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ASX: TTE

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TITAN ENERGY PREPARES FOR ALLEN DOME DRILLING AND COMPLETES ACQUISITION OF ADDITIONAL ALLEN DOME ACREAGE

HIGHLIGHTS:

- **Drilling contractor signed for maiden Allen Dome well in Q3, 2012**
- **Evaluating workover opportunities from new Allen Dome interests**
- **On track to drill two Allen Dome wells this quarter**
- **Agreement for the acquisition of Allen Dome Northern Flank completed**

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 a range of producing assets in the Allen Dome salt dome oil project in Texas.

The Company reports that it has concluded a Purchase Agreement to acquire 276 acres of producing interests on the northern flank of the Allen Salt Dome in Brazoria County, including the related production equipment. Titan Energy continues to evaluate this 276 acre package as announced in May 2012.

Titan Energy has already identified an initial drilling location for its first exploration well at Allen Dome from a number of potential targets defined in recently re-processed 3D seismic data.

The first Titan well in a potential multi well program at Allen Dome Northern Flank will target an interval referred to as "The Last Sand", to a Total Depth of 5,000 feet at an estimated "dry hole" cost at \$300,000.

Titan Energy's in-depth studies have also defined other targets below the salt overhang, both on the Northern and Southern flanks at Allen Dome. Additionally the Company is currently assessing the potential to drill shallow information wells on the Cap Rock at Allen Dome and may shoot additional 2D seismic over the shallow zones.

The first of the current producing wells on the Northern Flank was first commissioned in 1976, production from one of these wells reached as high as 80 bopd per well, but

has declined in recent years. Current total production from the three wells that remain online is approximately 12 bopd, however, Titan is targeting increasing that level by re-completing in new zones.

The Company is aiming to re-complete on the existing wells in the current quarter and drilling additional new locations in the newly acquired acreage later in the year.

Titan Energy's Managing Director, Steve Thomas, said the Company views Allen Dome as a high impact project.

"The northern flank of the Allen Dome has a long history as an oil producing region, and while the current production levels have fallen significantly we believe that there is an opportunity to turn that around with the use of modern technology and thinking.

"For example there has been limited modern work done in the area until we re-processed the most recent 3D seismic data acquired there. That re-processing, which included the addition of Depth and Time Migration, has already identified a number of targets for us to follow-up.

"It will also assist us in defining the best options on a number of shallow wells which have minimal production at present."

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 in proven international hydrocarbon producing areas.

Titan Energy's Warradarge Seismic Survey in North Perth Basin permit DR11 has been used to 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 which has farmed in for an 81.5 per cent equity share in an area known as Eneabba South (EP455) in the North Perth Basin.

The Company has also built up a significant onshore presence in the USA with agreements to:

- Acquire an 87.5% interest in 344 gross acres on the southern side of the Allen Dome Salt Dome in Brazoria County, Texas;
- Acquired a 100% interest in a further 276 acres of productive acreage on the northern flank of the Allen Dome;

- Farmed-in for an 80% Working Interest (WI) in the 1360 acre Sodbuster Prospect in Logan County, Colorado;
- Acquired a 50% interest in the “ready-to-drill” approximately 110 acre Greathouse Prospect within the South Lake Charles oil and gas field in Louisiana.
- Acquire an 81% interest in the Franklin Prospect area of the Midyett South Development Project in the Illinois Basin; and
- Acquired approximately 17,000 acres of prospective shale properties in the US state of Nevada.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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.