

Titan Energy Ltd (ASX: TTE) (Titan or the Company) is pleased to provide an update on the Perry, Sargent & Holcomb Ranch projects in Texas.

PERRY RANCH

40% W.I | 302 acres

- **Successful farm out of the Perry Ranch project area**
- **Perry-1 well to target 4 zones supported by comprehensive geophysics**
- **Re-designed drilling programme with reduced AFE**
- **Highly experienced JV partner and operator**

Titan has recently finalised the terms of the Participation Agreement and Joint Operating Agreement with new partner Southern Resource Company, et al. Under the terms of the agreement Southern Resource Company, et al will pay Titan a prospect fee and will drill the Perry-1 well, carrying Titan for a 20% Working Interest (W.I) through the tanks. Titan has elected to participate for an additional 20% and will now hold a 40% W.I in Perry Ranch with Southern Resource et al holding the remaining 60%.

Operator, Mueller Exploration, Inc. has provided a newly designed turnkey drilling & completion AFE of US\$1.136m, of which Titan will pay approximately US\$227,000. Given the locations close proximity to the Gulf of Mexico, operations are expected to commence after the hurricane season in early Q4, 2014.

Titan Energy Chairman, Mr Darren Levy said:

“Titan is delighted to be working with such an experienced team for the drilling of the Perry-1 well. Mueller Exploration Inc has proved a highly competent Operator during the drilling of Holcomb 1-H, coming in 29% under budget. In line with the Company’s corporate strategy, we are de-risking our financial exposure to the project. The Company is very excited to be one step closer to drilling a successful Perry-1 well.”

Perry Ranch is located on the eastern flank of Allen Dome in Brazoria County, Texas. The primary objective of the Perry-1 is to assess the hydrocarbon potential of the Miocene oil sands structure present between 2000 to 5000ft on the eastern flank of the Allen Dome. Titan purchased a 3D seismic dataset covering the Perry Ranch lease area and after extensive reprocessing and interpretation at least 4 well-defined reservoirs have been identified.

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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Net Prospective Resources							
Asset	Interest	Unit	Net Prospective Resources			Evaluator (Evaluation Date)	Estimation Method
			Low	Best	High		
<i>Texas</i>							
Perry Ranch	40%	MMbbl (Oil)	0.441	0.490	0.539	ERC LLC (2014)	Probabilistic

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.

SARGENT RANCH

37.5% W.I | 337 acres

- Completed re-entry of the Poole-3 well
- Flow testing underway

As of 08:00 Hrs. on August 17 (US Time), the Operator is continuing to conduct flow testing of the Poole-3 well. Upon commercial flow results, the Joint Venture will work to reinstate the existing gas infrastructure and arrange the necessary agreements required for sales.

The procedure involved re-perforating the top productive zone from 12,610-12,628ft (3843-3849m) and installing a gravel pack completion assembly with a 1" sand screen. Titan is now considering the potential for a sidetrack of the Poole-2 well to target deeper zones. The Poole-2 is located adjacent to Poole-3 and is currently shut-in due to similar sand control and mechanical problems.



Existing production infrastructure on site at Sargent Ranch

As previously reported, the Holcomb 1-H reached a Total Measured Depth of 12,166 feet (3708 metres) on July 3, 2014. Total expenditure to date is approximately US\$1.1m under the budgeted US\$3.8m.

A coil tubing unit and completion unit have been mobilised to site for testing of Holcomb 1-H in the near term.

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Qualified Petroleum Reserves and Resources Evaluators.

Information in this announcement pertaining to Petroleum Reserves, and Resource Evaluations is based on, and fairly represents information and supporting documentation compiled by the Company's technical advisor, Richard W. Pomrenke, Owner - Manager of Energy Recovery Concepts (ERC).

Energy Recovery Concepts LLC has provided independent evaluations of hydrocarbon reserves and or resources through discussions with Management and Field Engineers of Titan. Mr Richard Pomrenke, Manager of ERC has consented to the inclusion of the information in the form and context in which it appears.

Mr Pomrenke is a petroleum engineer with 48 years experience in the upstream oil & gas industry. His experience includes work with Pan American Petroleum, Amoco International, Occidental of Libya, MCO Resources, BHP Billiton, Regent Oil & Gas, and BP Amoco. He has extensive experience with mature oil, gas and gas-condensate developments particularly in salt dome environments. Mr Pomrenke is a member of the Society of Petroleum Engineers and has also specialized in innovative well completions. He is also skilled in reservoir and resource evaluation, field development planning and integrated project reviews.