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TITAN ENERGY ADDS THIRD US OIL AND GAS ASSET IN TWO WEEKS TO GROWING INTERNATIONAL PORTFOLIO

HIGHLIGHTS:

- **Titan Energy to earn 40% interest in 1,360 acre lease area in DJ Basin, Colorado**
- **Prospect located in same basin as world class Niobrara oil prospects**
- **Upcoming drilling program proposed**
- **Potential to participate in a 10 well campaign**
- **Third significant acquisition this month builds on Company's international expansion strategy**

Australian oil and gas company **Titan Energy Ltd** (ASX: **TTE**) (Titan Energy or the Company) is pleased to announce it has signed an agreement to acquire an interest in one of the most sought after new oil prospect areas in the USA.

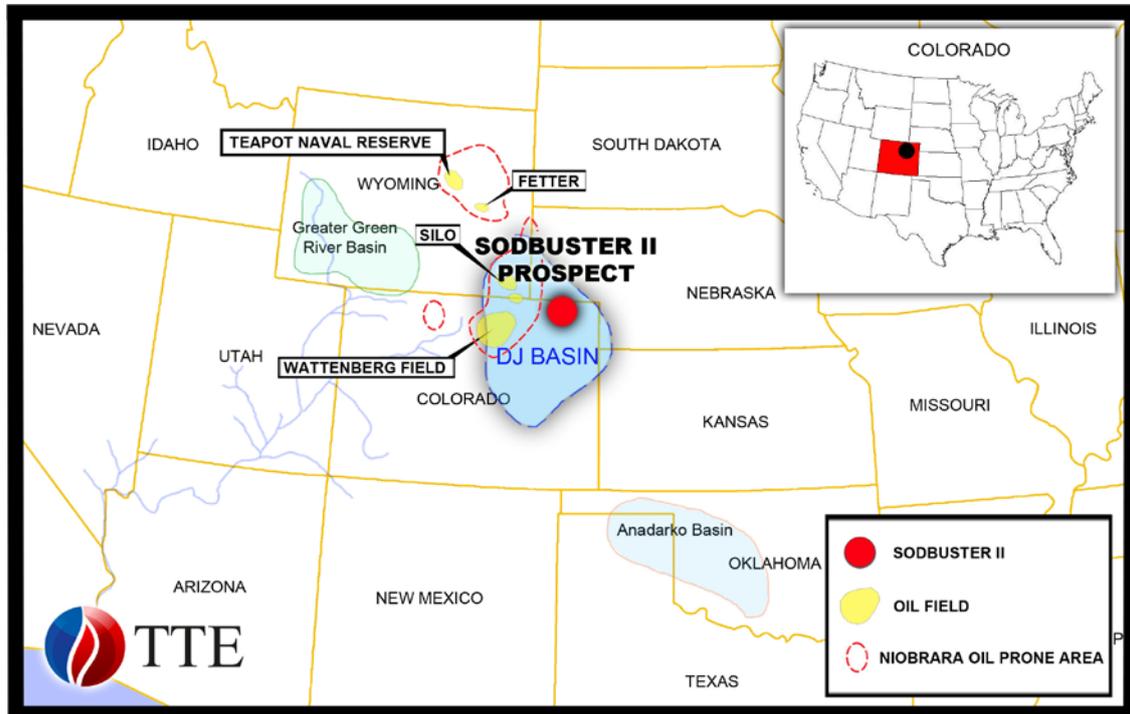
Titan has signed a Participation Agreement ("agreement") to farm-in for a 40% Working Interest (WI) in the 1360 acre(1326 net mineral acre) Sodbuster Prospect in Logan County, Colorado, for an initial payment of US\$75,000 to cover 50% of lease costs.

Titan will also be required to pay 50% of the cost to drill and complete an initial well within the Prospect area to test the J Sandstone Formation, which is forecast to be located at a Total Vertical Depth (TVD) of 5000 feet (approximately 1524m) to earn a 40% WI. The forecast "dry hole" cost for the well is US\$237,000.

It's expected upon a commercial success that actual sales from production will commence in a very short time frame.

- Participate in the drilling of up to 9 follow-up wells on an "at costs" basis;
- Participate for 40% in all subsequent wells drilled in the Prospect Area; and

- Acquire 40% in any additional Areas of Mutual Interest (AMIs) acquired in the Sodbuster Prospect area.



Sodbuster Location

The Sodbuster Prospect is located in south west Logan County, about 100 miles (approximately 160 km) north east of Denver.

Geologically the area lies on the eastern flank of the D J Basin, with the Sodbuster Prospect anchored by three wells in the Sodbuster Field which produced in excess of 360,000 barrels of oil in the first 17 years after discovery (342,000 barrels of the total came from the nearest two wells). The trap at the Sodbuster Field is stratigraphic, with separated point bar sands crossing a structural axis and the productive reservoir sand environment interpreted to extend south west along the structural axis and to be thickening as the lower delta plain is approached.

This NE-SW trending system parallels a distributary system about one mile west where three producing fields were located. The nearest, the Merino Field (discovered in 1950), is reported to have produced approximately 4.2 million barrels of oil from 25 wells during the first 30 years of production.

