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ASX: TTE

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TITAN ENERGY MAKES COMMERCIAL OIL AND GAS DISCOVERY AT ALLEN DOME

HIGHLIGHTS:

- **68 feet thick - hydrocarbon-bearing sand in one zone of interest encountered, including 48 foot oil sand based on log interpretation.**
- **Three other potential pay zones intersected and to be assessed for development in other areas.**
- **Well currently being prepared for production**
- **Pay zone is extension of previously encountered oil sand**
- **Company to investigate probable follow up opportunities across the Allen Dome area to test the sand.**

Australian oil and gas company **Titan Energy Ltd** (ASX: **TTE**) (Titan Energy or the Company) is pleased to provide the market with an update on the JT Reese #S2 exploration well in the Allen Dome oil field in Texas.

Initial interpretation of logging of JT Reese #S2 is that the well intersected four separate zones with hydrocarbon indications, including one very significant section from 3045' to 3114'.

Initial indications are that the top section of this interval contains gas, with logs suggesting a lower section between 3066' to 3102' contains high gravity light oil and a section from 3102' to 3114' contains black oil. High gravity oil generally brings the highest market price. This sand, although identified on other well logs, has never been encountered with this thickness in any other well across the Allen Salt Dome.

Production casing is now being set to a depth of approximately 3150'. The 68 foot section located between the depths of 3045' and 3114', where hydrocarbon indications were noted during logging will be perforated, then once the sand has been tested a gravel pack

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will be installed for sand control. It is expected that the well will be flowing in about ten days.

The Company is currently mapping a multi-well programme over the Allen Salt Dome to incorporate potential additional targets for the productive sand and is also investigating various options to commercialise potential gas production.

Drilling background

Titan elected to terminate drilling of JT Reese #S2 at a Total Depth of 4333' after a pressure kick was detected, resulting in loss of circulation. The Company and its contractors then elected to log the well to a depth of 4150'.

Assessment of well logs show the well encountered four of the five sands it was targeting pre-drill, with hydrocarbon indications measured in three other sands higher and lower in the column than the 3045' to 3114' section.

Further studies and tests will be undertaken on these three sands to assess their production potential in other areas of the Dome.

Commenting on the discovery, Titan Energy's US Managing Partner, John McKnight, stressed that there was still a lot of work to be done to fully understand the results for JT Reese #S2, but that initial indications were that the well is a commercial discovery with potential to be found at other probable locations around the Dome.

"We will need to undertake a number of tests and reviews of logs and other results, however, to encounter four separate potential pay zones - including one very sizeable section - in a large and proven oil field is very exciting.

"This commercial discovery also offers Titan Energy the opportunity to drill follow up wells to target the sand we encountered at a depth of 3045' to 3114' at this location across our large exploration holdings at Allen Dome.

"There is also the potential to add to the current oil production at Allen Dome from the three other zones we encountered in this well as we explore around the Dome.

"While it was disappointing that we were not able to drill to our planned TD of 5200' and to test all of the zones we were targeting, we felt it best for well integrity and safety to pull back once we lost circulation. We are learning a great deal every time we drill at Allen Dome, which has some interesting geology, and we hope to test that deeper target in the future."

Titan Energy will provide an update on testing results once they are completed and fully assessed.

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 the next week.

The Company is also participating in a Joint Venture with AWE Limited which has farmed in for an 81.5% 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% Working Interest (WI) in 344 gross acres on the southern side of the Allen Dome Salt Dome in Brazoria County, Texas;
- Acquire an approximate 94% WI 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 129 acre Greathouse Prospect, plus an option over an additional 123 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 the Company's 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 John McKnight, US Managing Partner of Titan Energy Ltd who has consented to the inclusion of that information in the form and context in which it appears.

Mr McKnight has over 20 years experience in the application of engineering to the petroleum industry in oil and gas exploration and production, as either an employee or consultant to oil companies operating in the petroleum industry. Mr McKnight reviews the Company's operations with the help of various professional consultants, appropriately qualified and experienced in their respective fields within the petroleum industry. He is also a Professional Member of the Society of Petroleum Engineers.