

ASX Announcement | 30 April 2014

Titan Energy Limited (ASX: TTE) ("Titan Energy" or "the Company") is pleased to provide this report on its operations during the three-month period ending 31 March 2014.

HIGHLIGHTS

EXPLORATION & APPAISAL

- EP 455 Drover #1 Drilling Preparations on track for a June spud date
- EP 455 Gas Resources evaluation yields staggering results
- Allen Dome Reserves Assessment proves up Titan's revenue stream
- Holcomb Seismic Interpretation confirms target structures, and well location

CORPORATE

- Raised approximately \$748,000 from the issue of securities, during the quarter
- Completed a non renounceable pro rata offer of fully paid ordinary shares to existing shareholders ("Rights Issue")
- A majority of the Convertible Notes have been converted
- Successful completion of the Sargent Ranch agreement

Management

Darren Levy
Executive Chairman
Paul Garner
Executive Director & CEO
Andrew Van Der Zwan
Non-Executive Director
Jack Toby
Company Secretary & CFO

Titan Energy Ltd

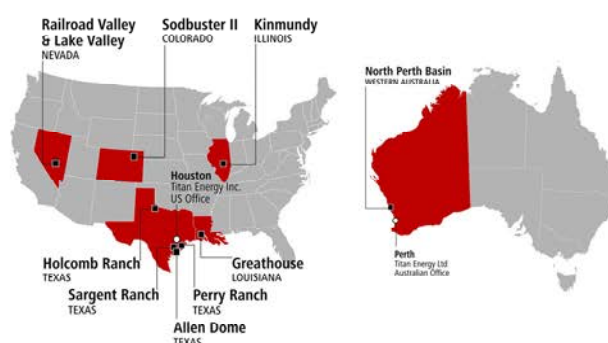
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QUARTERLY ACTIVITY REPORT

ASSET TABLE

Asset	Interest %	Quarterly change in holding %	Acreage
Texas			
Allen Dome North	94	-	276
Allen Dome South	85	-	344
Perry Ranch	100	-	302
Sargent Ranch	50	-50	337
Holcomb Ranch	11.6	-	4350
Colorado			
Sodbuster II	80	-	1360
Louisiana			
Krotz Springs	0	-25	
Greathouse	50	-	252
Nevada			
Railroad Valley	100	-	9808
Lake Valley	100	-	7660
Illinois			
Kinmundy	90	-	441
Western Australia			
DR 11	100	-	55 100
EP 455	18.5	-	112 400

Table 1. Titan Energy Assets

MARCH QUARTER PRODUCTION TABLE

ALLEN DOME QUARTERLY PRODUCTION						
	Reese 2A	Reese 6A	Reese 5	Reese S2	Reese 3A	Total (BBL)
January	162	23	6	877	129	1197
February	115	Shut-In	Shut-In	727	113	955
March	117	Shut-In	Shut-In	722	124	963
Total (BBL)	394	23	6	2326	366	3115

Table 2. Quarterly Production Table

QUARTERLY ACTIVITY REPORT

Titan Energy's Chairman, Mr. Darren Levy, said:

"The Company's priority projects are progressing very well, with the drilling of Drover #1 (onshore Western Australia) set to commence during the June 2014 Quarter, and the stimulation phase on track for late 2014.

The Company is extremely well positioned to benefit from development of the Perth Basin unconventional gas field. We have a meaningful interest in the North Perth Basin conventional & unconventional fairway which has existing infrastructure to an ever growing gas market.

Additionally, the Company continues its preparation towards its drilling campaign in the USA. Which will see a strong program of works including workovers at the Allen Salt Dome, the Poole #3 re-entry at Sargent Ranch, the Holcomb horizontal drilling, and confirmation drilling at Perry Ranch."

Mr. Levy said, "With a low market cap and financial plans to meet work objectives, this is a great time for Company growth."

EP 455 | North Perth Basin

During the quarter the Company's Joint Venture partner AWE Limited ("AWE") announced that Deloitte LLP's Resource Evaluation and Advisory practice ("REA") had conducted a technical assessment of onshore exploration permits EP413, EP455, L4 and L5 in the North Perth Basin.

Results of the assessment reported significant Prospective Resources for the EP 455 permit area.

The REA assessment considered four unconventional targets: the Kockatea Shale; the Carynginia Shale; the Irwin River Coal Measures and the High Cliff Sandstone, and stated a Gross Prospective Gas Resource of 2,393 billion scf for EP455 alone.

AWE has progressed with Drover #1 drilling preparations.

AWE, the Operator of EP455, is aiming to spud Drover #1 mid June 2014. A significant requirement to achieve this objective was government environment approval and assessment of the drill program. AWE has received conditional approval for their Drover-01 Exploration Well Environment Plan, and have confirmed to TTE their intention to commence drilling in June 2014.

The Drover #1 Drilling and Evaluation program draft has been submitted to the Resources branch of the Department of Mines and Petroleum ("DMP"), and has been approved in principal.

AWE is currently evaluating ancillary service tenders. Once selections are complete, and service agreements and contracts are signed, the Drilling program will be finalised and submitted for approval by DMP.

Wellhead equipment and casing has arrived in Perth and is in the process of being inspected. The Enerdrill Rig #3 is expected to commence mobilisation by late May or very early June 2014, making a June spud date reasonable.

^Source: AWE Limited announcement, 6 February 2014, titled "Perth Basin independent resource estimate"

Krotz Springs | Louisiana

As a consequence of the abandonment of the Patricia Anne Ferguson #1 well, Titan Energy forfeited its 25% interest in the Krotz Springs prospect.

