

TITANSTAR™

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TITANSTAR PROPERTIES INC. ANNOUNCES CLOSING OF PRIVATE PLACEMENT

June 30, 2014. TitanStar Properties Inc. (TSX Venture: TSP; TSP.DB) ("**TitanStar**" or the "**Company**") is pleased to announce that, further to its news release of May 28, 2014, it has closed its non-brokered private placement offering of 17,230,768 common shares at a price of \$0.08125 per share for aggregate proceeds of \$1.4 million (the "**Private Placement**"). Hoche Partners Private Equity Investors Sàrl, an affiliate of Hoche Partners International, and Inovalis S.A. each subscribed for 8,615,384 common shares. Proceeds of the Private Placement will be used for general corporate purposes.

Desjardins Securities Inc. ("**Desjardins**") acted as the exclusive financial advisor and agent to the Company with respect to the Private Placement and received a cash commission of \$84,000, representing 6.0% of the gross proceeds raised, in accordance with the policies of the TSX Venture Exchange.

All securities issued pursuant to the Private Placement are subject to a hold period expiring on October 31, 2014.

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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 specific geographic areas. TitanStar currently holds a 50% limited partnership interest in Sahara Crossing, LP, a Nevada limited partnership which owns an approximately 61,125 square foot retail building located just east of Decatur Boulevard on Sahara Avenue in Las Vegas, as well as a 50% limited partnership interest in Deer Springs Crossing Limited Partnership, a Nevada limited partnership which owns the Deer Springs Crossing Shopping Center, an approximate 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 as determined by management from time to time.

Forward-looking statements:

Certain statements in this release are forward-looking statements, including with respect to the Company's investment strategy. 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. TitanStar undertakes no obligations to update forward-looking information if circumstances or management's expectations should change, except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

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.