



ABN: 53 109 213 470

31 Ord Street  
West Perth WA 6005

Po Box 198  
West Perth WA 6872

T: +61 08 9322 6955  
F: +61 08 9322 6722

Email: [info@titanenergy.com.au](mailto:info@titanenergy.com.au)  
[www.titanenergy.com.au](http://www.titanenergy.com.au)

ASX: TTE

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## **TITAN ENERGY FINALISES OVERSUBSCRIBED \$2.33m FUNDRAISING FOR MULTI-WELL USA EXPLORATION PROGRAM**

### **HIGHLIGHTS:**

- **Applications received to raise \$1,225,000 by placement to sophisticated investors – significantly oversubscribed.**
- **A further \$1,112,500 to be raised from directors and sophisticated investors subject to shareholder approval.**
- **US exploration programme now fully funded.**
- **Preparations well advanced on spudding of Company's first well in Franklin Prospect in Illinois.**
- **Multi-well drilling options also being studied in Texas and Colorado.**

Australian oil and gas company **Titan Energy Ltd** (ASX: **TTE**) (Titan Energy or the Company) is pleased to announce it has received firm commitments from sophisticated investors to raise \$1,225,000 by a placement of 98,000,000 fully paid ordinary shares in Titan Energy at an issue price of \$0.0125 each.

These shares will be issued from the Company's current 15% placement capacity and will rank equally with the existing shares on issue. The shares will be issued on a date to be determined.

The placement was managed by Pursuit Capital Pty Ltd and Pendulum Capital Pty Limited and was oversubscribed with scale backs required. Due to the strong interest received in the placement the Company has also received commitments for a further 49,000,000 fully paid ordinary shares at an issue price of \$0.0125. The issue of these shares will be subject to shareholder approval at which time the Company will also seek shareholder approval for two directors of the Company, Mr Paul Garner and Mr Darren Levy, to each subscribe for 20,000,000 fully paid ordinary shares in Titan Energy at an issue price of \$0.0125 each. The issue of these shares is on the same

terms and conditions as the placement referred to above. These shares will rank equally with the existing shares on issue. The shares will be issued on a date to be determined.

The Company will also seek shareholder approval for the issue of 8,580,000 free options as commission to the parties arranging the funding. The options will be exercisable at \$0.015 and expire on 31 December 2012. These options will rank equally with the existing listed options on issue (ASX Code: TTEO) and will have the same terms and conditions. The options will be issued on a date to be determined.

Funds raised from the all the above issues of securities will be applied to the Company's exploration activities, administration costs and working capital.

As a consequence of this raising, the first phase of Titan Energy's proposed exploration program in the US is fully funded. This program may include:

- the upcoming Midyett #8-1 exploration well which the Company is preparing to drill into the Franklin Prospect area of the Midyett South Development Project in Illinois (see ASX announcement 26 March 2012);
- A potential multi-well programme in the historic, oil producing Allen Dome area in Texas, in which the Company is acquiring an 87.5% Working Interest (WI);
- A potential 10 well programme at the Sodbuster Prospect in Logan County, Colorado, in which the Company is acquiring a 40% WI.

Titan Energy Managing Director, Stephen Thomas, said the Company was delighted with the strong response to the capital raising and to the new project acquisitions.

"This is a strong vote of confidence in Titan Energy's international expansion strategy. Importantly the Company is well funded with the capacity to finance a major, multi-well program across our three new project areas, which in turn has the potential to bring significant returns for shareholders in the near term."

#### **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 a Participation Agreement (PA) 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.

Under that 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.

It subsequently entered into an agreement to acquire an 81% interest in the Franklin Prospect area of the Midyett South Development Project and in the same month entered into a separate agreement to farm-in for a 40% Working Interest (WI) in the 1360 acre Sodbuster Prospect in Logan County, Colorado. The Sodbuster Prospect is 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 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.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

**TITAN ENERGY LTD**

Stephen Thomas  
Managing Director  
Titan Energy Ltd  
T: +61 8 9322 6955

**MEDIA:**

Colin Hay  
Professional Public Relations  
T: +61 8 9388 0944  
E: [colin.hay@ppr.com.au](mailto:colin.hay@ppr.com.au)