate of up to 4,100,000 options to purchase our common stock to our directors, officers and certain employees and consultants. The options are exercisable at \$0.84 per option share for a period of 10 years from the date of grant. The options shall vest in 25% increments on a quarterly basis over the next 18 months. We issued options to one non-U.S. person (as that term is defined in Regulation S of the Securities Act of 1933, as amended) in an offshore transaction in which we relied on the registration exemption provided for in Regulation S and/or Section 4(2) of the Securities Act of 1933, as amended. We issued options to seven U.S. persons, who were accredited investors (as that term is defined in Rule 501 of Regulation D, promulgated by the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended, and in issuing these units to this investor we relied on the registration exemption provided for in Rule 506 of Regulation D and/or Section 4(2) of the Securities Act of 1933, as amended.

On January 11, 2012, we accepted two subscription agreements and issued an aggregate of 1,334,000 units of our company to two investors at a price of \$0.75 per unit for gross proceeds of \$1,000,500. Each unit is comprised of one share of our common stock and one half of one share purchase warrant. One whole share purchase warrant is exercisable into one share of our common stock at an exercise price of \$1.00 per share until January 11, 2015. We issued the securities to two non-U.S. persons (as that term is defined in Regulation S of the Securities Act of 1933, as amended) in an offshore transaction in which we relied on the registration exemption provided for in Regulation S and/or Section 4(2) of the Securities Act of 1933, as amended.

Recent Sales of Unregistered Securities - continued

On June 21, 2012 we granted stock options to acquire an aggregate of up to 1,000,000 options to purchase our common stock 800,000 options to Andrew Brodkey, President and CEO, and 200,000 options to Ronald Richman a Director of our company. The options are exercisable at \$0.20 per option share for a period of 10 years from the date of grant. The options shall vest in 25% increments on a quarterly basis over the next 18 months. Mr. Brodkey and Mr. Richman are U.S. persons, who was an accredited investor (as that term is defined in Rule 501 of Regulation D, promulgated by the Securities and Exchange Commission pursuant to the *Securities Act of 1933, as amended*, and in issuing these units to this investor we relied on the registration exemption provided for in Rule 506 of Regulation D and/or Section 4(2) of the *Securities Act of 1933, as amended*.

Effective September 5, 2012, we entered into a consulting and professional service agreement with NuWa Group LLC, whereby NuWa has agreed to provide us with corporate advisory, corporate finance, strategic planning, marketing and related advisory services in consideration for the issuance of 500,000 shares of restricted common stock of our company, which were due and issuable within 10 days of the effective date. The term of the agreement is for a period of 6 months, provided, however, that we may extend the agreement for a successive 6 month period. If we decide to extend the agreement, as consideration we will issue and additional 500,000 shares of restricted common stock of our company on the same delivery schedule. NuWa Group LLC is a U.S. person and we expect to rely on Rule 506 of Regulation D and/or Section 4(2) of the Securities Act of 1933 to issue the shares of our common stock.

On October 18, 2012, we entered into a securities purchase agreement (the “**Equity Line of Credit Agreement**”) with Ascendant Capital Partners, LLC, which was amended on January 9, 2013, pursuant to which we may sell and issue to Ascendant Capital Partners, LLC, and Ascendant Capital Partners, LLC is obligated to purchase from us, up to \$10,000,000 worth of shares of our common stock from time to time over a 36-month period, provided that certain conditions are met. The financing arrangement entered into by us and Ascendant Capital Partners, LLC is commonly referred to as an “equity line of credit” or an “equity drawdown facility.”

In connection with the Equity Line of Credit Agreement, on October 18, 2012, we entered into a registration rights agreement with Ascendant Capital Partners, LLC. Pursuant to the registration rights agreement, we agreed to use our commercially reasonable efforts to prepare and file a registration statement with the Securities and Exchange Commission (the “SEC”) on or prior to November 16, 2012 and to have the registration statement declared effective by the SEC by February 14, 2013. The registration statement is to register shares of common stock to be purchased under the Equity Line of Credit Agreement and the shares of common stock to be issued to Ascendant Capital Partners, LLC as the Commitment Shares (as defined below).

Pursuant to the Equity Line of Credit Agreement, we may, in our sole discretion, issue and exercise drawdowns against \$10,000,000 over a 36-month period (the “**Commitment Period**”) commencing on the seventh trading date following the date that the initial registration statement to be filed pursuant to the registration rights agreement is first declared effective. Before we can exercise a drawdown, we must have caused a sufficient number of shares of our common stock to be registered to cover the resale of the shares to be issued pursuant to a drawdown and the daily volume weighted average price of our common stock (the “**VWAP**”) must be greater than \$0.01 per share on the trading day immediately prior to each drawdown.

We may request a drawdown once every eight trading days and there must be a minimum of three trading days between each drawn down request.

The maximum amount we can draw down at any one time is an amount equal to (i) 20% of the average daily trading volume of our common stock during the 10 trading days prior to the date of the drawdown request, multiplied by (ii) the average of the VWAPs of our common stock during such 10 trading day period. Notwithstanding the foregoing, no drawdown can exceed \$250,000 or such amount that would otherwise cause Ascendant Capital Partners, LLC to exceed a beneficial ownership of 9.99% of our outstanding common stock.

Recent Sales of Unregistered Securities - continued

On the day following the delivery of the drawdown notice, a valuation period of five trading days will start. On each of the five trading days during the valuation period, the number of shares to be sold to Ascendant Capital Partners, LLC will be determined by dividing 1/5th of the drawdown amount by the purchase price on each trading day. The purchase price will be the lesser of (i) 90% of the VWAP of our common stock on that day and (ii) the price that is \$0.01 below the VWAP on that date.

If the purchase price on any trading day during the five trading day calculation period is below the minimum price specified by us, then Ascendant Capital Partners, LLC will not purchase any shares on that day, and the drawdown amount will be reduced by 1/5th for each such trading day withdrawn.

The term of the Equity Line of Credit Agreement will end 36 months from the date the initial registration statement filed by us pursuant to the registration rights agreement is first declared effective by the SEC, unless otherwise terminated earlier. The Equity Line of Credit Agreement will terminate if (i) our common stock is no longer quoted on the OTC Bulletin Board unless the cessation of quotation is in connection with a subsequent listing of our common stock on the Nasdaq Capital Market, NYSE Amex, the New York Stock Exchange, the Nasdaq National Market, the BX Venture Market, the OTCQB or the OTCQX, (ii) we file for protection from creditors under any applicable law or (iii) the registration statement is not declared effective by the SEC on or before July 12, 2013. In addition, we may terminate the Equity Line of Credit Agreement upon five trading days' notice.

In consideration for agreeing to the terms of the Equity Line of Credit Agreement, we agreed to issue the following shares of our common stock (the "**Commitment Shares**"): ·

- 150,015 shares of our common stock no later than 30 days following the initial closing date (issued on October 22, 2012);
- on the trading day (the "**Second Payment Date**") which is 30 calendar days following the initial closing date, 173,913 shares of our common stock, being equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Second Payment Date (issued on November 19, 2012);
- on the trading day (the "**Third Payment Date**") which is 30 calendar days following the initial closing date, a number of shares of our common stock equal to 1% of \$10,000,000 divided by \$0.175, provided that, if the number of Commitment Shares to be delivered to Ascendant Capital Partners, LLC on the Third Payment Date causes Ascendant Capital Partners, LLC to receive an aggregate number of Commitment Shares (as of the Third Payment Date) of less than 2% of \$10,000,000, then additional Commitment Shares are to be issued to Ascendant Capital Partners, LLC on the Third Payment Date so that it has received an aggregate number of Commitment Shares (as of the Third Payment Date) of at least 2% of \$10,000,000. The parties agreed that the number of shares to be issued pursuant to this is 818,930 shares of our common stock ;
- on the trading day (the "**Fourth Payment Date**") in which we have received at least \$1,000,000 in aggregate upon drawdowns, a number of shares of our common stock equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Fourth Payment Date; and
- on the trading day (the "**Fifth Payment Date**") in which we have received at least \$2,000,000 in aggregate upon drawdowns, a number of shares of our common stock equal to 0.5% of \$10,000,000 divided by 95% of the average VWAP during the 10 trading days prior to the Fifth Payment Date.

We issued and intend to issue the Commitment Shares and shares of our common stock upon drawdowns in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933.

In addition, we reimbursed Ascendant Capital Partners, LLC \$5,000 and have agreed to reimburse them for up to \$7,500 for its actual legal fees and expenses incurred in connection with this transaction

On October 18, 2012, we entered into securities purchase agreements (the "**Debenture Purchase Agreements**") with two investors (the "**Investors**"), pursuant to which we sold an aggregate of \$235,300 face value in principal amount of 5% convertible debentures due October 18, 2013 (the "**Debentures**"). In addition to the Debentures, we issued an aggregate of 705,901 common stock purchase warrants (the "**Warrants**") with each Warrant entitling the holder to acquire one share of our common stock at a price of \$0.25 per share for three years. The Investors paid us the aggregate subscription amount of \$200,000 for the Debentures and the Warrants, which subscription amount was at a 15% discount from the principal amount of the Debentures.

Recent Sales of Unregistered Securities - continued

Interest accrues daily on the outstanding principal amount of the Debenture at a rate per annual equal to 5% on the basis of a 365-day year. On the maturity date of October 18, 2013, we must pay the holder of the Debenture any accrued but unpaid interest on the aggregate unconverted and then outstanding principal amount of the Debenture, and on each date the conversion of the principal amount and, if applicable, interests under the Debenture, we must pay to a holder of the Debenture any accrued but unpaid interest on that portion of the principal amount then being converted, which amount may be added to and included in the principal amount being so converted on such date by the holder.

If we fail to pay any accrued and unpaid interest payable within three trading days following notice of late payment from a holder of the Debenture, then such overdue amount will entail a late fee at an interest rate equal to the lesser of 24% per annum or the maximum rate permitted by applicable law which will accrue daily from the date such interest was originally due through and including the date of actual payment in full.

The principal amount owing under the Debentures together with any interest accrued under the Debenture, are convertible into shares of our common stock at the option of the holders of the Debentures. The conversion price is equal to the lesser of (i) \$0.27 during the six months following October 16, 2012, and \$0.35 thereafter and (ii) 70% of the average daily VWAPs for our common stock during the 10 consecutive trading days immediately preceding applicable conversion date. The holder must not convert more than 30% of the initial principal sum into shares of our common stock at a price below \$0.15 during any calendar month and must not convert more than 20% of the original principal sum into shares of our common stock at a price below \$0.11 during any calendar month.

If at any time prior to the maturity date of October 18, 2013, our common stock has for any 20 consecutive trading day period (i) an average daily VWAP price of \$1.00 per share or greater, and (ii) an average daily trading volume of 100,000 shares or greater, we have the right (but not obligation) to convert the Debentures at the then applicable conversion price.

We must not affect any conversion of the Debentures and the holders of the Debentures do not have the right to convert the Debentures, to the extent that the holder (together with the holder's affiliates) would beneficially own in excess of the beneficial ownership limitation (currently 9.99% of our outstanding common stock).

In connection with the Debenture Purchase Agreement, on October 18, 2012, we entered into a piggyback registration rights agreement with the Investor, pursuant to which we agreed to register shares of our common stock issued on exercise of the Warrants or issuable to the Investor pursuant to the Debenture, together with any interest thereon accrued but unpaid, if we determine to proceed with the preparation and filing with the SEC of a registration statement relating to an offering for our own account or the account of others under the Securities Act of 1933.

In the event that there is no effective registration statement which registers the resale by the warrant holder of the shares underlying the Warrants, the Warrants may be exercised by means of a cashless exercise.

We must not affect any exercise of the Warrants and the holder of the Warrants does not have the right to exercise the Warrants, to the extent that the holder (together with the holder's affiliates) would beneficially own in excess of the beneficial ownership limitation (currently 4.99% of our outstanding common stock).

We issued the Debenture and Warrants in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933

We paid Ascendant Capital Partners, LLC \$5,000, and have agreed to pay up to \$7,500 for its actual legal fees and expenses. We also paid \$11,250 and issued common stock purchase warrants to purchase up to 52,943 shares of our common stock to Ascendant Capital Partners, LLC as placement agent fees and granted piggyback registration rights for the warrants.

Recent Sales of Unregistered Securities - continued

On October 25 and 26, 2012, Ascendant Capital Partners, LLC and the Investors collectively exercised their full allotment of warrants on a cashless basis and received a total of 556,182 restricted shares of our common stock. We issued these shares of our common stock in reliance upon the exemptions from registration afforded by Section 4(2) of the Securities Act of 1933 and Rule 506 promulgated under the Securities Act of 1933.

Exhibits

Exhibit Number	Description
(3)	Articles of Incorporation and Bylaws
3.1	Articles of Incorporation (Incorporated by reference to the Registration Statement on Form SB-2, previously filed with the SEC on October 3, 2007).
3.2	Bylaws (Incorporated by reference to the Registration Statement on Form SB-2, previously filed with the SEC on October 3, 2007).
3.3	Articles of Merger dated effective June 15, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on June 17, 2011)
3.4	Certificate of Change dated effective June 15, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on June 17, 2011)
(5)	Opinion regarding Legality
5.1*	Opinion of Clark Wilson LLP regarding the legality of the securities being registered
(10)	Material Contracts
10.1	Mineral Property Option Acquisition Agreement dated June 13, 2011 with J2 Mining Ventures Ltd. (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on June 16, 2011)
10.2	Form of subscription agreement (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on June 24, 2011)
10.3	Form of warrant certificate (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on June 24, 2011)
10.4	Assignment of Mineral Property Option Agreement With J2 Mining and Wyomex LLC dated June 30, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.5	Employment Agreement with Andrew Brodkey dated June 30 30, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.6	Consulting Agreement with Kriyah Consultants, LLC dated June 30, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.7	Consulting Agreement with Sage Associates, Inc. dated June 30, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.8	Consulting Agreement with J2 Mining dated June 30, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.9	Stock Purchase Agreement dated June 28, 2011 (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 8, 2011)
10.10	Option Agreement dated effective July 12, 2011 between Titan Iron Ore Corp. and Globex Mining Enterprises Inc. (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on July 28, 2011)
10.11	Retainer Agreement dated effective November 1, 2011 between Titan Iron Ore Corp. and Wolfe Axelrod Weinberger Associates LLC. (Incorporated by reference to the Current Report on Form 8-K, previously filed with the SEC on November 7, 2011)
10.12	Form of subscription agreement (Incorporated by reference to the Current Report on Form 8-K previously filed with the SEC on January 12, 2012)
10.13	Form of warrant certificate (Incorporated by reference to the Current Report on Form 8-K previously filed with the SEC on January 12, 2012)

Exhibits - continued

10.14	Asset Purchase Agreement between the Company and Wyomex (Incorporated by reference to the Current Report on Form 8-K previously filed with the SEC on April 11, 2012)
10.15	Note between the Company and Wyomex (Incorporated by reference to the Current Report on Form 8-K previously filed with the SEC on April 11, 2012)
10.16	Mortgage between the Company and Wyomex (Incorporated by reference to the Current Report on Form 8-K previously filed with the SEC on April 11, 2012)
10.17	Form of Stock Option Agreement (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on June 22, 2012)
10.18	Consulting and Professional Service Agreement dated effective September 5, 2012 between Titan Iron Ore Corp. and NuWa Group, LLC. (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on September 14, 2012)
10.19	Form of Securities Purchase Agreement (Equity Line of Credit) (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.20	Form of Registration Rights Agreement (Equity Line of Credit) (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.21	Form of Securities Purchase Agreement (Debenture) (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.22	Form of Debenture (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.23	Form of Warrant (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.24	Form of Piggyback Registration Rights Agreement (Debenture) (incorporated by reference to the current report on Form 8-K, previously filed with the SEC on October 19, 2012)
10.25*	Payroll Services Agreement with Kriyah Consultants, LLC dated June 30, 2011
10.26*	First Amendment to Securities Purchase Agreement (Equity Line of Credit)
(21)	Subsidiaries
21.1	Subsidiaries of Titan Iron Ore Corp. – None.
(23)	Consents of Experts and Counsel
23.1*	Consent of Manning Elliott LLP
23.2*	Consent of Clark Wilson LLP (included in Exhibit 5.1)
(101)	XBRL
101.INS*	XBRL INSTANCE DOCUMENT
101.SCH*	XBRL TAXONOMY EXTENSION SCHEMA
101.CAL*	XBRL TAXONOMY EXTENSION CALCULATION LINKBASE
101.DEF*	XBRL TAXONOMY EXTENSION DEFINITION LINKBASE
101.LAB*	XBRL TAXONOMY EXTENSION LABEL LINKBASE
101.PRE*	XBRL TAXONOMY EXTENSION PRESENTATION LINKBASE

*Filed herewith.

