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TITAN ENERGY TO INCREASE ACREAGE IN THE ALLEN SALT DOME

HIGHLIGHTS:

- Titan Energy has taken up an option to acquire 276 acres on the Northern Flank of the Allen Salt Dome.
- Expands Titan Energy's commitment to the Allen Dome prospect.

Australian oil and gas company **Titan Energy Ltd** (ASX: TTE) (**Titan Energy or the Company**) is pleased to announce it has taken up a 30 day option from Seacoast Oil & Gas Inc ("Seacoast") to acquire 100% interest in 276 acres of productive acreage on the northern flank of the Allen Salt Dome in Brazoria County, Texas.

There has been limited amount of data available on the acreage with minimal recent exploration activity consequently the area has been neglected. Old shallow wells on the acreage currently have minimal production. Titan Energy plans to take a fresh approach to geological analysis of the area, commencing with a review of recent re-processed 3D seismic data.

The Northern flank of the Dome has produced an estimated 760 MBO from sands above 5,000 feet.

Titan Energy has agreed to pay Seacoast an initial consideration of US\$20,000 and a further US\$350,000 payment on completion of the acquisition. Several of the leases have a high royalty burden. In the event the royalty burden is reduced Seacoast will have a 12.5 % working interest after payout in production from new wells on the acreage, if any.

Titan Energy Managing Director Stephen Thomas said the acquisition reflected the Company's strong belief in the Allen Salt Dome.

"Titan is building a very strong position on the Allen Dome, and this latest acquisition further consolidates our land holding. We now have controlling interests over more than 600 acres of the Allen Salt Dome and three new producing wells on the northern flank. We are confident that with re-drilling these three wells will increase flow rates and production."

In March 2012, Titan announced that it had exercised an option to acquire an 87.5%

working interest covering 344 gross acres on the southern side of the Allen Dome. The Company took the decision to proceed following positive reviews of re-processed 3D seismic and other data which has identified a number of potential drilling targets.

Titan has also committed to commence drilling a three well programme on the leases within the Prospect Area, or lands pooled therewith, in Q3 2012.

Allen Dome

The Allen Dome area is considered to be significantly underexplored compared to similar salt domes in south-east Texas, with the last serious exploration and development activities undertaken there in the 1980s.

Salt Dome fields are the most prolific producers in south-east Texas, with more than 2.5 billion barrels of oil produced since their discovery in the early 1920s. These Salt Dome areas have been the subject to a major increase in exploration activity in recent years, with the use of modern exploration and production technology successful in commercialising previously unrecovered oil pools.

Allen Dome is considered to be similar geologically to other successful Salt Domes in the area. One nearby field is estimated to have 12.4 million barrels at the 1P level and 52.4 million barrels at the 2P level.

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.

It subsequently entered into an agreement to acquire an 81% interest in the Franklin Prospect area of the Midyett South Development Project and continues leasing acreage in this highly prospective Illinois Basin.

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 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.

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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.