

KIRSCHNER & PASTERNAK LLP

CERTIFIED PUBLIC ACCOUNTANTS

8 BOND STREET • SUITE 100

GREAT NECK, N.Y. 11021

(516) 829-6767 • FAX (516) 829-2828

STEPHEN J. KIRSCHNER, CPA
JAN S. PASTERNAK, CPA
GEORGE J. MOSKOWITZ, CPA
BERNARD SPEAR, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholders
Titanium Holdings Group, Inc.

We have audited the accompanying consolidated balance sheet of Titanium Holdings Group, Inc. & Subsidiary as of December 31, 2004 and the related consolidated statements of operations, changes in stockholders' equity, and cash flows for the year then ended. 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 audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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. 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 Titanium Holdings Group, Inc. & Subsidiary as of December 31, 2004, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

/s/ KIRSCHNER & PASTERNAK LLP
Great Neck, New York
March 3, 2005