Undertakings

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - i. To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;
 - ii. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Securities and Exchange Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume

and price represent no more than 20% change in the maximum aggregate offering price set forth in the “Calculation of Registration Fee” table in the effective registration statement; and

Undertakings - continued

- iii. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;
2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;
3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering; and
4. That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

Signatures

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the City of Tucson in the State of Arizona on January 9, 2013 .

TITAN IRON ORE CORP.

By:

/s/ Andrew Brodkey
Andrew Brodkey
President, CEO and Director
(Principal Executive Officer)
Date: January 9, 2013

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

/s/ Andrew Brodkey
Andrew Brodkey
President, CEO and Director
(Principal Executive Officer)
Date: January 9, 2013

/s/ Frank Garcia
Frank Garcia
Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)
Date: January 9, 2013

/s/ Ronald Richman
Ronald Richman
Director
Date: January 9, 2013



Our File No. 38364-0001 /
CW5902542.1

Clark Wilson LLP
Barristers & Solicitors
Patent & Trade-mark
Agents
800-885 W Georgia Street
Vancouver, BC V6C 3H1
Tel. 604.687.5700
Fax 604.687.6314

January 9, 2013

BY EMAIL

Titan Iron Ore Corp.
3040 North Campbell Ave. #110
Tucson, Arizona 85719
U.S.A.

Attention: Andrew Brodkey, Chief Executive Officer and President

Dear Sirs:

Re: Titan Iron Ore Corp. – Registration Statement on Form S-1/A

We have acted as counsel to Titan Iron Ore Corp. (the “**Company**”), a Nevada corporation, in connection with the preparation of a registration statement on Form S-1/A (the “**Registration Statement**”) to be filed with the United States Securities and Exchange Commission in connection with the registration under the *Securities Act of 1933*, as amended, of up to 12,906,300 shares (the “**Registered Shares**”) of the Company’s common stock, consisting of (i) up to 988,257 shares that may be issued upon conversion of debentures sold to certain selling stockholders named in the Registration Statement, (ii) up to 556,182 shares that were issued upon exercise of warrants by the certain selling stockholders named in the Registration Statement, (iii) up to 1,142,858 shares issued or to be issued to Ascendant Capital Partners, LLC (“**Ascendant**”) as commitment shares under a securities purchase agreement dated October 18, 2012, as amended on January 9, 2013 (the “**Securities Purchase Agreement**”) and (iv) up to 10,219,003 shares to be sold to Ascendant under the Securities Purchase Agreement.

In connection with this opinion, we have reviewed:

- (a) the articles of incorporation of the Company, as amended;
- (b) the bylaws of the Company;
- (c) resolutions adopted by the board of directors of the Company pertaining to the Registered Shares;
- (d) the Registration Statement; and
- (e) the prospectus (the “**Prospectus**”) constituting a part of the Registration Statement.

We have assumed that all signatures on all documents examined by us are genuine, that all documents submitted to us as originals are authentic and that all documents submitted to us as copies or as facsimiles of copies or originals, conform with the originals, which assumptions we have not independently verified. As to all questions of fact material to this opinion which have not been independently established, we have relied upon the statements or a certificate of an officer and director of the Company.

Based upon the foregoing and the examination of such legal authorities as we have deemed relevant, and subject to the qualifications and further assumptions set forth below, we are of the opinion that:

- 880,110 of the Registered Shares that are currently issued and outstanding have been duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Company;
- 988,257 of the Registered Shares that may be issued upon conversion of the debentures, once issued in accordance with the terms of the debentures, will be duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Company;
- 818,930 of the Registered Shares that are to be issued to Ascendant as commitment shares under the Securities Purchase Agreement, once issued in accordance with the terms of the Securities Purchase Agreement, will be duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Company; and
- 10,219,003 of the Registered Shares that are to be sold to Ascendant under the Securities Purchase Agreement, once issued in accordance with the terms of the Securities Purchase Agreement, will be duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Company.

This opinion letter is opining upon and is limited to the current federal laws of the United States and the laws of the State of Nevada, including the statutory provisions, all applicable provisions of the Nevada constitution, and reported judicial decisions interpreting those laws, as such laws presently exist and to the facts as they presently exist. We express no opinion with respect to the effect or applicability of the laws of any other jurisdiction. We assume no obligation to revise or supplement this opinion letter should the laws of such jurisdiction be changed after the date hereof by legislative action, judicial decision or otherwise.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement, to the discussion of this opinion in the Prospectus, and to our being named in the Registration Statement.

Yours truly,

/s/ Clark Wilson LLP

cc: United States Securities and Exchange Commission

PAYROLL SERVICE AGREEMENT

THIS PAYROLL SERVICE AGREEMENT (this "Agreement") is made as of the 30th day of June, 2011.

BETWEEN:

TITAN IRON ORE CORP.

a Nevada Corporation
4320 -196 Street, S.W., #111
Lynwood, Washington 98036
(hereinafter called "Titan")

AND

Kriyah Consultants, LLC

an Arizona limited liability company
3040 North Campbell Ave. Suite 110
Tucson, AZ 85719
(hereinafter called "Kriyah")

WHEREAS Andrew A. Brodkey ("Brodkey") is employed by Titan as its President and CEO in accordance with the Employment Agreement attached hereto as Schedule 'A' (the "Employment Agreement");

WHEREAS Kriyah is able to offer certain payroll and benefits administration services to Titan;

WHEREAS Kriyah and TITAN have also entered into a Consulting Service Agreement dated June 30, 2011("CSA");

NOW THEREFORE, the parties hereto agree as follows.

1. Kriyah agrees to administer the payroll and health insurance benefits to be provided by Titan to Brodkey as contemplated in the Employment Agreement.
2. Brodkey consents to Kriyah's administration of the payroll and health insurance benefits provided to him by Titan.
3. In connection with Brodkey's employment by Titan, Kriyah shall administer payroll deductions, unemployment compensation, the employer's shares of social security taxes and workers compensation and any other withholdings or payroll related payments required under applicable law. At Titan's request, Kriyah shall provide evidence of compliance with these obligations.

4. This Agreement shall terminate upon the effectiveness of termination of the Employment Agreement or upon the effectiveness of the termination of the CSA.

5. Brodkey remains legally obligated to Titan with respect to all of his obligations and covenants under the Employment Agreement.

6. For purposes of securities law compliance and disclosure, all compensation paid to, or compensation cost allocated to, Brodkey relating to Brodkey's services to Titan shall be fully quantified by Kriyah and disclosed to Titan. Kriyah shall provide such information and access to records as may be requested by Titan or its auditor from time to time. The parties agree that all such information shall be disclosed in the public filings of Titan pursuant to U.S. securities laws and regulations.

7. Kriyah shall invoice Titan monthly for reimbursement in an amount equal to the direct cost of administering and paying the wages and health insurance benefits of Brodkey covered by this agreement.

8. The monthly payment amounts to Brodkey and reimbursement amounts to Kriyah shall be adjusted by agreement of the parties hereto in the event that the compensation and/or cost of benefits attributable to Brodkey change. In the event of such changes, the parties shall cooperate in making such adjustments.

9. Miscellaneous.

(a) Binding Effect. This Agreement shall inure to the benefit of and be binding upon each party hereto and their respective successors and permitted assignees.

(b) Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute one and the same instrument.

(c) Non-Assignment. Neither this Agreement nor any rights, responsibilities or obligations hereunder shall be assigned by any party without the prior written consent of all parties.

(d) Governing Law. The validity, interpretation and construction of this Agreement shall be determined and governed by the laws of the State of Arizona and any applicable United States Federal laws, without giving affect to principles of conflicts of law. Each of the parties hereto irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement or the transactions contemplated hereby.

(e) Entire Agreement. This Agreement, the Employment Agreement and the CSA constitute the entire agreements among the parties pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements and understandings of the parties in connection therewith. No covenant, representation or condition not expressed in this Agreement shall affect the express provisions of this Agreement.

- Notices. All notices, demands, consents and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be sent by registered or certified mail, postage prepaid, return receipt requested, addressed to the respective addresses set forth at the beginning of this Agreement and shall be deemed effective three (3) days after the same are mailed. Any party may change his address by like notice at any time and from time to time during the term of this Agreement.
- (f)
- Severability. Any provisions of this Agreement prohibited by the laws of any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, or modified to conform with such laws, without invalidating the remaining provisions of this Agreement.
- (g)
- Amendment. Except as otherwise provided in this Agreement, no provision of this Agreement may be waived, modified or amended except by an instrument in writing signed by all parties hereto.
- (h)
- Captions. All paragraph titles and captions in this Agreement are for convenience only and shall not be deemed part of this Agreement, nor shall such titles and captions define, limit, extend or describe the scope or intent of any provisions hereof.
- (i)
- Survival. The provisions of Sections 6 and 7 hereof shall survive the termination of this Agreement.
- (j)

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have hereunto executed this Agreement as of the day and year first above written.

TITAN IRON ORE CORP.

By: /s/ Jodi Henderson

Name: Jodi Henderson

Title: Corp. Sec.

KRIYAH CONSULTANTS LLC

By: /s/ Eric Nadler

Name: Eric Nadler

Title: Member

AGREED:

By: /s/ Andrew A. Brodkey

Andrew A. Brodkey

**FIRST AMENDMENT TO
SECURITIES PURCHASE AGREEMENT**

This First Amendment to Securities Purchase Agreement (this “Amendment”) is dated as of January 9, 2013 by and between Titan Iron Ore Corp., a Nevada corporation (the “Company”) and Ascendant Capital Partners, LLC, a Nevada limited liability company (the “Purchaser”). Capitalized terms used in this Amendment and not otherwise defined shall have the meanings ascribed to them in the Original Agreement (as defined below).

WHEREAS, the parties previously entered into a Securities Purchase Agreement dated October 18, 2012 (the “Original Agreement”);

WHEREAS, the parties desire to modify the terms of the Original Agreement as set forth herein.

NOW, THEREFORE, in consideration of the foregoing premises, and the promises and covenants herein contained, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties, intending to be legally bound, hereby agree as follows:

AGREEMENT

1. Section 4.16 of the Original Agreement is hereby restated in its entirety as follows:

“4.16 Commitment Shares. In consideration for agreeing to the terms of this Agreement and no additional consideration at the time(s) of issuance of the Shares, the Company shall deliver to the Purchaser, in addition to the shares of Common Stock issued pursuant to Section 2.2(a)(iii) (“Closing Issuance”), the following shares of Common Stock on the following dates:

(a) on the Trading Day which is thirty calendar days following the Closing Date (the “Second Payment Date”), a number of shares of Common Stock equal to 0.5% (1/2 percent) of the Commitment Amount divided by 95% of the average VWAP during the ten trading days prior to the Second Payment Date (the “Second Issuance Price”). The parties agree that the number of shares to be issued pursuant to this Section 4.16(a) is One Hundred Seventy Three Thousand Nine Hundred Thirteen (173,913) shares;

(b) on the Trading Day which is thirty calendar days following the Closing Date (the “Third Payment Date”), a number of shares of Common Stock equal to 1% (one percent) of the Commitment Amount divided by \$0.175 (the “Third Issuance Price”), provided that, if the number of Commitment Shares to be delivered to Purchaser on the Third Payment Date shall cause the Purchaser to receive an aggregate number of Commitment Shares (as of the Third Payment Date) of less than 2% of the Commitment Amount (as valued based on the Third Issuance Price), then additional Commitment Shares shall be issued to the Purchaser on the Third Payment Date so that the Purchaser has received an aggregate number of Commitment Shares (as of the Third Payment Date) of at least 2% of the Commitment Amount (as valued based on the Third Issuance Price). The parties agree that the number of shares to be issued pursuant to this Section 4.16(b) is Eight Hundred Eighteen Thousand Nine Hundred Thirty (818,930) shares.

(c) on the Trading Day in which the Company has received at least \$1,000,000 in aggregate from Settlements (the "Fourth Payment Date"), a number of shares of Common Stock equal to 0.5% (1/2 percent) of the Commitment Amount divided by 95% of the average VWAP during the ten trading days prior to the Fourth Payment Date (the "Fourth Issuance Price");

(d) on the Trading Day in which the Company has received at least \$2,000,000 in aggregate from Settlements (the "Fifth Payment Date"), a number of shares of Common Stock equal to 0.5% (1/2 percent) of the Commitment Amount divided by 95% of the average VWAP during the ten trading days prior to the Fifth Payment Date (the "Fifth Issuance Price");

All such Commitment Shares issued after the Effective Date shall be delivered to the DTC account specified by the Purchaser in writing to the Company or, if cannot be done electronically, then delivered by physical certificate. Any Commitment Shares issued prior to the Effective Date may delivered to the Company after the Effective Date and the Company shall promptly re-issue such shares to the DTC account specified by the Purchaser in writing to the Company.

The Company shall include the shares issued pursuant to Section 2.2(a)(iii) and 4.16 (a) and (b) in the first Registration Statement filed subsequent to the Closing Date, and the Company shall include the shares issued pursuant to Section 4.16(c) and (d) in the next subsequent Registration Statement filed thereafter."

2. Other than as set forth herein, the terms and obligations of the Original Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized signatories as of the date first indicated above.

TITAN IRON ORE CORP.

ASCENDIANT CAPITAL PARTNERS, LLC

By: /s/ Andrew Brodkey
Name: Andrew Brodkey
Title: CEO

By: /s/ Bradley J. Wilhite
Name: Bradley J. Wilhite
Title: Managing Partner



MANNING ELLIOTT
CHARTERED ACCOUNTANTS

11th floor, 1050 West Pender Street, Vancouver BC, Canada V6E 3S7

Phone: 604.714.3600 Fax: 604.714.3669 Web: manningelliott.com

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation of our auditors' report dated April 12, 2012 in the Company's Registration Statement on Form S-1 pertaining to the Company's registration of shares of its common stock. We also consent to the reference to our firm under the caption "Experts" in the Form S-1.

