

TITANSTAR™

TitanStar Properties Inc. Announces Private Placement

February 29, 2016. TitanStar Properties Inc. (TSX Venture: TSP-V) ("**TitanStar**" or the "**Company**") announces that it will offer (the "**Offering**") an aggregate principal amount of \$450,000 of 8.0% convertible unsecured subordinated debentures (the "**Debentures**") in a non-brokered private placement.

The Debentures will bear interest at 8.0% 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 common shares at a new conversion price of \$0.06825 per share 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.

The conversion rate with respect to any interest accruing will be equal to the closing sales price (or the closing bid, if no sales were reported on the date of determination) of the Company's common shares on the TSXV at the time of conversion, excepting that: (i) for the first year, the conversion rate for any interest accruing will not be less than \$0.06825 per share, and (ii) thereafter until maturity, the conversion rate for any interest accruing will not be less than \$0.10 per share.

The Debentures will be subscribed for by Hoche Partners International ("**Hoche**"), a non-arm's length party to the Company by virtue of holding more than 10% of the Company's issued and outstanding common shares. Additionally, Jean-Daniel Cohen, a director of the Company is the Chairman and CEO of Hoche.

The proceeds of this Offering will be used for the Company's ongoing operations and to identify potential acquisition assets. There can be no guarantee or assurance, however, that the Company will find suitable acquisition targets or complete further acquisitions.

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

FOR FURTHER INFORMATION PLEASE CONTACT:

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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 the following assets:

- a 50% beneficial interest in the Deer Springs Crossing Shopping Center, a 22.8 acre retail development project also located in Las Vegas;
- a 50% beneficial interest in the Swanway Plaza, a 55,790 square foot retail shopping centre in Tucson, Arizona;
- a 50% beneficial interest in the Kohl's San Tan Plaza, a 29,945 square foot retail shopping centre in Chandler, Arizona;
- a 38.4% beneficial interest in Adam's Dairy Landing, a 254,036 square foot retail shopping centre, located in Blue Springs, Missouri; and
- a 49% beneficial interest in Martin Downs Town Center, a 36,252 square foot retail shopping centre, located in Palm City, Florida.

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.