

TITANSTAR™

TitanStar Properties Inc. Announces Private Placement

September 29, 2014. TitanStar Properties Inc. (TSX Venture: TSP-V) ("TitanStar" or the "Company") announces that it will offer (the "Offering") an aggregate principal amount of \$2.5 million of 9.0% convertible unsecured subordinated debentures (the "Debentures") in a non-brokered private placement.

The Debentures will bear interest at 9.0% per annum, and will mature five years from their issuance. The Company may repay all or a portion of the indebtedness owing under the Debentures at any time and without penalty.

Each Debenture will be convertible into units, with each unit comprised of one common share and one share purchase warrant, at a conversion price of \$0.09 in the first year, and for each year thereafter at a conversion price equal to the greater of the market price of the Company's common shares at the time of conversion or \$0.10. Each unit warrant will entitle the holder to acquire an additional common share at an exercise price equal to the conversion price of the Debentures in effect at the time such warrants are issued, and will have the same expiry date as the Debentures.

The Debentures will be subscribed for by a private company of which T. Richard Turner, President and CEO of the Company, is a principal, and by a private company of which Greg Yuel, a director of the Company, is a director.

The proceeds of this Offering will be used to repay all of the indebtedness currently owing by the Company to Romspen Investment Corporation under a revolving credit facility. Further information regarding the credit facility can be found in the Company's news release dated November 27, 2012.

The Offering is subject to the Company receiving all necessary prior approvals from the TSX Venture Exchange.

FOR FURTHER INFORMATION PLEASE CONTACT:

T. Richard Turner
President, CEO and Director
TitanStar Properties Inc.
Telephone: (604) 408-3808
Facsimile: (604) 408-3801
email: rick@titanstar.ca

About TitanStar

TitanStar is a real estate issuer whose investment strategy focuses on building a portfolio of well-positioned, undervalued or underperforming stabilized assets, focusing on geographic areas. TitanStar currently holds a 50% limited partnership interest in the Deer Springs Crossing Limited Partnership, a Nevada limited partnership which owns the Deer Springs Crossing Shopping Center, a 22.8 acre retail development project also located in Las Vegas. In December 2012, the Company acquired a 50% limited partnership interest in TSP LP I, L.P., a Nevada limited partnership which owns the Swanway Plaza, a 55,790 square foot retail shopping centre in Tucson, Arizona (see the Company's news release of January 2, 2013). In January 2013, the Company acquired a 50% limited partnership interest in TSP LP II, L.P., a Nevada limited partnership which

owns the Kohl's San Tan Plaza, a 29,945 square foot retail shopping centre in Chandler, Arizona (see the Company's news release of January 28, 2013). In September 2013, the Company acquired a 38.4% beneficial interest in Adam's Dairy Landing, a 254,036 square foot retail shopping centre, located in Blue Springs, Missouri (see the Company's news release of September 30, 2013). These latter investments reflect TitanStar's revised investment strategy, announced on September 28, 2012, which added the following objectives:

- begin to build, with or without a partner acceptable to management, a portfolio of stabilized assets that produce a reasonably reliable cash flow that would be available for distribution to shareholders when a distribution policy is determined by the Board of Directors;
- engage local companies to manage such properties; and
- finance the purchase of such assets using conservative financing assumptions, determined by management from time to time.

Forward-looking statements:

Certain statements in this release are forward-looking statements, including with respect to the proposed offering and the settlement of debt. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, as well as other factors beyond the Company's control.

These forward-looking statements are made as of the date of this news release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.