Titan Energy's Managing Director, Stephen Thomas, said the proposed acquisition of

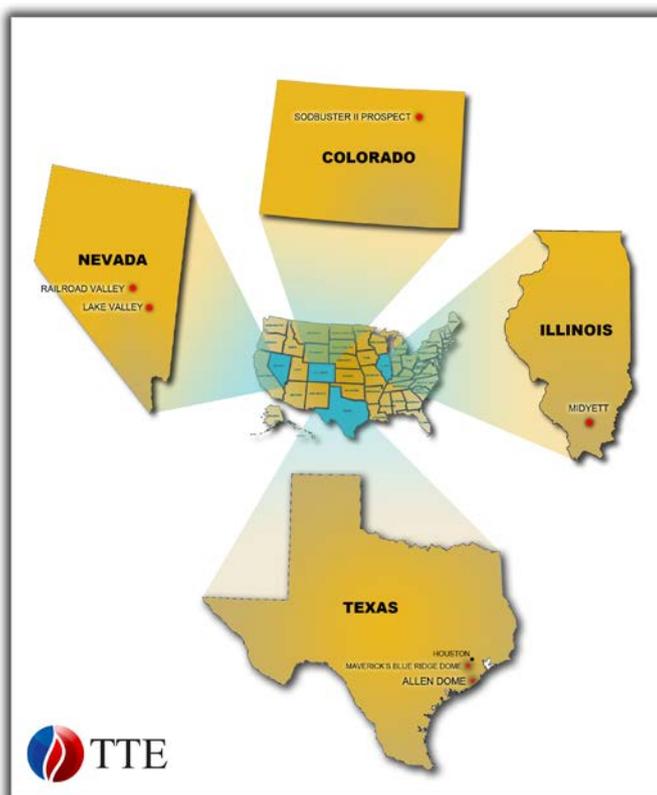
the Sodbuster Prospect will see the Company add three significant new assets to its portfolio this month.

“We will have an immediate opportunity to participate in an exploration well in the same basin as the highly sought after Niobrara oil prospect,” Mr Thomas said.

“It has been reported that close to US\$10 billion in merger and acquisition deals were undertaken in relation to the potentially significant oil reserves in the Rocky Mountain shale and tight-sands formations in the region in 2011.

“And although the Sodbuster Prospect’s initial primary objective is the Dakota J Sand oil zone, the rapidly expanding Niobrara shale oil prospect in the Denver-Julesburg Basin is moving in our direction. It should be noted that Noble Energy and Marathon Oil each have a number of recent wells and permits in close proximity - both to the west and north-west of this acreage position.

“I am proud of the success the Titan team has achieved in quickly building up a strong position in some of the best oil producing areas in the US this year, which is a nice addition to the acquisition of approximately 17,000 acres of prospective shale properties in Nevada in September 2011 and our quality Western Australian assets.”



ABOUT TITAN ENERGY

Western Australian-based Titan Energy Ltd (ASX: TTE) is a global oil and gas explorer with growing interests in Australia and the United States.

The Company is actively searching for oil and gas in the highly prospective onshore Perth Basin in Western Australia and internationally.

Titan Energy recently completed the 25km Warradarge Seismic Survey in Perth Basin permit DR11. Analysis of the processed seismic data will be used to help define the location of two wells proposed for drilling by the Company in 2012.

Titan Energy is also participating in a Joint Venture with AWE Limited (AWE) which has farmed in for a 90 per cent equity share in an area known as Eneabba South (EP455) in the North Perth Basin.

On the international front Titan Energy entered into Participation Agreements (PAs) in March 2012 for an option to farm-in for an 87.5% working interest (WI) in the historic, oil producing Allen Dome area in Texas and an 81% in the Franklin Prospect area of the Midyett South Development Project in Franklin County, Illinois.

Under the Allen Dome agreement Titan Energy has an option to farm-in to leasehold interests covering 344 gross acres (316 net mineral acres) on the southern side of the Allen Dome salt dome in Brazoria County, Texas. The Company believes the area has the potential to “mirror” the northern flank of the Dome, which has produced an estimated 760 MBO of oil from sands above 5,000 feet.

Titan will also be participating in an upcoming drilling program in the Franklin Prospect at the Midyett South Development Project.

The Company has also acquired, through its wholly-owned subsidiary Titan Energy Nevada LLC, approximately 17,000 acres of prospective shale properties in the US State of Nevada. The areas of interest are located in the Cretaceous Sevier thrust belt, which holds some of North America’s most productive oil and gas fields.

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Competent Person’s Statement:

Information in this report that relates to Hydrocarbon Reserves and or Resources is based on information compiled by Mr Stephen Thomas, Director of Titan Energy Ltd who has consented to the inclusion of that information in the form and context in which it appears.

Mr Thomas has over 30 years experience in petroleum geology and in oil and gas exploration and production, both in Australia and internationally, as either an employee or consultant to oil companies operating in the upstream petroleum industry. Mr Thomas reviews the Company’s operations with the help of various professional consultants, appropriately qualified and experienced in their respective fields within the upstream petroleum industry. He is also a member of AusIMM, a fellow of the Royal Geological Society of London and has a BSc (Hons) in geology from the University of South Wales.