/s/ "MANNING ELLIOTT LLP"

CHARTERED ACCOUNTANTS

Vancouver, Canada

January 9, 2013

TITAN IRON ORE CORP.
Suite #110 - 3040 North Campbell Avenue
Tucson, Arizona 85719 USA

January 9, 2013

VIA EDGAR

Securities and Exchange Commission
Division of Corporation Finance
100 F Street, NE
Washington, DC 20549 USA

Attention: Mark P. Shuman, Branch Chief - Legal

Dear Sirs:

Titan Iron Ore Corp. (the "Company")
Registration Statement on Form S-1
Filed November 21, 2012
Re: File No. 333-185099

Form 10-K for the Fiscal Year Ended December 31, 2011
Filed April 16, 2012
File No. 000-52917

The Company writes in response to your letter of December 19, 2012 to Mr. Andrew Brodkey, President, CEO and director of the Company, with respect to the Registration Statement on Form S-1 and Form 10-K as noted above and filed by the Company. The Company's responses are numbered in a manner that corresponds with your comments as set out in your letter of December 19, 2012.

Form S-1

General

- We note that Section 1.1 of the Securities Purchase Agreement provides that the "draw down pricing period" is the five consecutive trading days following delivery of a draw down notice. This provision appears to have the effect of allowing Ascendant Capital Partners to influence the price at which to purchase the securities underlying the put subsequent to the date of the filing and effectiveness of the registration statement. Please note that the company's ability to distribute securities pursuant to an equity line arrangement requires that the purchase commitment establish the terms of the obligations to purchase securities at a set pricing mechanism that cannot be influenced by the investor. Please advise as to why you believe that this provision of the agreement is consistent with the requirement that the terms of the purchase obligation purchase obligation must be fixed and binding. Refer to Securities Act Sections Compliance and Disclosure Interpretations Question 139.17 available at <http://www.sec.gov/divisions/corpfin/guidance/sasinterp.htm>.*
- 1.

We believe the requirements of the Securities and Exchange Commission (the “SEC”) relating to equity line financing arrangements as set forth in the SEC’s Compliance and Disclosure Interpretations – Securities Act Sections (the “CD&I”) are satisfied with respect to a securities purchase agreement between the Company and Ascendant Capital Partners, LLC (the “**Equity Line of Credit Agreement**”).

Question 139.13 of the CD&I provides that the Division of Corporation Finance (the “**Division**”) “will permit the company to register the “resale” of the securities prior to its exercise of the put if the [equity line financing arrangements] meet the following conditions:

- the company must have “completed” the private transaction of all of the securities it is registering for “resale” prior to the filing of the registration statement;
- the “resale” registration statement must be on the form that the company is eligible to use for a primary offering; and
- in the prospectus, the investor(s) must be identified as underwriter(s), as well as selling shareholder(s).”

Question 139.15 of the CD&I provides that the private transaction is completed in a private equity line financing when the investor is irrevocably bound to purchase all of the securities. This means that **only the company can have the right to exercise the put and, except for conditions outside the investor’s control, the investor must be irrevocably bound to purchase the securities once the company exercises the put.**

The Equity Line of Credit Agreement satisfies the requirement set forth in Question 139.15. Under the Equity Line of Credit Agreement, the Company may, in its sole discretion, issue and exercise drawdowns and Ascendant Capital Partners, LLC (“**Ascendant**”) is obligated to purchase from the shares of the Company’s common stock.

We acknowledge that Question 139.17 of CD&I provides that “[i]f the investor has the ability to make investment decisions under the equity line agreement after the filing of the “resale” registration statement, the investor will not be considered irrevocably bound.” The Division gives following examples of elements or conditions that are viewed as continuing to provide the investor with an investment decision:

- agreements that give investors the right to acquire additional securities (including the right to acquire additional securities through the exercise of warrants) at the same time or after the issuer exercises its put;
- agreements that permit the investor to decide when or at what price to purchase the securities underlying the put; and
- agreements with termination provisions that have the effect of causing the investor to no longer be irrevocably bound to purchase the securities underlying the put.

Based on your comment, it seems that your main concern relates to the second example given above. However, the Equity Line of Credit Agreement does not permit Ascendant to decide when or at what price to purchase the Company's securities. In the Equity Line of Credit Agreement, while the pricing period is the five days after delivery of a draw down notice, the ultimate price is an agreed-upon formula that is a function of the market and is not, in any way (absent some sort of market manipulation), within Ascendant's control. There are no "decisions" to be made by Ascendant after the filing of the registration statement, or after delivery of the draw down notice for that matter, and the price is fixed and established at a set pricing mechanism that cannot be influenced (the pricing mechanism cannot be influenced) by Ascendant.

In addition, we refer you to Section 4.15 of the Equity Line of Credit Agreement that prohibits Ascendant from engaging in short selling of the Company's common stock. We further note that under Section 6.1 of the Equity Line of Credit Agreement, if the purchase price on any trading day during the five trading day calculation period is below the minimum price specified by us, then such trading day will be withdrawn from the calculation period and the draw down will be reduced by 1/5th for each such trading day withdrawn.

Accordingly, the Equity Line of Credit Agreement does not permit Ascendant to decide when and at what price to purchase the securities underlying the put and the agreement specifically has terms that obligate Ascendant to purchase securities at a set pricing mechanism that cannot be influenced by Ascendant.

2. *Given that you have not yet located or identified any mineral reserves on the Wyoming Iron Complex, please provide us with support for claims in the mission statement appearing on your website that through development of the Iron Complex you intend to produce "98% iron," an "enhanced iron product that will directly compete against imports of Pig Iron and Direct Reduced Iron" and vanadium pentoxide.*

The Union Pacific Railroad conducted extensive tests, both bench scale and laboratory, on both Strong Creek and Iron Mountain ores for amenability to the Krupp-Renn pyrometallurgical recovery process. These tests demonstrated that this process could recover from the ores a 98.5% Fe product, typically referred to as "sponge iron," which because of its grade is a product competitive with pig iron and direct reduced iron. The Company's goal to make this product is set forth generally on the website, but more specifically is to replicate the Krupp Renn and other pyrometallurgical work, as part of scoping, pre-feasibility and feasibility studies, in order to be able to build the facilities to produce sponge iron from the properties.

Registration Fee Table

3. *We note that you rely on Rule 416 to register “an indeterminate number of additional shares of common stock...to prevent dilution resulting from stock splits, stock dividends or similar transactions.” In the response letter, please confirm your understanding that share issuances tied to market price adjustments do not fall within the standard anti-dilution provisions contemplated by the rule. Please refer to Question 139.10 of the Securities Act Sections Compliance and Disclosure Interpretation.*

We confirm our understanding that share issuances tied to market price adjustments do not fall within the standard anti-dilution provisions contemplated by Rule 416.

4. *In footnote 2 you state that shares registered with respect to shares issued upon exercise of the warrants may be used in connection with the resale of shares underlying the debentures and vice versa. However, shares are not registered under the Securities Act; rather, transactions are registered, which in this instance should be resales of shares underlying debenture and resales of shares underlying warrants. Language referring to use of shares issued upon exercise of the warrants in connection with resales of shares underlying the debentures should be eliminated, for example. In this regard, you are not registering resales of your common stock on an unallocated basis. Revise the table and the related note accordingly. This comment also applies to similar language elsewhere in the prospectus, such as at page 3, 13 and 17.*

Language referring to use of shares on an unallocated basis has been removed.

Cover Page

5. *Please revise the outside front cover page of the prospectus to identify Ascendant Capital Partners as an underwriter.*

The outside front cover page of the prospectus has been revised to identify Ascendant Capital Partners, LLC as an underwriter.

Prospectus Summary

Our Business, page 3

6. *The summary financial data on page 4 indicates that your company was formed in 2007 and had total revenues of \$4,855 from your inception to September 30, 2012. Please consider providing in this section a brief history of your company and its activities prior to the time you undertook your mining venture in order to put your historical financial results in context for investors.*

The disclosure under the heading “Our Business” on page 3 has been revised.

7. *In the first paragraph you refer to the Wyoming Iron Ore Complex and your plans to explore those properties. As a substantial portion of the purchase price for those properties was paid with a note that remains outstanding, please expand the paragraph to indicate how the purchase price was paid and the outstanding amount of the note. Tell us what consideration you have given to providing a risk factor that prominently informs stockholders of the nature and extent of the indebtedness resulting from your acquisition of these properties, and the potential impact on your company in the event the note is not paid on a timely basis. We note your reference on page 25 to the mortgage you provided to the seller to secure the repayment obligation.*

The disclosure under the heading “Our Business” on page 3 has been revised and a risk factor has been added on page 9.

Risk Factors

General

8. *Many of the captions of your risk factors include generic descriptions of the risks posed by uncertainties or conditions you identify. Generic risk descriptions such as “may have an adverse effect on us”, “our business may fail” or the like should be replaced with more specific descriptions of the resultant risks that are posed to investors by the particular conditions or uncertainties you describe.*

We revised the risk factors.

“Because access to our property is often restricted by inclement weather...” page 8

9. *Expand the header and the related paragraph to disclose concisely the access-related difficulties you are currently experiencing that do not relate to the weather.*

We revised the risk factor on page 8.

“Ascendant Capital Partners, LLC will pay less than the then-prevailing market price...” page 12

10. *You disclose in this risk factor that Ascendant Capital Partners will purchase your stock at a 10% discount. However, when you issue the commitment shares on the fourth and fifth payment dates (as defined on page 15), the discount received by Ascendant Capital Partners will be greater than 10%. Please quantify this additional discount or advise.*

We revised the risk factor on page 13 to indicate the discount received by Ascendant will be greater than 10% because of the commitment shares. However, it is impossible to quantify this additional discount now as the number of the commitment shares is not yet fixed and such number is a function of pricing information that will occur in the future and is not available now.

The Offering

Securities Purchase Agreement with Ascendant Capital Partner, LLC (Equity Line), page 14

- The issuance of commitment shares to Ascendant Capital Partners on the third payment date does not appear to be related to an equity line draw but to effectiveness of the registration statement. It also does not appear to meet the requirements for a valid PIPE transaction as the number of commitment shares to be issued to Ascendant Capital Partners on the third payment date is not fixed but will vary based on the market price of the company's stock. Please advise, therefore, why it is appropriate to register the commitment shares to be issued on the third payment date at this time. Refer to Question 139.11 of our Securities Act Compliance and Disclosure Interpretations. Also, in regard to the fourth and fifth payment dates, as you will be issuing common stock to Ascendant Capital Partners in the form of commitment shares in addition to shares issued in connection with an equity line draw, the price discount on the common stock received by Ascendant Capital Partners on these dates will be greater than 10%. Accordingly, please quantify the range of possible discounts Ascendant Capital Partners may receive when purchasing common stock pursuant to an equity line draw on the fourth and fifth payment dates.*
- 11.

The Company and Ascendant entered into an amendment to the Equity Line of Credit Agreement to fix the number of commitment shares to be issued on the third payment date. In addition, the Company is registering a total of 1,142,858 commitment shares, consisting of the commitment shares that have already been issued and that will be issued on the third payment date. The Company is not registering the commitment shares that will be issued on the fourth and fifth payment dates. The disclosure has been revised to reflect this.

Securities Purchase Agreement (debentures), page 16

- We note that the conversion price of the debentures is equal to the lesser of (i) \$0.27 during the six months following October 18, 2012, and \$0.35 thereafter and (ii) 70% of the average daily volume weighted average price for your common stock during the 10 consecutive trading dates immediately preceding the conversion date. Revise your prospectus to provide prominent risk factor disclosure that discusses the risks to investors associated with the issuance of convertible securities with a fluctuating conversion rate that is set at a discount to market prices during the period immediately preceding conversions. Indicate that there is no maximum number of securities that the company may be required to issue under this class of convertible securities. Additionally, provide meaningful quantitative data concerning the potential impact of market price declines on the number of securities issuable under the convertible debentures. For example, address the effect of stock price declines of 50% and 75% from recent levels on the number of securities underlying the debentures.*
- 12.

We added the risk factor on page 14.

Selling Stockholders, page 17

- Please explain how you calculated the number of shares owned by The Marie Baier Foundation, Inc. and Motivated Minds LLC before the offering, and the difference between that number and the total number of shares each is registering in the offering, as disclosed in the table on page 18.*
- 13.

The difference between the numbers of shares owned by The Marie Baier Foundation, Inc. and Motivated Minds LLC and the numbers of shares registered results from the facts that: (i) the interests are not included for the number of shares owned by them and (ii) different conversion prices are used, as more particularly described below:

The Marie Baier Foundation, Inc.

Shares Owned

1. 326,095 shares already issued upon exercise of warrants; and
2. 544,674 potential shares issuable upon conversion of convertible debentures calculated as follows:
 - a. \$147,062 (the principal amount of convertible debentures);
 - b. divided by \$0.27 (assumed conversion price).

Shares Registered

1. 326,095 shares already issued upon exercise of warrants; and
2. 617,661 potential shares issuable on conversion of convertible debentures calculated as follows:
 - a. \$147,062 (the principal amount of convertible debentures);
 - b. plus \$7,353.10 (5% interest on the convertible debentures);
 - c. divided by \$0.25 (assumed conversion price).

Motivated Minds LLC

Shares Owned

1. 191,740 shares already issued upon exercise of warrants; and
2. 326,804 potential shares issuable on conversion of convertible debentures calculated as follows:
 - a. \$88,238 (the principal amount of convertible debentures);
 - b. divided by \$0.27 (assumed conversion price).

Shares Registered

1. 191,740 shares already issued upon exercise of warrants; and
2. 370,596 potential shares issuable on conversion of convertible debentures calculated as follows:
 - a. \$88,238 (the principal amount of convertible debentures);
 - b. plus \$4,411.90 (5% interest on the convertible debentures)
 - c. divided by \$0.25 (assumed conversion price).

The Selling Stockholders section has been updated to include the number of shares issuable upon conversion of interests accrued as of January 2, 2013 in the numbers of shares owned by these selling stockholders and use \$0.1593 as conversion price (the conversion price as of January 2, 2013 based on 70% of the estimated daily volume weighted average price of the Company's common stock over 10 days). The numbers of shares registered for these selling stockholders are not changed as they are fixed in this registration statement (i.e. they will not increase based on the current stock price given a Rule 415 limitation).

14. *In footnote 9 you state that Bradley J. Wilhite or Mark A. Bergendahl exercise voting and dispositive power with respect to the shares held by Ascendant Capital Partners. With a view to disclosure, tell us the circumstances or conditions which determine which of those individuals exercises each of the voting and dispositive powers over the shares listed with respect to Ascendant.*

Bradley J. Wilhite and Mark A. Bergendahl are equal owners of Ascendant Capital Partners, and each holds one of the two positions on the Board of Directors. Therefore, any actions to be taken by Ascendant must be approved by both individuals.

Footnote 9 has been revised to disclose this.

Description of Business, page 24

15. *Discuss in this section the effect of material government regulations on your exploration and development activities and the costs and effects of compliance with environmental laws. Refer to Items 101(h)(4) (ix) and (xi) of Regulation S-K.*

We have revised this section.

Description of Property

Mineral Properties

Technical Reports, page 29

16. *Please furnish us with a copy of the technical report prepared in connection with the August 2005 due diligence program undertaken by Radar Acquisitions Corp. Also, we note from disclosure on your webpage that Union Pacific Railroad completed metallurgical and feasibility studies on the property. Please furnish us with copies of these reports or advise. Also, please furnish copies of any title documents and operating permits related to the property. Refer to Section (c) of Industry Guide 7.*

We will send a CD containing the requested documents under a separate cover.