QUARTERLY ACTIVITY REPORT

Allen Dome North | Texas

During the quarter, as part of the Company's ongoing appraisal, Energy Recovery Concepts LLC engaged in an assessment of oil reserves for the Allen Dome North acreage.

Results of the assessment found there to be significant quantities of oil yet to be recovered from the sand structures at 3000 feet. The assessment reported a 2P estimate of 479,000 barrels of recoverable oil reserves, net to Titan. This gives the Company reassurance of an ongoing revenue stream from this asset. Ultimate recovery of these reserves will require the drilling of two more wells.

[^]Source: Titan Energy announcement, 25 February 2014, titled "Allen Dome North Reserves Evaluation"

Sargent Ranch | Texas

The Company has reduced its Working Interest in the Sargent Ranch project following a favorable agreement with Magnolia Resources LLC to exchange a 50% Working Interest to acquire a 50% interest in the Poole #2 and #3 infrastructure. The transaction was successfully completed in March 2014.

The agreement with Magnolia brings with it significant production assets that will assist in commercialising the project following the successful workover of Poole #3.

Holcomb Ranch | Texas

The Operator acquired an additional seismic dataset which was used to further define the initial well location, and structural extent for development well plotting. The data supports all existing interpretations giving even greater confidence to the project.

The Operator invited suitable drilling contractors to tender for the Holcomb horizontal drilling activity and is reviewing tender submissions.

Corporate Activity

During the quarter, the Company completed a non-renounceable pro rata offer of fully paid ordinary shares to existing shareholders ("Rights Issue"). The offer was on the basis of one fully paid ordinary shares in the Company ("Shares") for every five Shares held by shareholders on the record date of 7 January 2014 at an issue price of \$0.025 per Share, with one free option exercisable at \$0.04 on or before 31 May 2015 ("Attaching Option") for every two new Shares issued.

During the quarter, the Company converted 1,163,000 Convertible Notes of \$1.00 each, to ordinary shares, thereby substantially reducing debt. There have been further conversions subsequent to the end of the quarter.

The Company raised approximately \$748,000 from the issue of securities, during the quarter.

Board Structure

Titan Energy Ltd has appointed Mr Andrew Van Der Zwan to the Board. Andrew is an Engineer with 27 years of Operational, and Corporate experience in the Petroleum industry.

QUARTERLY ACTIVITY REPORT

AUSTRALIAN PROSPECTIVE RESOURCES TABLE | GROSS

Gross Prospective Gas Resources			(AWE Limited 81.5% TitanEnergy Ltd 18.5%)	
Asset	Unit	GROSS PROSPECTIVE RESOURCES		Evaluator (Evaluation Date)
		Best Estimate		
Australia				
EP 455 (North Perth Basin)	Billion Standard Cubic Feet (BCF)	2.393		Deloitte's Resource Evaluation & Advisory (2014)

^ Source: AWE ASX Announcement, Perth Basin independent resource estimate, February 6 2014

USA PETROLEUM RESOURCES TABLE | NET TO TITAN

Net Reserves							
Asset	Interest	Unit	NET RESERVES			Evaluator (Evaluation Date)	Estimation Method
			1P	2P	3P		
Texas							
Allen Dome North	94%	MMbbl	0.336	0.479	0.479	ERC LLC (March 2014)	Deterministic
Net Contingent Resources							
Asset	Interest	Unit	NET CONTINGENT RESOURCES			Evaluator (Evaluation Date)	Estimation Method
			1C	2C	3C		
Texas							
Sargent Ranch	50%	MMbbl	0.092	0.126	0.241	ERC LLC (January 2014)	Deterministic
Sargent Ranch	50%	MMboe	0.474	0.655	0.940	ERC LLC (January 2014)	Deterministic
Net Prospective Resources							
Asset	Interest	Unit	NET PROSPECTIVE RESOURCES			Evaluator (Evaluation Date)	Estimation Method
			Low Estimate	Best Estimate	High Estimate		
Texas							
Allen Dome East (Perry Ranch)	100%	MMbbl	1.103	1.225	1.348	ERC LLC (October 2013)	Probabilistic
Holcomb Ranch	11.60%	MMbbl	1.201	1.334	1.467	ERC LLC (January 2014)	Probabilistic
Holcomb Ranch	11.60%	MMboe	0.830	0.920	0.101	ERC LLC (January 2014)	Probabilistic
Colorado							
Sodbuster	80%	MMbbl	1.200	1.400	1.600	ERC LLC (January 2014)	Probabilistic
Louisiana							
Greathouse	50%	MMbbl	0.363	0.485	0.606	ERC LLC (January 2014)	Probabilistic

The above table is derived from information announced by Titan on the 25 February 2014, titled "Allen Dome North Reserves Evaluation", and on the 23 February 2014, titled "TTE US Reserves and Resources update"

The estimated quantities of Prospective Resources that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

QUARTERLY ACTIVITY REPORT

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Qualified Petroleum Reserves and Resources Evaluators

Information in this announcement pertaining to Petroleum Reserves, and Resource Evaluations has been disclosed in announcements previously released by: AWE Limited on the 6 February 2014, titled "Perth Basin independent resource estimate", Titan on the 25 February 2014, titled "Allen Dome North Reserves Evaluation", and on the 23 February 2014, titled "TTE US Reserves and Resources update". The Company is not aware of any new information or data that materially affects the information included in previous announcements, and that all the material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed.