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TITAN ENERGY INCREASES ACREAGE IN 1.35 MMBOE GREATHOUSE PROSPECT

HIGHLIGHTS:

- **Company expands holdings to 148 acres.**
- **Option in place to increase that to 357 acres.**
- **Project area may have in excess of 1.35 million barrels of oil equivalent.**
- **Multi well program scheduled to begin in November 2012.**
- **Farm out discussions underway.**

Australian oil and gas company **Titan Energy Ltd** (ASX: **TTE**) (Titan Energy or the Company) is pleased to announce it has increased its area of interest in the Greathouse Prospect in Louisiana from 110 acres to 148 acres and is preparing to drill its first well in the project.

Titan Energy, which currently has operatorship and a 50% interest on a ground floor basis in the 148 acre project area, also has an option over a further 209 acres.

The Company, which has paid approximately \$75,000 in lease fees to date, is well advanced in negotiations with a third party to farm-out some of its interest. If the negotiations are successfully concluded, Titan Energy will receive \$125,000 in cash and retain a 37.5% Working Interest by paying approximately \$266,000 being 33.3% of the cost of drilling an initial well. The dry hole cost of the operation is estimated at approximately \$800,000.

Titan Energy's first well into the Greathouse Prospect is scheduled to be a re-entry and sidetrack of the Jordan Schultz well. The re-entry will target the Hayes sand at a Total Depth of 10,150 feet (approximately 3,093 metres). Importantly, the identification of this prospect is supported by 3D data.

The Greathouse Prospect, which is located within the historic South Lake Charles oil and gas field, is estimated to have the capacity to contain 1.35 million barrels of oil equivalent (mmboe) within the Hayes sand, with the re-entry well forecast to have the potential to flow at rates of up to 300 barrels of oil per day (bopd).

The Greathouse Prospect is located two miles (approximately 3.2 km) east of the Lake Charles Airport in the South Lake Charles field in Louisiana. The South Lake Charles field is reported to have produced more than 21 billion cubic feet (bcf) of gas and 1.7

million barrels of oil to date. Titan Energy is currently planning to drill two follow up wells if the re-entry proves successful and the Company has also identified two similar prospects within its lease areas at Greathouse.

Titan Energy Managing Director, Steve Thomas, said the Company was pleased it had been able to increase its acreage in Greathouse quite significantly.

“The South Lake Charles oil field is a proven producing area, and Greathouse is another low risk, low cost opportunity for Titan Energy and its shareholders to gain early cash flow, similar to what we have already achieved at our Allen Dome oil project in Texas.

“The Hayes sand we will be testing at Greathouse has been estimated to have the potential to hold more than 1.35 million barrels of oil equivalent and wells in the area have flowed at rates of upwards of 300 barrels of oil equivalent per day, so a commercially successful operation with our first re-entry will provide a potentially significant early return – with plenty of upside to follow,” Mr Thomas said.

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 Limited 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 completed 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;
- Acquire an approximate 84% working interest in 276 acres of productive acreage on the northern flank of the Allen Dome;
- Farm-in for an 80% Working Interest (WI) in the 1360 acre Sodbuster Prospect in Logan County, Colorado;

- Acquire a 50% interest in the “ready-to-drill” approximately 148 acre Greathouse Prospect, plus an option over a further 209 acres, within the South Lake Charles oil and gas field in Louisiana;
- Acquire 441 acres in the Kinmundy Prospect area in the Illinois Basin; and
- Acquire approximately 17,000 acres of prospective shale properties in the US state of Nevada.

The Company continues to review additional projects that satisfy its strategic objectives.

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.