17. *Please state the expiration date of the Iron Mountain leases, or advise. Also, we note the disclosure on page 29 that the Iron Mountain leases are “located approximately 6 miles to the east of Strong Creek and are accessible by secondary roads.” However, we also note the disclosure in the Form 8-K filed on December 7, 2012 that you have filed suit in state court in Albany County, Wyoming against DSS Holdings LLC and Douglas Samuelson to regain access to the Iron Mountain holdings as Mr. Samuelson has locked a gate across the road providing access to the holdings. Please revise your disclosure in this section, and provide appropriate risk factor disclosure, to clarify that your access to the Iron Mountain holdings is through someone else’s property and, therefore, may be limited, or advise. Refer to Section (b) of Industry Guide 7.*

We have revised the disclosure under the heading “Description of Property, Location, Means and Access” on page 33 and added a risk factor on page 8.

Management’s Discussion and Analysis of Financial Condition and Results of Operations, page 35

18. *We note your discussion in the risk factor on page 8 of material weaknesses in your internal control over financial reporting and disclosure controls and procedures. Please discuss in this section management’s plans to remediate the material weaknesses you identify, as well as your timeline for such initiatives and any related material costs you expect to incur.*

We have added disclosure under the heading “Internal Controls” on page 44.

Liquidity and Capital Resources, page 37

19. *Disclose whether you currently have sufficient sources of capital to fund your expected capital needs for the twelve months from the effective date for your offering. To the extent there is a deficiency in your current capital assets to fund the needs, discuss your plan for funding those needs. For example, to the extent you expect to rely on draws under the equity line to fund planned operations in accordance with your desired plan of operations discuss that potential source of capital and the extent to which you plan to rely upon it. Also, discuss in this section the terms of your outstanding promissory note to Wyomex. Include a discussion of when and how you intend to repay the debt.*

We have added disclosure under the heading “Liquidity and Capital Resources” on page 42.

Directors and Executive Officers

Business Experience, page 43

20. *With respect to Messrs. Brodkey and Hackman, provide corresponding dates relating to their principal occupations for the past 5 years. Also, it appears that your executive officers are currently involved with other public companies engaged in mining activities. Please tell us what consideration you have given to adding a risk factor that alerts investors to potential conflicts of interest regarding these relationships. In particular, please address the doctrine of corporate opportunities and how it may apply to your officers and directors as they become aware of other mineral prospects. Also, disclose the minimum amount of business time that each of your executive officers devotes to Titan Iron Ore Corp.*

We have determined that there are no meaningful possibilities of conflicts of interest for our directors and officers since none of our directors or officers are involved in other companies engaged in the iron ore business. To the extent that iron ore opportunities arise, they are and will be offered to our company. As such, we have determined not to add a risk factor regarding any potential conflicts of interest. We have added disclosure under the heading “Conflict of Interest” on page 49 and under each individual’s biography. We have added disclosure of the amount of business time that each of our executive officers devotes to the Company.

Executive Compensation, page 47

21. *With respect of option awards and any other equity-based awards, disclose whether the amounts reported in the table represent the aggregate grant date fair value, computed in accordance with ASC Topic 718. Refer to paragraphs (v) and (vi) of Item 402(n)(2) of Regulation S-K.*

We have revised the disclosure on pages 51 and 54 to reflect that the amounts reported for option awards and any other equity-based awards in the tables represent the grant date fair value, computed in accordance with ASC Topic 718.

Employment Agreement – Andrew Brodkey, page 48

22. *Please add a risk factor alerting shareholders to the terms of Mr. Brodkey's severance agreement. In the risk factor, define the terms "cause" and "good reason" used in this section. To the extent material, quantify the potential costs associated with the agreements and what impact such costs would have on your financial condition.*

We have added a risk factor on page 9.

Consulting and Payroll Agreements with Kriyah Consultants, page 48

23. *You indicate in this section that the company's share of Kriyah's office rent and other expenses is based on the number of like clients being serviced by Kriyah at its Tucson location. Please advise what constitutes a "like" client for purposes of this arrangement. Also, advise if Kriyah is currently servicing at its Tucson office any clients not like Titan and, if so, how Kriyah's costs are allocated among unlike clients.*

All of the clients serviced by Kriyah are "like" clients. As such, we have removed the word "like" from this section. We have also revised the disclosure to state that there are currently three other clients being serviced by Kriyah.

Security Ownership of Certain Beneficial Owners and Management, page 50

24. *To the extent that shares beneficially owned by persons or the group in this table underlie securities that are convertible or exercisable within 60 days, please provide footnote disclosure to that effect. See paragraph (a) of Item 403 of Regulation S-K. If options held by officers are not currently exercisable, consider expanding the descriptions of the options in the compensation executive compensation section to describe the conditions or events in which the options will become exercisable.*

We have revised the table on page 55 to clarify that some of the underlying securities are options. We have also revised the executive compensation section to describe the conditions in which the options become exercisable.

Transactions with Related Persons, Promoters and Certain Control Persons and Corporate Governance, page 51

- You disclose in this section that you advanced \$25,000 at December 31, 2011 to a management firm managed by your chief executive officer. Please confirm in your response that the management company is Kriyah Consultants LLC and, if so, name the company in this section and provide a description of your consulting and payroll services agreements with the company or include a cross reference to the discussion on page 48. Also, disclose if Messrs. Brodkey and Garcia have ownership interests in Kriyah. Refer to Item 404(a)(2). If the management firm referred to in this section is not Kriyah Consultants, disclose your agreements with that company in this section or advise why this disclosure is not required. Refer to Item 404(a) of Regulation S-K.*
- 25.

We confirm that the management company is Kriyah Consultants LLC. We have revised the disclosure on page 56.

Where You Can Find Additional Information, page 52

- Please provide the disclosure required by Item 101(e)(4) of Regulation S-K regarding whether you make available free of charge on or through your internet website the periodic reports that you file with the Commission. Also, as you disclose that you will not send an annual report to stockholders under certain circumstances, please provide the disclosure required by Item 101(f)(1) of Regulation S-K.*
- 26.

We have revised the disclosure under the heading “Where You Can Find More Information” on page 56.

Part II

Item 15. Recent Sales of Unregistered Securities, page 55

- Identify the securities issued in each of the transactions listed in the fifth and sixth paragraphs of this section and provide all required disclosure regarding those unregistered sales. Refer to Item 701 of Regulation S-K.*
- 27.

We have combined paragraphs five and six under the heading “Recent Sales of Unregistered Securities” with paragraph four to make it clearer that those paragraphs refer to the options granted on December 12, 2011.

Item 16. Exhibits and Financial Statement Schedules, page 59

28. *You do not appear to have filed as an exhibit your payroll services agreement with Kriyah Consultants, discussed on page 48 of the prospectus. Please file the agreement as an exhibit or advise why filing of the agreement is not required. Refer to Item 601(b)(10)(ii)(A) of Regulation S-K.*

We have filed the payroll services agreement with Kriyah Consultants as an exhibit.

Exhibit 5.1

29. *When opining as to whether the shares being registered are legally issued, fully paid and non-assessable on page 2 of the opinion, counsel does not specify the number of shares that fall into each of the categories that it lists. For example, in the first bullet under the first paragraph on page 2, counsel opines that “those of the Registered Shares that are currently issued and outstanding have been duly and validly authorized and issued as fully paid and non-assessable shares in the capital of the Company.” Please obtain a revised opinion in which counsel, when opining on the legality of the shares, specifies the number of shares that are currently issued and outstanding, that may be issued upon conversion of the debentures, that are to be issued as commitment shares and that are to be sold to Ascendant under the equity line.*

A revised opinion is filed.

Exhibit 23.1

30. *Revise to include a consent from your independent registered public accounting firm that also consents to being named as an expert, as noted in your disclosure on page 23. Refer to Rule 436(b) of the Securities Act of 1933.*

A revised consent is filed.

Financial Statements

Notes to the Financial Statements December 31, 2011

Note 3. Mineral Property Options, page F-9

31. *Tell us what consideration was given to accounting for the transaction with J2 Mining Ventures Ltd. as a reverse recapitalization. In this regard, explain how you considered the guidance defining a business in ASC 805-10-55-4 through 55-9 and the guidance for identifying the acquirer in ASC 805-10-55-11 through 55-15.*

We considered the guidance in ASC 805-10-55-4 through 55-9 and determined that the Company acquired an asset and not a business. The Company purchased an option to acquire a mineral property right rather than the shares of J2 Mining Ventures Ltd. There were no processes or outputs acquired. Although we did not consider this transaction a business combination or reverse acquisition, we considered the guidance in ASC 805-10-55-11 through 55-15 and identified the Company as the would-be acquirer. The 18,000,000 common shares of the Company issued under the agreement represented approximately 36% of the 49,737,000 common shares of the Company outstanding following the transaction.

32. *We note that you were a shell company prior to the transaction with J2 Mining Ventures Ltd. Tell us what consideration was given to including financial statements of any business to which you are the successor. Refer to Note 1 to Rule 8-01 of Regulation S-X. Tell us whether the transaction with J2 Mining Ventures Ltd. involves a business as defined by Rule 11-01(d) of Regulation S-X.*

We considered the criteria defined by Rule 11-01(d) of Regulation S-X and determined that the transaction with J2 Mining Ventures Ltd. did not involve a business. In arriving at this determination, we noted that J2 Mining Ventures Ltd. did not have any revenue-producing activities, physical facilities, employee base, market distribution system, sales force, customer base, operating rights, production techniques, or trade names.

Note 6. Stock-Based Compensation, page F-11

33. *We note that unrecognized compensation cost related to non-vested stock options was \$6,058,492 as of December 31, 2011. Please explain how this amount was computed considering your disclosure that the weighted average grant date fair value of the 3,950,000 stock options outstanding was \$0.80 per stock option. In addition, please reconcile your disclosure of the number of stock options granted to the discussion on page 55 of recent sales of unregistered securities indicating that 500,000 options were granted in November 2011 and 4,100,000 were granted in December 2011.*

We have determined that the unrecognized compensation cost of \$6,058,492 related to non-vested stock options reported in the financial statements for the year ended December 31, 2011 should have been \$3,048,576. However, due to the nature of the error, we do not believe that this misstatement is material to the users of the financial statements.

Notes to the Unaudited Financial Statements September 30, 2012

Note 3. Mineral Property Options, page F-23

34. *Explain to us how you determined the recoverability of the Wyoming Iron Complex mineral property costs that have been capitalized. Also tell us how the carrying value was determined. We note from your accounting policy for mineral property costs on ASC 360.*

We have initially capitalized mineral property acquisition costs in accordance with ASC 360-30. The carrying value was determined using historical cost. Non-monetary transactions were measured based on the fair value of the mineral property right acquired or the consideration given, whichever was more clearly evident as per the guidance provided by ASC 845-10-30-1. As there are no proven resources underlying the mineral property right acquired, we determined that the consideration given (liability assumed) was more clearly evident.

On each reporting period end, or prior to if considered appropriate, we assess whether any events or changes in circumstances indicate that the carrying amount of mineral properties may not be recoverable in accordance with the criteria provided in ASC 360-10-35-21. As a result of our assessment, we did not note any events or changes in circumstances that indicated that the carrying amount of mineral properties may not be recoverable. Accordingly, we did not test this long-lived asset for recoverability.

35. *Please provide us with your evaluation of whether the agreement entered into with Wyomex LLC on April 10, 2012 contains a lease. Refer to ASC 840-10.*

We have considered the guidance provided by ASC 840-10 and determined that the agreement entered into with Wyomex LLC on April 10, 2012 does not contain a lease. As per the guidance provided by ASC 840-10-15-15, ASC 840 does not apply to lease agreements concerning the rights to explore for or to exploit natural resources such as oil, gas, minerals, timber, precious metals, or other natural resources.

Engineering

Progress, page 26

36. *We note you disclose sample values as high as 22.8% Fe. When reporting the results of sampling and chemical analyses, please revise your disclosure to address each of the following regarding mineralization of existing or potential economic significance on your property:*

- *Disclose only weighted-average sample analyses associated with a measured length or a substantial volume.*
- *Eliminate all analyses from “grab” or “dump” samples, unless the sample is of a substantial and disclosed weight.*
- *Eliminate all disclosure of the highest or best values/grades of sample sets. Present a balanced disclosure of the drill and sampling results*
- *Eliminate grades disclosed as “up to” or “as high as” or “ranging from.”*
- *Eliminate statements containing grade and/or sample-width ranges.*

- *Aggregated sample values from related locations should be aggregated based on a weighted average of lengths of the samples.*
- *Generally, use tables to improve readability of sample and drilling data.*
- *Soil samples may be disclosed as a weighted average value over an area.*
- *Refrain from reporting single soil sample values.*
- *Convert all ppb quantities to ppm quantities for disclosure.*
- *Avoid optimistic descriptive adjectives such as high-grade or ore-grade.*

Please revise your disclosures to comply with this guidance. Please note the TSX Venture Exchange Corporate Finance Manual – Appendix 3F also addresses many of these items.

We have revised the disclosure under the heading “Progress” on pages 28 and 29.

37. *Detailed sampling provides the basis for the quality estimate or grade of your mineral discovery. Please provide a brief description of your sample collection, sample preparation, and the analytical procedures used to develop your analytical results. In addition, please disclose any Quality Assurance/Quality Control (QA/QC) protocols you have developed for your exploration program. These procedures would serve to inform potential investors regarding your sample collection and preparation, assay controls, sample custody, assay precision and accuracy procedures and protocols.*

We have revised the disclosure under the heading “Progress” on pages 28 and 29.

38. *We note you disclose previous mining activities on your mineral properties. Please elaborate on any surface disturbance or contamination issues found on the surface or in the groundwater due to historical mining activities. The extent and significance of the disturbance/contamination, as well as your plans to remediate the site, should be clear.*

We have revised the disclosure under the heading “Progress” on pages 28 and 29.

39. *We note you are subject to permitting requirements of the Bureau of Land Management (BLM) and/or Forest Service in addition to State Environmental requirements. Please provide a short summary of the permits and/or operational plans required to perform exploration and/or mining activities on your properties. Please define your reclamation and closure obligations and requirements.*

We have revised the disclosure under the heading “Progress” on pages 28 and 29.

Description of Property, page 31

40. Please disclose the information required under paragraph (b) of Industry Guide 7 for all your material properties listed under this heading. For any properties identified that are not material, please include a statement to that effect, clarifying your intentions. For each material property, include the following information:

- A description of any work completed on the property and its present condition.
- A description of equipment, infrastructure, and other facilities.
- The details as to modernization and physical condition of the plant and equipment, including subsurface improvements and equipment.
- The source of power and water that can be utilized at the property.
- If applicable, provide a clear statement that the property is without known reserves and the proposed program is exploratory in nature.

You may refer to Industry Guide 7, paragraphs (b) (1) through (5), for specific guidance pertaining to the foregoing, available on our website at the following address: <http://www.sec.gov/about/forms/industryguides.pdf>.

We have revised the disclosure under the heading “Progress” on pages 28 and 29.

Form 10-K

41. To the extent applicable, please revise your Form 10-K to reflect our engineering comments on your Form S-1. Depending upon your response to our other comments, we may have additional comments on your Form 10-K.

The Company has enclosed a blacklined copy of the amended Form 10-K which reflect the update to the engineering comments. Upon clearing all comments with the Form S-1, the Company will file the amended Form 10-K on EDGAR.

Should you have any questions, please do not hesitate to contact the Company’s legal counsel: Clark Wilson LLP at (604) 687-5700.

Yours truly,

TITAN IRON ORE CORP.

/s/ Andrew Brodkey

Andrew Brodkey, CEO

8. COMMITMENTS
(Details Narrative) (USD \$)

Sep. 30, 2012

<u>Term of employment agreement with officer</u>	2 years
<u>Monthly remuneration under agreement of employment</u>	\$ 15,000
<u>Period of notice to terminate agreement</u>	60 days
<u>Number of shares authorized to purchase</u>	2,400,000
<u>Monthly payment as consulting fee</u>	8,000
<u>Monthly receipt as consulting fee</u>	6,000
Chief Executive Officer [Member]	
<u>Period of notice to terminate agreement</u>	15 days
<u>Monthly payment as consulting fee</u>	\$ 2,500

**7. STOCK-BASED
COMPENSATION (Details
1) (USD \$)**

9 Months Ended

Sep. 30, 2012

Dec. 31, 2011

Stock-Based Compensation Details 1

<u>Shares outstanding</u>	4,950,000	3,950,000
<u>Shares granted</u>	1,000,000	
<u>Shares exercisable</u>	987,500	
<u>Weighted average exercise price of share outstanding</u>	\$ 0.71	\$ 0.84
<u>Weighted average exercise price of share granted</u>	\$ 0.20	
<u>Weighted average exercise price of share exercisable</u>	\$ 0.84	
<u>Weighted-average remaining contractual term (years) of share outstanding</u>	8 years 6 months 2 days	8 years 3 months 3 days
<u>Weighted-average remaining contractual term (years) of share granted</u>	9 years 7 months 3 days	
<u>Weighted-average remaining contractual term (years) of share exercisable</u>	8 years 3 months 3 days	
<u>Aggregate intrinsic value of share outstanding</u>	\$ 110,000	\$ 869,000
<u>Aggregate intrinsic value of share exercisable</u>		

3. MINERAL PROPERTY OPTIONS

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Notes to Financial Statements

NOTE 3 - MINERAL PROPERTY OPTIONS

Strong Creek and Iron Mountain Properties

Effective June 30, 2011 and in connection with the entry into an agreement (the "Acquisition Agreement") with J2 Mining Ventures Ltd. ("J2 Mining") dated June 13, 2011, the Company completed the acquisition of a 100% right, title and interest in and to a properties (Strong Creek and Iron Mountain) option agreement (the "Option Agreement") from J2 Mining with respect to an iron ore mineral property located in Albany County, Wyoming by entering into an assignment of mineral property option agreement with J2 Mining and Wyomex LLC (the "Assignment Agreement"), whereby the Company was assigned the 100% right, title and interest in and the Option Agreement from J2 Mining.

The Option Agreement assigned to the Company from J2 Mining on June 30, 2011, was originally entered into on May 26, 2011 between J2 Mining and Wyomex LLC, pursuant to which Wyomex LLC ("Optionor"), granted to J2 Mining, as optionee, an exclusive right and option to acquire 100% undivided legal and beneficial interests in and to certain unpatented lode mining claims, fee lands, leased lands, and other interests in real property situated in Albany County, Wyoming (the "Wyoming Iron Complex"). Pursuant to the Assignment Agreement, J2 Mining agreed to assign all its rights and interests in the property and the Option Agreement, and transfer all of its obligations under the Option Agreement, to the Company.

The term of the option commenced on May 26, 2011 and could be extended for a maximum of six successive one-month periods, at the sole election of the Company, through notice to Wyomex LLC and tender of \$5,000 from the Company to Wyomex LLC for each of the first three additional months and \$15,000 for each additional month for months four through six. As at September 30, 2012, total payments of \$145,000 had been made.

Prior to December 31, 2011, the Company provided written notice to the Optionor of its intent to exercise its option. On April 10, 2012, the Company executed an asset purchase agreement to exercise its option for consideration of \$7,000,000, consisting of the following:

- a) A cash payment at closing of \$85,000 as an initial payment (paid on March 30, 2012);
- b) \$60,000 of consideration previously paid and received by the Optionor (see above);
- c) A \$6,855,000 promissory note with an estimated fair value of \$1,081,676 on the date of issuance. See Note 6 for details.

Strong Creek and Iron Mountain Properties

Effective June 30, 2011 and in connection with the entry into an agreement (the "Acquisition Agreement") with J2 Mining Ventures Ltd. ("J2 Mining") dated June 13, 2011, the Company completed the acquisition of a 100% right, title and interest in and to a properties (Strong Creek and Iron Mountain) option agreement (the "Option Agreement") from J2 Mining with respect to an iron ore mineral property located in Albany County, Wyoming by entering into an assignment of mineral property option agreement with J2 Mining and Wyomex LLC (the "Assignment Agreement"), whereby the Company was assigned the 100% right, title and interest in and the Option Agreement from J2 Mining.

The Option Agreement assigned to the Company from J2 Mining on June 30, 2011, was originally entered into on May 26, 2011 between J2 Mining and Wyomex LLC, pursuant to which Wyomex LLC ("Optionor"), granted to J2 Mining, as optionee, an exclusive right and option to acquire 100% undivided legal and beneficial interests in and to certain unpatented lode mining claims, fee lands, leased lands, and other interests in real property situated in Albany County, Wyoming (the "Wyoming Iron Complex"). Pursuant to the Assignment Agreement, J2 Mining agreed to assign all its rights and interests in the property and the Option Agreement, and transfer all of its obligations under the Option Agreement, to the Company.

The term of the option commenced on May 26, 2011 and could be extended for a maximum of six successive one-month periods, at the sole election of the Company, through notice to Wyomex LLC and tender of \$5,000 from the Company to Wyomex LLC for each of the first three additional months and \$15,000 for each additional month for months four through six. As at December 31, 2011, total payments of \$60,000 had been made.

Prior to December 31, 2010, the Company provided written notice to the Optionor of its intent to exercise its option. Subsequent to the balance sheet date, on April 10, 2012, the Company executed an asset purchase agreement

(see Note 12) to exercise its option for consideration of \$7,000,000, consisting of the following:

- a) A cash payment at closing of \$85,000 as an initial payment (paid);
- b) \$60,000 of consideration previously paid and received by the Optionor (see above);
- c) A \$6,855,000 promissory note (issued), non-interest bearing, secured by the Strong Creek and

Commencing six (6) months from the date of the initial payment and every six (6) months thereafter, Titan shall pay seller, as advance production payment, the initial amount of \$62,500, as adjusted by CPI, until commencement of commercial production from the property. At the commencement of commercial production, the semi-annual advance production payment shall convert to a 4.5% gross metal value royalty on iron ore, concentrates, and/or other mineral materials produced and sold from the property by Titan. Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay the Optionor a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property.

Labrador Trough Property

On July 19, 2011, the Company entered into an option agreement with Globex Mining Enterprises Inc. ("Globex") effective July 12, 2011 (the "Agreement"), pursuant to which Globex granted the Company the right (the "Option") for a period of 90 days from July 12, 2011 to acquire an undivided 100% interest in and to 144 mining claims (the "Property") located in the Labrador trough area in the Province of Quebec, Canada.

On October 12, 2011, the Company notified the owner of the Labrador Trough iron ore property that the Company would not be exercising the option to acquire the property. The Company recorded an impairment of mineral property charge of \$50,124 during the year ended December 31, 2011.

Iron Mountain properties. The note is repayable through advance minimum royalty payments of \$62,500 commencing six months from the date of closing and after receipt of the initial payment, and every six months thereafter, until the commencement of commercial production from the property. At the commencement of commercial production from the properties, the semi-annual advance minimum royalty shall convert to a 4.5% gross metal value royalty on iron ore and/or other mineral materials produced and sold from the property and, except for events of force majeure, in no event shall the production royalty paid to the Optionor be less than \$150,000 in any given calendar year. Repayment of the promissory note may be demanded by the Optionor upon an event of default as defined in the agreement.

Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay the optionor a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property.

Labrador Trough Property

On July 19, 2011, the Company entered into an option agreement with Globex Mining Enterprises Inc. ("Globex") effective July 12, 2011 (the "Agreement"), pursuant to which Globex granted the Company the right (the "Option") for a period of 90 days from July 12, 2011 to acquire an undivided 100% interest in and to 144 mining claims (the "Property") located in the Labrador trough area in the Province of Quebec, Canada.

On October 12, 2011, the Company notified the owner of the Labrador Trough iron ore property that the Company would not be exercising the option to acquire the property. The Company recorded an impairment of mineral property charge of \$50,124 during the year ended December 31, 2011.

**2. SUMMARY OF
SIGNIFICANT
ACCOUNTING POLICIES
(Details Narrative)**

9 Months Ended

Sep. 30, 2012

[Summary Of Significant Accounting Policies Details Narrative](#)

[Anti Dilutive securities outstanding](#)

6,667,000

**1. NATURE AND
CONTINUANCE OF
BUSINESS (Details
Narrative) (USD \$)**

Sep. 30, 2012 Dec. 31, 2011 Dec. 31, 2010

Nature And Continuation Of Business Details Narrative

<u>Deficit accumulated during the exploration stage</u>	\$ 3,901,143	\$ 1,030,196	\$ 75,519
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3. MINERAL PROPERTY

OPTIONS (Details

Sep. 30, 2012

Narrative) (USD \$)

[Mineral Property Options Details Narrative](#)

[Payment for extension of term of option and exercising](#) \$ 145,000

6. PROMISSORY NOTE 9 Months Ended
(Details Narrative) (USD \$) Sep. 30, 2012

Promissory Note Details Narrative

Accretion expense \$ 75,880

Carrying value of the promissory note \$ 1,157,556

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

9 Months Ended
Sep. 30, 2012

12 Months Ended
Dec. 31, 2011

Accounting Policies

[Abstract]

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year end is December 31.

Interim Financial Statements

The interim unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions for Securities and Exchange Commission ("SEC") Form 10-Q. They do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Therefore, these financial statements should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2011, included in the Company's Annual Report on Form 10-K filed on April 16, 2012, with the SEC.

The interim financial statements included herein are unaudited; however, they contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position as at September 30, 2012 and the results of its operations and cash flows for the nine months ended September 30, 2012 and September 30, 2011. The results of operations for the nine months ended September 30, 2012 are not necessarily indicative of the results to be expected for future quarters or the full year ending December 31, 2012.

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Revenue Recognition

Basis of Presentation

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year-end is December 31, 2011.

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

Revenue Recognition

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

Advertising Costs

The Company's policy regarding advertising is to expense advertising when incurred.

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable.

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

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The Company's policy regarding advertising is to expense advertising when incurred.

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The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

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The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based Compensation

The Company records stock-based compensation in accordance with ASC 718, Compensation - Stock Based Compensation, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method in determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

The Company is in the exploration stage and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are capitalized. The Company assesses the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are

If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based compensation

The Company records stock-based compensation in accordance with ASC 718, *Compensation - Stock Based Compensation*, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method in determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

The Company is in the exploration stage and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are capitalized. The Company assesses the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

Asset Retirement Obligations

subsequently abandoned or impaired, any capitalized costs will be charged to operations.

Asset Retirement Obligations

The Company records asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or loss on settlement. As at September 30, 2012, the Company has not incurred any asset retirement obligation related to the exploration of its mineral property option.

Comprehensive Loss

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements.

Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximates fair values because of the short-term maturity of these instruments. The fair value of the Company's promissory note approximates carrying value as the underlying imputed interest rate approximates the market rate. 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.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common

The Company records asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or loss on settlement. As at December 31, 2011, the Company has not incurred any asset retirement obligation related to the exploration of its mineral property option.

Comprehensive Loss

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements. As at December 31, 2011 and December 31, 2010, the Company has no items that represent other comprehensive loss and, therefore, has not included a schedule of other comprehensive loss in the financial statements.

Financial Instruments

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximate fair values because of the short-term 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.

Basic and Diluted Net Loss Per Share

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 5,000,000 as of December 31, 2011.

shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 6,667,000 as of September 30, 2012.

Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Recent Accounting Pronouncements

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

Income Taxes

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

Recent Accounting Pronouncements

Comprehensive Income

In June 2011, ASC guidance was issued related to comprehensive income. Under the updated guidance, an entity will have the option to present the total of comprehensive income either in a single continued statement of comprehensive income or in two separate but consecutive statements. In addition, the update requires certain disclosure requirements when reporting other comprehensive income. The update does not change the items reported in other comprehensive income or when an item of other comprehensive income must be reclassified to income. The update is effective for the Company's fiscal year beginning January 1, 2012. The Company does not expect the updated guidance to have an impact on the balance sheets, results of operations or cash flows.

Fair Value Accounting

In May 2011, ASC guidance was issued related to disclosures around fair value accounting. The updated guidance clarifies different components of fair value accounting including the application of the highest and best use and valuation premise concepts, measuring the fair value of an instrument classified in a reporting entity's shareholders' equity and disclosing quantitative information about the unobservable inputs used in fair value measurements that are categorized in Level 3 of the fair value hierarchy. The update is effective for the Company's fiscal year beginning January 1, 2012. The Company does not expect the updated guidance to have a significant impact on the balance sheets, results of operations or cash flows.

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.

7. STOCK-BASED COMPENSATION (Details Narrative) (USD \$)	3 Months Ended		9 Months Ended		12 Months Ended		55 Months Ended	64 Months Ended
	Sep. 30, 2012	Sep. 30, 2011	Sep. 30, 2012	Sep. 30, 2011	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011	Sep. 30, 2012
<u>Share-based Compensation</u>								
<u>Arrangement by Share-based Payment</u>								
<u>Award [Line Items]</u>								
<u>Shares granted</u>			1,000,000					
<u>Weighted average exercise price of share granted</u>			\$ 0.20					
<u>Weighted-average remaining contractual term (years) of share granted</u>			10 years					
<u>Risk free interest rate</u>			1.63%					
<u>Dividend yield</u>			0.00%					
<u>Volatility rate</u>			113.00%					
<u>Expected life</u>			10 years					
<u>Stock-based compensation</u>	\$ 433,408	\$ 0	\$ 1,851,782	\$ 0	\$ 107,772		\$ 107,772	\$ 1,959,554
<u>Unrecognized compensation cost related to non-vested stock options</u>	\$ 583,296		\$ 583,296					\$ 583,296
<u>Cost is expected to be recognized over a weighted average period</u>			9 months					
<u>29 days</u>								
Stock Options [Member]								
<u>Share-based Compensation</u>								
<u>Arrangement by Share-based Payment</u>								
<u>Award [Line Items]</u>								
<u>Shares granted</u>			3,450,000					
<u>Weighted average exercise price of share granted</u>			\$ 0.84					
<u>Weighted-average remaining contractual term (years) of share granted</u>			10 years					
Stock Options One [Member]								
<u>Share-based Compensation</u>								
<u>Arrangement by Share-based Payment</u>								
<u>Award [Line Items]</u>								
<u>Shares granted</u>			500,000					
<u>Weighted average exercise price of share granted</u>			\$ 0.84					
<u>Weighted-average remaining contractual term (years) of share granted</u>			3 years					

