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TITAN ENERGY INCREASES WORKING INTEREST AT ALLEN DOME NORTH

HIGHLIGHTS:

- **Agreement lifts WI in Allen Dome North to approximately 94%**
- **Demonstrates Company's confidence in proven oil field**
- **JT Reese #S2 oil exploration well continues to drill ahead**

Australian oil and gas company **Titan Energy Ltd** (ASX: **TTE**) (Titan Energy or the Company) is pleased to report that it has reached an agreement with an independent oil company to acquire its Working Interest (WI) in the Northern flank of the producing Allen Dome salt dome oil field in Texas.

Following the acquisition Titan Energy will increase its WI from approximately 84% to approximately 94%.

Since acquiring its initial interest in 276 acres on the Northern Flank of Allen Dome in May 2012, Titan Energy has significantly increased production in the field through a targeted workover programme.

The Company has also recently begun a multi well exploration programme on the Northern flank, with the third well in that programme – JT Reese #S2 currently drilling ahead at a depth of 1,702 feet after halting operations to set casing at 1,400 feet. JT Reese #S2 has a pre-drill plan to be drilled to a Total Depth of 5,200 feet and to target five separate horizons at a location on the Northern flank of the Allen Dome salt dome. Each of the sands has been estimated to have the potential to produce at approximately 50 barrels of oil per day if commercial quantities of oil are encountered.

Titan Energy's US Managing Partner, John McKnight, said the increase in the Company's Working Interest in the Northern flank at Allen Dome was a great result for the Company and its shareholders.

"For a relatively low cost, we have been able to significantly increase our interest in this producing oil field, which will provide us with a very valuable lift in cash flow.

"It also demonstrates our confidence in the future prospectivity of the Allen Dome salt dome, where we have numerous low cost targets on both the Northern and Southern flanks.

“We are also currently negotiating to increase our total acreage holdings at Allen Dome area, so we see Allen Dome as an important growth and earning asset for the Company.”

Titan Energy’s US Operations Manager has negotiated for the Company to be paid for its crude output at US\$7 below the Brent crude price (US\$112.71 on 26 February 2013).

Allen Dome background

The Allen Dome salt dome oil field is located approximately 80 km south of Houston, Texas in Brazoria County.

Oil production from the dome flanks began in the 1920’s with cumulative oil production over 800,000 barrels to date from less than 20 wells. Less than 50 wells have been drilled on the dome flanks, all of which were located utilising sub-surface well information.

Titan Energy is confident that modern 3D seismic exploration data and drilling technology will continue to lead to a significant increase from the moderate initial production levels.

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 few of weeks.

The Company 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% 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.