

## **TitanStar Properties Inc. Announces Closing of First Tranche of its Private Placement**

**January 31, 2011.** TitanStar Properties Inc. (TSX Venture: TSP) (the "Company") is pleased to announce the closing of the first tranche of its offering (the "Offering") previously announced in news releases dated October 5, October 19, and December 2, 2010. In connection with the Offering, the Company issued 7,046,573 units (the "Units") at a price of \$0.37 per Unit for gross proceeds of \$2,607,232.01.

As previously announced, each Unit consists of one common share (a "Common Share") of the Company and one non-transferable share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one additional Common Share of the Company for a period of two years from the date of issuance at an exercise price of \$0.40 per share in the first year and an exercise price of \$0.45 per share in the second year.

The Offering was conducted by a syndicate led by Sora Group Wealth Advisors Inc. and which included HSBC Securities (Canada) Inc. and Raymond James Ltd. (together the "Agents").

The Agents were paid a cash commission of \$208,578.56, representing 8% of the gross proceeds raised, as well as 563,726 agents' warrants (the "Agents' Warrants"), representing 8% of the number of Units sold, in accordance with the policies of the TSX Venture Exchange. Each Agents' Warrant entitles the holder to purchase one common share (an "Agents' Warrant Share") of the Company for a period of two years from the date of issuance at an exercise price of \$0.40 per Agents' Warrant Share in the first year and an exercise price of \$0.45 per Agents' Warrant Share in the second year.

All securities issued pursuant to the first tranche of the Private Placement are subject to a hold period expiring on May 27, 2011.

The Company, in conjunction with the Agents, proposes to close subsequent tranches of the Offering in order to reach the targeted maximum gross proceeds of \$6,000,000.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

T. Richard Turner  
President, CEO and Director  
TitanStar Properties Inc.  
Telephone: 604-408-3808  
Fax: 604-408-3801  
Email: [rick@titanstar.ca](mailto:rick@titanstar.ca)

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