BALANCE SHEETS (USD \$)	Sep. 30, 2012	Dec. 31, 2011	Dec. 31, 2010
<u>ASSETS</u>			
<u>Cash</u>	\$ 275,162	\$ 118,066	
<u>Prepaid expenses (Note 8 and 9)</u>	25,000	25,000	
<u>Total current assets</u>	300,162	143,066	
<u>Mineral property options (Note 3)</u>	1,226,676	60,000	
<u>TOTAL ASSETS</u>	1,526,838	203,066	0
<u>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>			
<u>Accounts payable</u>	63,399	21,457	7,491
<u>Current portion of promissory note (Note 6)</u>	189,853	0	
<u>Accrued expenses - related party (Note 8 and 9)</u>	17,086	647	10,078
<u>Total Current Liabilities</u>	270,338	22,104	17,569
<u>Promissory note (Note 6)</u>	967,703	0	
<u>Total Liabilities</u>	1,238,041	22,104	17,569
<u>STOCKHOLDERS' EQUITY (DEFICIT)</u>			
<u>Preferred stock, 50,000,000 shares authorized at par value of \$0.0001, no shares issued and outstanding</u>			
<u>Common stock, 3,700,000,000 shares authorized at par value of \$0.0001, 51,621,000 (December 31, 2011 - 49,737,000; December 31, 2010 - 190,587,000) shares issued and outstanding (Note 4)</u>	5,162	4,974	19,059
<u>Additional paid-in capital</u>	4,184,778	1,206,184	38,891
<u>Deficit accumulated during the exploration stage</u>	(3,901,143)	(1,030,196)	(75,519)
<u>Total Stockholders' Equity</u>	288,797	180,962	(17,569)
<u>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</u>	\$ 1,526,838	\$ 203,066	\$ 0

**STATEMENTS OF CASH
FLOWS (Unaudited) (USD
\$)**

9 Months Ended		12 Months Ended		55 Months Ended	64 Months Ended
Sep. 30, 2012	Sep. 30, 2011	Dec. 31, 2011	Dec. 31, 2010	Dec. 31, 2011	Sep. 30, 2012

Cash Flows from Operating Activities:

<u>Net loss</u>	\$	\$	\$	\$	\$
	(2,870,947)	(353,852)	(954,677)	(9,485)	(1,030,196)
					(3,901,143)

**Adjustments to Reconcile Net Loss to Net
Cash Used in Operating Activities:**

<u>Depreciation expense</u>	0	0		2,333	5,833	5,833
<u>Stock-based compensation</u>	1,851,782	0	107,772		107,772	1,959,554
<u>Loss on disposal of assets</u>	0	0		1,167	1,167	1,167
<u>Impairment of mineral property</u>	0	50,124	50,124		50,124	50,124
<u>Accretion on promissory note</u>	75,880	0				75,880
<u>Shares issued for services</u>	126,500	0			17,500	144,000
<u>Gain on debt settlement</u>	0	(17,631)	(17,631)		(17,631)	(17,631)
<u>Changes in Assets and Liabilities</u>						
<u>Decrease (increase) in prepaid expenses</u>	0	(35,000)	(25,000)		(25,000)	(25,000)
<u>Increase (decrease) in accounts payable</u>	41,942	95,322	21,519	785	29,010	70,952
<u>Increase in accrued expenses - related party</u>	16,439	39,250	647	5,200	10,725	27,164
<u>Net Cash Provided by (Used in) Operating Activities</u>	(758,404)	(221,787)	(817,246)		(850,696)	(1,609,100)

Cash Flows used in Investing Activities:

<u>Acquisition of property and equipment</u>	0	0			(7,000)	(7,000)
<u>Payment on mineral property options</u>	(85,000)	(80,124)	(110,124)		(110,124)	(195,124)
<u>Net Cash Used in Investing Activities</u>	(85,000)	(80,124)	(110,124)		(117,124)	(202,124)

Cash Flows from Financing Activities:

<u>Common stock issued for cash</u>	1,000,500	1,008,531	1,045,436		1,085,886	2,086,386
<u>Advances provided by related parties</u>	0	100				0
<u>Net Cash Provided by Financing Activities</u>	1,000,500	1,008,631	1,045,436		1,085,886	2,086,386
<u>Net Increase in Cash</u>	157,096	706,720	118,066		118,066	275,162
<u>Cash- Beginning</u>	118,066	0	0		0	0
<u>Cash- Ending</u>	275,162	706,720	118,066	0	118,066	275,162

Supplemental Cash Flow Information:

<u>Cash paid for interest</u>	0	0				0
<u>Cash paid for income taxes</u>	0	0				0

Non-cash Investing and Financing Item:

<u>Shares issued for services</u>	126,500	0			17,500	144,000
<u>Promissory note issued for mineral property</u>	\$	\$ 0				\$
	1,208,646					1,208,646

**5. SHARE PURCHASE
WARRANTS (Details 1)
(USD \$)**

Sep. 30, 2012 Dec. 31, 2011

Shares outstanding	4,950,000	3,950,000
Weighted average exercise price of share outstanding	\$ 0.71	\$ 0.84
Warrant [Member]		
Shares outstanding	1,717,000	1,050,000
Weighted average exercise price of share outstanding	\$ 0.85	\$ 0.75
Warrant One [Member]		
Shares outstanding	1,050,000	
Weighted average exercise price of share outstanding	\$ 0.75	
Expiry date	Jun. 20, 2014	
Warrant Two [Member]		
Shares outstanding	667,000	
Weighted average exercise price of share outstanding	\$ 1.00	
Expiry date	Jan. 10, 2015	

**7. STOCK-BASED
COMPENSATION (Details)
(USD \$)**

**Sep. 30,
2012** **Dec. 31,
2011**

Share-based Compensation Arrangement by Share-based Payment Award [Line Items]

<u>Weighted average exercise price of share outstanding</u>	\$ 0.71	\$ 0.84
<u>Shares outstanding</u>	4,950,000	3,950,000
Stock Options [Member]		

Share-based Compensation Arrangement by Share-based Payment Award [Line Items]

<u>Expiry date</u>	Dec. 21, 2021	
<u>Weighted average exercise price of share outstanding</u>	\$ 0.84	
<u>Shares outstanding</u>	3,450,000	
Stock Options One [Member]		

Share-based Compensation Arrangement by Share-based Payment Award [Line Items]

<u>Expiry date</u>	Dec. 21, 2014	
<u>Weighted average exercise price of share outstanding</u>	\$ 0.84	
<u>Shares outstanding</u>	500,000	
Stock Options Two [Member]		

Share-based Compensation Arrangement by Share-based Payment Award [Line Items]

<u>Expiry date</u>	Jun. 21, 2022	
<u>Weighted average exercise price of share outstanding</u>	\$ 0.20	
<u>Shares outstanding</u>	1,000,000	

**1. NATURE AND
CONTINUANCE OF
BUSINESS**

**Notes to Financial
Statements**

**NOTE 1 - NATURE AND
CONTINUANCE OF
BUSINESS**

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Titan Iron Ore Corp. (the Company) (formerly Digital Yearbook, Inc.) was incorporated in the State of Nevada on June 5, 2007.

Effective June 15, 2011, the Company completed a merger with its subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from "Digital Yearbook Inc." to "Titan Iron Ore Corp." effective becoming an exploration stage company. The Company's principal business includes the acquisition, and exploration of mineral properties.

Also effective June 15, 2011, the Company effected a 37 to one forward stock split of our authorized and issued and outstanding common stock. As a result, 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, the Company issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000. Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000. During the nine-months ended September 30, 2012 the Company issued 1,334,000 shares in a private placement and issued 550,000 shares for services received, bringing the total outstanding shares to 51,621,000.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which implies that the Company would continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at September 30, 2012 the Company has accumulated losses of \$3,901,143 since inception and its operations continue to be funded primarily from sales of its stock. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern, including completion of the acquisition, exploration and development of its mineral properties is dependent on the Company's ability to obtain the necessary financing from sales of its stock financings. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

Titan Iron Ore Corp. (the Company) (formerly Digital Yearbook, Inc.) was incorporated in the State of Nevada on June 5, 2007. At its inception, the Company was engaged in developing and offering software products for the creation of interactive digital yearbook software for high schools.

Effective June 15, 2011, the Company completed a merger with its subsidiary, Titan Iron Ore Corp., a Nevada corporation, which was incorporated solely to effect a change in our name from "Digital Yearbook Inc." to "Titan Iron Ore Corp." effective becoming an exploration stage company. The Company's principal business includes the acquisition, and exploration of mineral properties.

Also effective June 15, 2011, the Company effected a 37 to one forward stock split of our authorized and issued and outstanding common stock. As a result, 5,151,000 shares of common stock outstanding increased to 190,587,000 shares of common stock. Subsequently, on June 20, 2011, the Company issued 2,100,000 common shares pursuant to a private placement unit offering, increasing the number of shares of common stock outstanding to 192,687,000. Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which implies that the Company would continue to realize its assets and discharge its liabilities in the normal course of business. The Company has never paid any dividends and is unlikely to pay dividends or generate earnings in the immediate or foreseeable future. As at December 31, 2011, the Company has accumulated losses of \$1,030,196 since inception and its operations continue to be funded primarily from sales of its stock. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern, including completion of the acquisition, exploration and development of its mineral properties is dependent on the Company's ability to obtain the necessary financing from sales of its stock financings. The financial statements do not include any adjustments to

the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

BALANCE SHEETS
(Parenthetical) (USD \$)

Sep. 30, 2012 Dec. 31, 2011 Dec. 31, 2010

Statement of Financial Position [Abstract]

<u>Preferred stock, par value</u>	\$ 0.0001	\$ 0.0001	\$ 0.0001
<u>Preferred stock, authorized shares</u>	50,000,000	50,000,000	50,000,000
<u>Preferred stock, issued shares</u>	0	0	0
<u>Common stock, par value</u>	\$ 0.0001	\$ 0.0001	\$ 0.0001
<u>Common stock, Authorized</u>	3,700,000,000	3,700,000,000	3,700,000,000
<u>Common stock, Issued</u>	51,621,000	49,737,000	190,587,000
<u>Common stock, outstanding</u>	51,621,000	49,737,000	190,587,000

11. MINERAL PROPERTY EXPLORATION COSTS

9 Months Ended
Sep. 30, 2012

12 Months Ended
Dec. 31, 2011

[Notes to Financial Statements](#)

[NOTE 11 - MINERAL PROPERTY EXPLORATION COSTS](#)

During the nine months ended September 30, 2012 and 2011 the following project costs were incurred:

During the year ended December 31, 2011 the following project costs were incurred:

	Nine months Ended September 30, 2012	Nine Months Ended September 30, 2011		Year ended December 31, 2011	Year ended December 31, 2010
Strong Creek and Iron Mountain:			Strong Creek and Iron Mountain:		
Technical Report	\$ 73,137	\$ 12,879	Technical Report	\$ 49,767	\$ -
Claims	3,230	3,255	Drilling	202,098	-
Drilling	11,655	-	Travel	2,652	-
Travel	20,678	-	Claims	3,255	-
Aeromagnetic	20,000	-	TOTAL	257,772	-
Survey					
Lease payments	5,000		Labrador Trough:		
TOTAL	133,700	16,134	Reconnaissance	71,335	-
Labrador Trough:					
Reconnaissance	-	71,335	Total Exploration Costs	\$ 329,107	\$ -
Total Exploration Costs	\$ 133,700	\$ 87,469			

**Document and Entity
Information**

**9 Months Ended
Sep. 30, 2012**

Document And Entity Information

<u>Entity Registrant Name</u>	Titan Iron Ore Corp.
<u>Entity Central Index Key</u>	0001414043
<u>Document Type</u>	S-1
<u>Document Period End Date</u>	Sep. 30, 2012
<u>Amendment Flag</u>	false
<u>Current Fiscal Year End Date</u>	--12-31
<u>Is Entity a Well-known Seasoned Issuer?</u>	No
<u>Is Entity a Voluntary Filer?</u>	No
<u>Is Entity's Reporting Status Current?</u>	Yes
<u>Entity Filer Category</u>	Smaller Reporting Company

11.a. INCOME TAXES

**12 Months Ended
Dec. 31, 2011**

[Income Tax Disclosure](#)

[\[Abstract\]](#)

[11.a. INCOME TAXES](#)

The Company has adopted the provisions of ASC 740, Income Taxes. Pursuant to ASC 740 the Company is required to compute tax asset benefits for net operating losses carried forward. The potential benefit of net operating losses have not been recognized in the financial statements because the Company cannot be assured that it is more likely than not that it will utilize the net operating losses carried forward in future years. The Company has approximately \$846,905 of net operating losses to carry forward which are available to offset taxable income in future years which expire through fiscal 2031. For the years ended December 31, 2011, and 2010, the valuation allowance established against the deferred tax assets increased by \$296,417, and \$3,320 respectively.

The components of the net deferred tax asset at December 31, 2011, and 2010, the statutory tax rate, the effective tax rate, and the amount of the valuation allowance are indicated below:

	December 31, 2011 \$	December 31, 2010 \$
Net loss before taxes	(954,677)	(9,485)
Statutory rate	35%	35%
Computed expected tax (recovery)	(334,137)	(3,320)
Stock-based compensation	37,720	-
Increase in valuation allowance:	296,417	3,320
Reported income taxes	-	-
	December 31, 2011 \$	December 31, 2010 \$
Potential deferred tax asset		
- Net operating losses	194,729	26,431
- Mineral properties	128,119	-
- Less valuation allowance	(322,848)	(26,431)
Net deferred tax asset	-	-

STATEMENTS OF OPERATIONS (Unaudited) (USD \$)	3 Months Ended		9 Months Ended		12 Months Ended		55 Months	64 Months
	Sep. 30, 2012	Sep. 30, 2011	Sep. 30, 2012	Sep. 30, 2011	Dec. 31, 2011	Dec. 31, 2010	Ended Dec. 31, 2011	Ended Sep. 30, 2012
<u>Income Statement [Abstract]</u>								
<u>REVENUES</u>	\$ 0	\$ 0	\$ 0	\$ 0			\$ 4,855	\$ 4,855
<u>OPERATING EXPENSES</u>								
<u>Advertising</u>	657	17,550	1,971	17,550	22,732		22,732	24,703
<u>General and administrative (Note 9 and 8)</u>	143,181	149,298	450,038	179,298	345,928	2,333	392,063	842,101
<u>Impairment of mineral property acquisition costs (Note 3)</u>	0	50,124	0	50,124	50,124		50,124	50,124
<u>Accretion on promissory note (Note 6)</u>	37,940	0	75,880	0				75,880
<u>Investor relations</u>	157,249	2,899	216,590	2,899	22,046		22,046	238,636
<u>Professional fees</u>	44,725	29,508	128,718	32,763	93,056	5,985	126,128	254,846
<u>Mineral property exploration costs (Note 11 and 10)</u>	62,904	87,469	133,700	87,469	329,107		329,107	462,807
<u>Stock-based compensation (Note 7 and 6)</u>	433,408	0	1,851,782	0	107,772		107,772	1,959,554
<u>Travel</u>	2,848	1,380	12,268	1,380	1,543		1,543	13,811
<u>TOTAL OPERATING EXPENSES</u>	882,912	338,228	2,870,947	371,483	972,308	8,318	1,051,515	3,922,462
<u>LOSS FROM OPERATIONS</u>	(882,912)	(338,228)	(2,870,947)	(371,483)	(972,308)	(8,318)	(1,046,660)	(3,917,607)
<u>OTHER INCOME (EXPENSES)</u>								
<u>Gain on debt settlement</u>	0	0	0	17,631	17,631		17,631	17,631
<u>Other income (expenses)</u>	0	0	0	0		(1,167)	(1,167)	(1,167)
<u>NET LOSS AND</u>	\$	\$	\$	\$			\$	\$
<u>COMPREHENSIVE LOSS</u>	(882,912)	(338,228)	(2,870,947)	(353,852)	(954,677)	(9,485)	(1,030,196)	(3,901,143)
<u>BASIC LOSS PER SHARE</u>	\$ (0.02)	\$ (0.01)	\$ (0.06)	\$ 0.00	\$ (0.01)	\$ 0		
<u>WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING</u>	51,107,957	49,737,000	51,034,723	143,197,989	121,990,562	190,587,000		

6. PROMISSORY NOTE

**9 Months Ended
Sep. 30, 2012**

Notes to Financial Statements

NOTE 6 - PROMISSORY NOTE

On April 10, 2012 the Company issued a non-interest bearing promissory note in the amount of \$6,855,000 to Wyomex Limited Liability Company ("Wyomex") secured by the Strong Creek and Iron Mountain properties. The note is repayable through advance minimum royalty payments of \$62,500 (adjusted for the consumer price index in successive period) beginning six months from March 30, 2012 ("closing date") and after receipt of the initial payment, and every six months thereafter, until the commencement of commercial production from the property. At the commencement of commercial production from the properties, the semi-annual advance minimum royalty shall convert to a 4.5% gross metal value royalty on iron ore and/or other mineral materials produced and sold from the property and, except for events of force majeure, in no event shall the production royalty paid to Wyomex be less than \$150,000 in any given calendar year. Repayment of the promissory note may be demanded by Wyomex upon an event of default as defined in the agreement. Upon full settlement of the promissory note, the production royalty shall be reduced, and the Company shall pay Wyomex a gross metal value royalty of 1.5% for all iron product and/or other mineral materials mined and sold from the property. The estimated fair value of the note (based on estimated 14.03% interest rate) was calculated to be \$1,081,676 on April 10, 2012. The Company recorded an accretion expense of \$75,880 for the nine months ended September 30, 2012. As of September 30, 2012, the carrying value of the promissory note is \$1,157,556.

At September 30, 2012, estimated contractual principal payments due on the promissory note for the next five years are as follows:

September 30, 2013	189,853
September 30, 2014	130,557
September 30, 2015	133,841
September 30, 2016	137,208
September 30, 2017	140,660
Total	<u>\$ 732,119</u>

5. SHARE PURCHASE WARRANTS

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Notes to Financial Statements

NOTE 5 - SHARE

PURCHASE WARRANTS

	Number of Warrants	Weighted Average Exercise Price		Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2011	1,050,000	0.75	Balance, December 31, 2010 and 2009	-	-
Warrants granted with private placement	667,000	\$ 1.00	Warrants granted with private placement	1,050,000	\$ 0.75
Balance, September 30, 2012	1,717,000	\$ 0.85	Balance, December 31, 2011	1,050,000	\$ 0.75

Details of share purchase warrants outstanding as of September 30, 2012 are:

Number of Warrants Outstanding and Exercisable			Expiry Date
Number	Exercise Price per Share		
1,050,000	\$ 0.75		June 20, 2014
667,000	\$ 1.00		January 10, 2015
1,717,000	\$ 0.85		

Details of share purchase warrants outstanding as of December 31, 2011 are:

Number of Warrants Outstanding and Exercisable 2011		Exercise Price per Share	Expiry Date
1,050,000	\$ 0.75		June 20, 2014

6. PROMISSORY NOTE
(Details) (USD \$)

Sep. 30,
2012

Summary of estimated contractual principal payments due on the promissory note for the next five years

<u>September 30, 2013</u>	\$ 189,853
<u>September 30, 2014</u>	130,557
<u>September 30, 2015</u>	133,841
<u>September 30, 2016</u>	137,208
<u>September 30, 2017</u>	140,660
<u>Total</u>	\$ 732,119

12. SUBSEQUENT EVENT

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Subsequent Events

[Abstract]

NOTE 12 - SUBSEQUENT EVENT

On October 1, 2012, the Company made the first advance royalty payment of \$63,563 under the Strong Creek and Iron Mountain asset purchase agreement.

On October 19, 2012 the Company announced that it had entered into an agreement with an accredited investor (the "Investor") to secure equity line financing. Separately, the Company also received funding from convertible debentures.

Under a Securities Purchase Agreement, upon Titan registering its common shares under a registration statement, the Investor will make equity financing available to the Company over a 36-month commitment, allowing the Company to sell up to \$10,000,000 in value of its common shares. The Company will determine, at its own discretion, the timing and amount of its sales of stock, subject to certain conditions and limitations. Shares will be priced at the lesser of a 10% discount from the Volume Weighted Average Prices ("VWAP") for the Company's common stock during the five consecutive trading days following a sales notice and the price that is \$0.01 below the VWAP on the date in question, but are limited to \$250,000 per pricing period or result in the investor beneficially owning more than 9.99% of the then outstanding common stock. The Investor will also receive Commitment shares up to a total of 3% of the \$10 million commitment amount for the equity line. On October 22, 2012 the Investor received 150,015 shares as the first tranche of commitment shares. The Company can terminate the line at any time.

In addition to equity line financing, the Company received bridge loans in the form of convertible debentures with gross proceeds to the Company of \$200,000. These debentures carry an interest rate of 5%, with an original issue discount of 15%, and are convertible at the lesser of: (a) \$0.27 during the six months following the closing date, and \$.35 thereafter, and (b) 70% of the average daily VWAP for the common stock during the ten (10) consecutive trading days immediately preceding the applicable conversion date. The investors also collectively received 3-year warrants to purchase a total of 705,901 shares at an exercise price of \$0.25, exercisable on a cashless basis. A finder's fee of 9% of the purchase price in cash and 9% in warrants was paid to an affiliate of the Investor with respect to a portion of the convertible debenture financing.

On October 25 and 26, 2012, the investors and the finder collectively exercised their full allotment of warrants on a cashless basis and received a total of 556,183 restricted shares of the Company.

On January 12, 2012 the Company completed a non-brokered private placement of 1,334,000 units at \$0.75 per unit, for total gross proceeds of \$1,000,500. Each unit consists of one common share in the capital of the Company and one half common share purchase warrant entitling the purchaser to acquire one additional common share at the exercise price of \$1.00 per common share until January 10, 2015.

On April 10, 2012, the Company exercised its option to purchase the Strong Creek and Iron Mountain mineral properties located in Albany County, Wyoming for consideration totaling \$7,000,000 (see Note 3).

**9. RELATED PARTY
TRANSACTIONS AND
BALANCES**

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

**Notes to Financial
Statements**

**NOTE 9 - RELATED PARTY
TRANSACTIONS AND
BALANCES**

During the year ended December 31, 2011 the Company advanced \$25,000 at December 31, 2011 to a management firm managed by the Company's CEO (2010: \$0). This advance for expenses to be incurred on the Company's behalf was recorded as prepaid expenses.

During the year ended December 31, 2010 a former officer provided \$10,078 in advances to the Company and this amount was owing as at December 31, 2010. This amount was assumed by previous management during the year ended December 31, 2011 in connection with the acquisition of an option to purchase a mineral property.

During the year ended December 31, 2011 the Company advanced \$25,000 to a management firm managed by the Company's CEO and this amount was outstanding as at September 30, 2012. This advance for expenses to be incurred on the Company's behalf was recorded as prepaid expenses.

During the year ended December 31, 2011 the Company incurred \$30,000 (2010: \$0) in management fees to a former officer and director.

During the nine months ended September 30, 2012 the Company incurred \$22,500 in management fees and \$7,355 in rent expense to the management firm managed by the Company's CEO (2011: \$7,500) with such costs being recorded as general and administrative costs. As at September 30, 2012, the Company owed \$17,086 including unreimbursed expenses to this firm (2011: \$Nil).

During the year ended December 31, 2011 the Company incurred \$15,000 in management fees and \$7,355 in rent expense to a management firm managed by the Company's CEO (2010: \$0) with such costs being recorded as general and administrative costs. As at December 31, 2011, the Company owed \$430 including unreimbursed expenses to this firm (2010: \$0).

During the nine months ended September 30, 2012 the Company incurred \$278,979 in management fees to officers and directors of the Company (2011: \$128,511) with such costs being recorded as general and administrative costs.

During the year ended December 31, 2011 the Company incurred \$194,797 in management fees to officers and director of the Company (2010: \$0) with such costs being recorded as general and administrative costs. As at December 31, 2011, the Company owed \$217 in unreimbursed expenses to an officer (2010: \$0).

The above transactions were recorded at their exchange amounts, being the amounts agreed by the related parties.

During the year ended December 31, 2011 the Company incurred \$10,000 in management fees to a director (2010: \$0) with such costs being recorded as general and administrative costs.

The above transactions were recorded at their exchange amounts, being the amounts agreed by the related parties.

7. STOCK-BASED COMPENSATION

Notes to Financial Statements

NOTE 7 - STOCK-BASED COMPENSATION

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

On November 22, 2011, the Board of Directors approved a stock option plan ("2011 Stock Option Plan"), the purpose of which is to enhance the Company's stockholder value and financial performance by attracting, retaining and motivating the Company's officers, directors, key employees, consultants and its affiliates and to encourage stock ownership by such individuals by providing them with a means to acquire a proprietary interest in the Company's success through stock ownership. Under the 2011 Stock Option Plan, officers, directors, employees and consultants who provide services to the Company may be granted options to acquire common shares of the Company. The aggregate number of options authorized by the plan shall not exceed 9,947,400 common shares of the Company.

During the year ended December 31, 2011, the Company granted 3,450,000 and 500,000 stock options at an exercise price of \$0.84 per share for 10 years and 3 years respectively. The fair value of the options has been estimated using the Black Scholes option pricing model using the following assumptions: risk free interest rate of 1.63%, dividend yield of 0%, volatility of 113% and expected life of 10 years. During the nine months ended September 30, 2012, the Company granted 1,000,000 stock options at an exercise price of \$0.20 for 10 years. During the nine months ended September 30, 2012, the Company recorded stock-based compensation of \$1,851,782 related to the vesting period for these stock options.

The following table summarizes the options outstanding as at September 30, 2012:

Expiry Date	Option Price Per Share	Number
December 21, 2021	0.84	3,450,000
December 21, 2014	0.84	500,000
June 21, 2022	0.20	1,000,000
	0.71	4,950,000

The following table summarizes the continuity of the Company's stock options:

	Number of Options	Weighted Average Exercise Price	Weighted- Average Remaining Contractual Term (years)	Aggregate Intrinsic Value \$
Outstanding, December 31, 2011	3,950,000	0.84	8.33	869,000
Options granted	1,000,000	0.20	9.73	
Outstanding, September 30, 2012	4,950,000	0.71	8.62	110,000
Exercisable, September 30, 2012	987,500	0.84	8.33	-

As at September 30, 2012, there was \$583,296 of unrecognized compensation cost related to non-vested stock options. This cost is expected to be recognized over a weighted average period of 0.83 years.

On November 22, 2011, the Board of Directors approved a stock option plan ("2011 Stock Option Plan"), the purpose of which is to enhance the Company's stockholder value and financial performance by attracting, retaining and motivating the Company's officers, directors, key employees, consultants and its affiliates and to encourage stock ownership by such individuals by providing them with a means to acquire a proprietary interest in the Company's success through stock ownership. Under the 2011 Stock Option Plan, officers, directors, employees and consultants who provide services to the Company may be granted options to acquire common shares of the Company. The aggregate number of options authorized by the plan shall not exceed 9,947,400 common shares of the Company.

During the year ended December 31, 2011, the Company granted 3,450,000 and 500,000 stock options at an exercise price of \$0.84 per share for 10 years and 3 years respectively. During the year ended December 31, 2011, the Company recorded stock-based compensation of \$107,772.

The weighted average grant date fair value of stock options granted during the year ended December 31, 2011 was \$0.80.

The weighted average assumptions used for each of the years ended December 31, are as follows:

	2011
Expected dividend yield	0%
Risk-free interest rate	1.64%
Expected volatility	115%
Expected option life (in years)	8.41

The following table summarizes the options outstanding as at December 31, 2011:

Expiry Date	Option Price Per Share	Number of shares	2011	2010
December 21, 2021	0.84	3,450,000	-	-
December 21, 2014	0.84	500,000	-	-

The following table summarizes the continuity of the Company's stock options:

Number of Options	Weighted Average Exercise Price	Weighted- Average Remaining Contractual Term (years)	Aggregate Intrinsic Value \$

Outstanding,
December

-

-

31, 2010 and 2009				
Granted	3,950,000	0.84		
Outstanding, December 31, 2011	3,950,000	0.84	9.08	869,000
Exercisable, December 31, 2011	-	-	-	-

As at December 31, 2011, there was \$6,058,492 of unrecognized compensation cost related to non-vested stock option agreements. This cost is expected to be recognized over a weighted average period of 1.47 years.

8. COMMITMENTS

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Commitments and Contingencies Disclosure

[Abstract]

NOTE 8 - COMMITMENTS

On June 30, 2011, the Company entered into an employment agreement with an officer to serve as President and Chief Executive Officer of our company for a term of two years with automatic renewals for similar two year periods pursuant to the terms of the agreement. Under the agreement, the officer receives monthly remuneration at a gross rate of \$15,000. The Company can terminate the agreement within 60 days of notice. If the executive is terminated without cause, the executive shall be entitled to one month's severance pay for each one month of service up to a maximum of two years. The officer shall also be entitled to receive 2.4 million options to purchase shares of the Company's common stock pursuant to the Company's Stock Option Plan, with 1.0 million of the options being granted in calendar year 2011 (completed) and 1.4 million option (800,000 options granted) being granted after December 31, 2011.

On June 30, 2011, the Company entered into consulting agreements with a management company managed by the CEO, for consulting fee of \$2,500 per month to provide office space and administrative services. The Company can terminate the agreement within 15 days written notice. The agreement commences on June 30, 2011 for a one year period and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a firm to provide the services of the Company's Vice President, Exploration, who will provide and perform certain geological advisory services. Under the agreement, the firm receives monthly compensation at a gross rate of \$6,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On June 30, 2011, the Company entered into a consulting agreement with a consulting firm to provide certain geological, engineering, marketing and project management services as may be requested by Company at monthly rate of \$8,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and shall automatically renew from year to year unless terminated.

On November 1, 2011, the Company entered into a consulting agreement with a financial public relations firm for a term of 1 year. Under the agreement, the consultant receives \$8,000 per month, and 500,000 options (granted) to purchase common stock of the Company.

On September 5, 2012, the Company entered into a consulting and professional service agreement with a consultant to provide corporate advisory, corporate finance, strategic planning, marketing and related advisory services in consideration for the issuance of 500,000 shares of restricted common stock. The 500,000 shares were issued on September 25, 2012. The term of the agreement is for a period of 6 months, provided, however, that the Company may extend the

On June 30, 2011, the Company entered into a consulting agreement with a consulting firm who will provide and perform for the benefit of our company certain geological, engineering, marketing and project management services as may be requested by our company at monthly rate of \$8,000. The Company can terminate the consulting agreement at any time. The agreement commences on June 30, 2011 and

shall automatically renew from year to year unless terminated.

agreement for a successive 6 month period for an additional 500,000 shares of restricted stock.

On November 1, 2011, the Company entered into a consulting agreement with a financial public relations firm for a term of 1 year. Under the agreement, the consultant receives \$8,000 per month, and 500,000 options (granted) to purchase common stock of the Company.

10. FAIR VALUE MEASUREMENT

Fair Value Disclosures [Abstract]

NOTE 10 - FAIR VALUE MEASUREMENT

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

ASC 820, Fair Value Measurements and Disclosures require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities. Valuations are based on quoted prices that are readily and regularly available in an active market and do not entail a significant degree of judgment.

Level 2

Level 2 applies to assets or liabilities for which there are other than Level 1 observable inputs such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 2 instruments require more management judgment and subjectivity as compared to Level 1 instruments. For instance, determining which instruments are most similar to the instrument being priced requires management to identify a sample of similar securities based on the coupon rates, maturity, issuer, credit rating and instrument type, and subjectively select an individual security or multiple securities that are deemed most similar to the security being priced; and determining whether a market is considered active requires management judgment.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The determination of fair value for Level 3 instruments requires the most management judgment and subjectivity.

Pursuant to ASC 825, cash is based on "Level 1" inputs. The Company believes that the recorded values of accounts payable approximate their current fair values because of their nature or respective relatively short durations. The fair value of the Company's promissory note approximates carrying value as the underlying imputed interest rate approximates the market rate.

Assets measured at fair value on a recurring basis were presented on the Company's balance sheet as of September 30, 2012, as follows.

Fair Value Measurements Using

Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant		Balance as of September 30, 2012
	Other	Significant	
	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
\$	\$	\$	\$

ASC 820, Fair Value Measurements and Disclosures require an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. ASC 820 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1

Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities. Valuations are based on quoted prices that are readily and regularly available in an active market and do not entail a significant degree of judgment.

Level 2

Level 2 applies to assets or liabilities for which there are other than Level 1 observable inputs such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 2 instruments require more management judgment and subjectivity as compared to Level 1 instruments. For instance, determining which instruments are most similar to the instrument being priced requires management to identify a sample of similar securities based on the coupon rates, maturity, issuer, credit rating and instrument type, and subjectively select an individual security or multiple securities that are deemed most similar to the security being priced; and determining whether a market is considered active requires management judgment.

Level 3

Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities. The determination of fair value for Level 3 instruments requires the most management judgment and subjectivity.

Pursuant to ASC 825, cash is based on "Level 1" inputs. The Company believes that the recorded values of accounts payable approximate their current fair values because of their nature or respective relatively short durations.

Assets measured at fair value on a recurring basis were presented on the Company's balance sheet as of December 31, 2011, as follows.

Fair Value Measurements Using

					Quoted Prices in Active Markets For Identical	Significant Other Observable	Significant Unobservable	Balance as of December 31, 2011
Assets:					Instruments	Inputs	Inputs	
Cash					(Level 1)	(Level 2)	(Level 3)	
					\$	\$	\$	\$
As at September 30, 2012, there were no liabilities measured at fair value on a recurring basis presented on the Company' s balance sheet.								

	275,162	-	-	275,162

Assets:				
Cash	118,066	-	-	118,066

As at December 31, 2011, there were no liabilities measured at fair value on a recurring basis presented on the Company' s balance sheet.

**9. RELATED PARTY
TRANSACTIONS AND
BALANCES (Details
Narrative) (USD \$)**

9 Months Ended

Sep. 30, 2012 Sep. 30, 2011

Management fee	\$ 22,500	
Rent expenses	7,355	7,500
Owe to the firm	17,086	0
Management fees paid to officer and director	278,979	128,511
Chief Executive Officer [Member]		
Advance to related parties	\$ 25,000	

**5. SHARE PURCHASE
WARRANTS (Details) (USD
\$)**

9 Months Ended

Sep. 30, 2012 Dec. 31, 2011

Shares outstanding	4,950,000	3,950,000
Shares granted	1,000,000	
Weighted average exercise price of share outstanding	\$ 0.71	\$ 0.84
Weighted average exercise price of share granted	\$ 0.20	
Warrant [Member]		
Shares outstanding	1,717,000	1,050,000
Weighted average exercise price of share outstanding	\$ 0.85	\$ 0.75
Warrant [Member] PrivatePlacementMember		
Shares granted	667,000	
Weighted average exercise price of share granted	\$ 1.00	

**10. FAIR VALUE
MEASUREMENT (Details)
(USD \$)**

Sep. 30, 2012

Fair Value Inputs Level2 [Member]

[Assets](#)

[Cash](#)

\$ 0

Fair Value Measurements Recurring [Member]

[Assets](#)

[Cash](#)

275,162

Fair Value Measurements Recurring [Member] | Fair Value Inputs Level1 [Member]

[Assets](#)

[Cash](#)

275,162

Fair Value Inputs Level3 [Member]

[Assets](#)

[Cash](#)

\$ 0

STATEMENT OF STOCKHOLDERS EQUITY (Unaudited) (USD \$)	Common Stock	Additional Paid-In Capital	Deficit Accumulated During the Development Stage	Total
<u>Beginning Shares, Amount at Jun. 04, 2007</u>	\$ 0	\$ 0	\$ 0	\$ 0
<u>Beginning Balance, Shares at Jun. 04, 2007</u>	0			
<u>Common Stock issued for cash at \$0.0001 per share, Shares</u>	148,000,000			
<u>Common Stock issued for cash at \$0.0001 per share, Amount</u>	14,800	(14,400)		400
<u>Common Stock issued for cash at \$0.05 per share, Shares</u>	29,637,000			
<u>Common Stock issued for cash at \$0.05 per share, Amount</u>	2,964	37,086		40,050
<u>Netloss</u>			(21,874)	(21,874)
<u>Ending Balance, Amount at Dec. 31, 2007</u>	17,764	22,686	(21,874)	18,576
<u>Ending Balance, Shares at Dec. 31, 2007</u>	177,637,000			
<u>Common Stock issued for creditors at \$0.05 per share, Shares</u>	12,950,000			
<u>Common Stock issued for creditors at \$0.05 per share, Amount</u>	1,295	16,205		17,500
<u>Netloss</u>			(34,675)	(34,675)
<u>Ending Balance, Amount at Dec. 31, 2008</u>	19,059	38,891	(56,549)	1,401
<u>Ending Balance, Shares at Dec. 31, 2008</u>	190,587,000			
<u>Netloss</u>			(9,485)	(9,485)
<u>Ending Balance, Amount at Dec. 31, 2009</u>	19,059	38,891	(66,034)	(8,084)
<u>Ending Balance, Shares at Dec. 31, 2009</u>	190,587,000			
<u>Netloss</u>			(9,485)	(9,485)
<u>Ending Balance, Amount at Dec. 31, 2010</u>	19,059	38,891	(75,519)	(17,569)
<u>Ending Balance, Shares at Dec. 31, 2010</u>	190,587,000			
<u>Common Stock issued for cash at \$0.50 per share, Shares</u>	2,100,000			
<u>Common Stock issued for cash at \$0.50 per share, Amount</u>	210	1,049,790		1,050,000
<u>Share issuance costs</u>		(4,564)		(4,564)

<u>Shares cancelled, Shares</u>	(142,950,000)			
<u>Shares cancelled, Amount</u>	(14,295)	14,295		
<u>Stock-based compensation</u>		107,772		107,772
<u>Netloss</u>			(954,677)	(954,677)
<u>Ending Balance, Amount at Dec. 31, 2011</u>	4,974	1,206,184	(1,030,196)	180,962
<u>Ending Balance, Shares at Dec. 31, 2011</u>	49,737,000			
<u>Stock-based compensation</u>		1,851,782		1,851,782
<u>Common Stock issued for cash at \$0.75 per share, Shares</u>	1,334,000			
<u>Common Stock issued for cash at \$0.75 per share, Amount</u>	133	1,000,367		1,000,500
<u>Shares issued for services, shares</u>	550,000			
<u>Shares issued for services, amount</u>	55	126,445		126,500
<u>Netloss</u>			(2,870,947)	(2,870,947)
<u>Ending Balance, Amount at Sep. 30, 2012</u>	\$ 5,162	\$ 4,184,778	\$ (3,901,143)	\$ 288,797
<u>Ending Balance, Shares at Sep. 30, 2012</u>	51,621,000			

4. COMMON STOCK

**9 Months Ended
Sep. 30, 2012**

**12 Months Ended
Dec. 31, 2011**

Notes to Financial Statements

NOTE 4 - COMMON STOCK

On January 11, 2012, the Company closed a private placement for 1,334,000 units at a price of \$0.75 per unit for proceeds of \$1,000,500. Each unit consists of one share of our common stock and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one share of our common stock at a purchase price of \$1.00 for a period of three years.

Effective June 15, 2011 the Company effected a 37 to 1 forward stock split of the Company's authorized and outstanding commons stock. As a result, the 5,151,000 shares outstanding increased to 190,587,000. All share amounts have been retroactively adjusted for all periods presented.

On June 20, 2011, the Company closed a private placement for 2,100,000 units at a price of \$0.50 per units for net proceeds of \$1,045,436 after share issue costs. Each unit consists of one share of our common stock and one-half of one share purchase warrant. Each whole share purchase warrant entitles the holder to purchase one share of our common stock at a purchase price of \$0.75 for a period of three years.

On September 12, 2012, the Company issued 50,000 shares to a consultant under a contract entered into on July 18, 2012 to provide fund raising services to the Company. Per substance of the agreement, the shares are valued at the contract date. The closing price of the Company's stock on July 18, 2012 was \$0.43 and therefore the transaction was valued at \$21,500.

On September 25, 2012, the Company issued 500,000 shares to a consultant under a contract to provide various corporate finance advisory services to the Company. Per substance of the agreement, the shares were valued at the contract date. The closing price of the Company's stock on September 5, 2012 was \$0.21 and therefore the transaction was valued at \$105,000.

Effective June 30, 2011 and in connection with the acquisition of an option to purchase a mineral property, certain shareholders surrendered 142,950,000 common shares of the Company. As a result of the Company's cancellation of these shares, the Company's outstanding shares of common stock decreased to 49,737,000.

**11. MINERAL PROPERTY
EXPLORATION COSTS
(Details) (USD \$)**

**9 Months Ended
Sep. 30, 2012 Sep. 30, 2011**

Strong Creek and Iron Mountain:

<u>Technical Report</u>	\$ 73,137	\$ 12,879
<u>Claims</u>	3,230	3,255
<u>Drilling</u>	11,655	0
<u>Travel</u>	20,678	0
<u>Aeromagnetic Survey</u>	20,000	0
<u>Lease payments</u>	5,000	0
<u>TOTAL</u>	133,700	16,134
<u>Reconnaissance</u>	0	71,335
<u>Total Exploration Costs</u>	\$ 133,700	\$ 87,469

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Policies)

9 Months Ended

Sep. 30, 2012

Notes to Financial Statements

Basis of Presentation

Interim Financial Statements

These financial statements and related notes are presented in accordance with accounting principles generally accepted in the United States, and are expressed in US dollars. The Company's fiscal year end is December 31.

The interim unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information and with the instructions for Securities and Exchange Commission ("SEC") Form 10-Q. They do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Therefore, these financial statements should be read in conjunction with the Company's audited financial statements and notes thereto for the year ended December 31, 2011, included in the Company's Annual Report on Form 10-K filed on April 16, 2012, with the SEC.

The interim financial statements included herein are unaudited; however, they contain all normal recurring accruals and adjustments that, in the opinion of management, are necessary to present fairly the Company's financial position as at September 30, 2012 and the results of its operations and cash flows for the nine months ended September 30, 2012 and September 30, 2011. The results of operations for the nine months ended September 30, 2012 are not necessarily indicative of the results to be expected for future quarters or the full year ending December 31, 2012.

Use of Estimates

The preparation of these statements in accordance with United States generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses in the reporting period. The Company regularly evaluates estimates and assumptions related to useful life and recoverability of long-lived assets, deferred income tax asset valuations, asset retirement obligations, financial instrument valuations, and loss contingencies. The Company bases its estimates and assumptions on current facts, historical experience and various other factors that it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the accrual of costs and expenses that are not readily apparent from other sources. The actual results experienced by the Company may differ materially and adversely from the Company's estimates. To the extent there are material differences between the estimates and the actual results, future results of operations will be affected.

The Company recognizes revenue when products are fully delivered or services have been provided and collection is reasonably assured.

The Company's policy regarding advertising is to expense advertising when incurred.

Revenue Recognition

Advertising Costs

Cash and Cash Equivalents

The Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Impairment of Long-Lived Assets

The Company continually monitors events and changes in circumstances that could indicate carrying amounts of long-lived assets may not be recoverable. When such events or changes in circumstances are present, the Company assesses the recoverability of long-lived assets by determining whether the carrying value of such assets will be recovered through undiscounted expected future cash flows.

If the total of the future cash flows is less than the carrying amount of those assets, the Company recognizes an impairment loss based on the excess of the carrying amount over the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or the fair value less costs to sell.

Stock-based compensation

The Company records stock-based compensation in accordance with ASC 718, Compensation - Stock Based Compensation, which requires the measurement and recognition of compensation expense based on estimated fair values for all share-based awards made to employees and directors, including stock options.

ASC 718 requires companies to estimate the fair value of share-based awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option pricing model as its method in determining fair value. This model is affected by the Company's stock price as well as assumptions regarding a number of subjective variables. These subjective variables include, but are not limited to the Company's expected stock price volatility over the terms of the awards, and actual and projected employee stock option exercise behaviors. The value of the portion of the award that is ultimately expected to vest is recognized as an expense in the statement of operations over the requisite service period.

Mineral Property Costs

The Company is in the exploration stage and has not yet realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property exploration costs are expensed as incurred. Mineral property acquisition costs are capitalized. The Company assesses the carrying costs for impairment, whenever events or changes in circumstances indicate that the carrying cost may not be recoverable under ASC 360, Property, Plant, and Equipment at each reporting date. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs then incurred to develop such property, will be capitalized. Such costs will be amortized using the units-of-production method over the estimated recoverable reserves. If mineral properties are subsequently abandoned or impaired, any capitalized costs will be charged to operations.

Asset Retirement Obligations

The Company records asset retirement obligations in accordance with ASC 410-20, Asset Retirement Obligations, which addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated retirement costs. The standard applies to legal obligations associated with the retirement of long-lived assets that result from the acquisition, construction, development and normal use of the asset. ASC 410-20 requires that the fair

value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The fair value of the liability is added to the carrying amount of the associated asset and this additional carrying amount is depreciated over the life of the asset. The liability is accreted at the end of each period through charges to operating expense. If the obligation is settled for other than the carrying amount of the liability, the Company will recognize a gain or loss on settlement. As at September 30, 2012, the Company has not incurred any asset retirement obligation related to the exploration of its mineral property option.

[Comprehensive Loss](#)

ASC 220, Comprehensive Income establishes standards for the reporting and display of comprehensive loss and its components in the consolidated financial statements.

[Financial Instruments](#)

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Valuation techniques used to measure fair value, as required by ASC 820, must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy. The carrying values of cash, accounts payable, and due to related parties approximates fair values because of the short-term maturity of these instruments. The fair value of the Company's promissory note approximate carrying value as the underlying imputed interest rate approximates the market rate. 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.

[Basic and Diluted Net Loss Per Share](#)

The Company computes net loss per share in accordance with ASC 260, Earnings per Share. ASC 260 requires presentation of both basic and diluted earnings per share (EPS) on the face of the statement of operations. Basic EPS is computed by dividing net income (loss) available to common shareholders (numerator) by the weighted average number of shares outstanding (denominator) during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period using the treasury stock method and convertible preferred stock using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options or warrants. Diluted EPS excludes all dilutive potential shares if their effect is anti-dilutive. Shares underlying these securities totaled approximately 6,667,000 as of September 30, 2012.

[Income Taxes](#)

The Company accounts for income taxes using the asset and liability method in accordance with ASC 740, Income Taxes. The asset and liability method provides that deferred tax assets and liabilities are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax bases of assets and liabilities and for operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using the currently enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company records a valuation allowance to reduce deferred tax assets to the amount that is believed more likely than not to be realized.

[Recent Accounting Pronouncements](#)

The Company has implemented all other new accounting pronouncements that are in effect and that may impact its financial statements and does not believe that there are any other new accounting pronouncements that have been issued that might have a material impact on its financial position or results of operations.