



31 Ord Street
West Perth 6005
Western Australia
T: +618 9322 6955
F: +618 9322 6722
E: info@titanenergy.com.au
ASX : TTE

14 November 2014

UNMARKETABLE PARCEL SALE FACILITY

Titan Energy Ltd (ACN 109 213 470) (**Company**) is pleased to announce an unmarketable parcel sale facility for holders of unmarketable parcels of the Company's shares (**Minority Members**).

The ASX Listing Rules define an unmarketable parcel to include a parcel of shares with a market value of less than A\$500. As at 5:00 pm (WST) on 4 November 2014 (**Record Date**), an unmarketable parcel of shares is any shareholding of 22,727 ordinary shares or less, based on the closing price of \$0.022 on the Record Date (**Closing Price**).

The Company is offering this sale facility to assist holders of unmarketable parcels to sell shares without having to use a broker or pay brokerage. The Company will pay for all the costs of the sale for shareholders who use this facility, excluding tax consequences from the sale which remains the shareholder's responsibility.

This is NOT a buy-back of shares by the Company. The Company will arrange the sale of shares to external purchasers.

The Company values all of its shareholders, however, it incurs significant administrative costs maintaining such a large number of unmarketable parcels. By facilitating this sale, the Company expects to reduce the administrative costs associated with maintaining a large number of very small holdings. Shareholders who own 22,728 shares or more will not be eligible to participate.

If Minority Members wish to sell shares through this facility, they do not need to take any action. If Minority Members **do not** wish to sell shares through this facility, they **must** complete and return the Notice of Retention Form to the Company's share registry, Computershare Investor Services Pty Limited, by 5:00 pm (WST) on 29 December 2014 (**Retention Date**).

Upon the sale of the unmarketable parcel shares by the appointed broker, proceeds shall be forwarded to eligible shareholders as soon as practicable.

Attached is a copy of the letter and the Notice of Retention Form that is currently being mailed to shareholders that are holding an unmarketable parcel of shares on the Record Date.

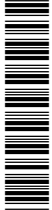
Yours sincerely

For and on behalf of Titan Energy Ltd
Jack Toby
Company Secretary

Titan Energy Ltd

ABN 53 109 213 470

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West Perth 6005
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MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

14 November 2014

Dear Shareholder

IMPORTANT NOTICE - Sale of your Unmarketable Parcel of Titan Energy Ltd Shares

We are writing to advise you that Titan Energy Ltd (**Titan** or the **Company**) has established a share sale facility (**Facility**) for holders of parcels of Titan shares with a market value of less than A\$500 as at close of trade on 4 November 2014 (**Unmarketable Parcels**). The Facility is being established in accordance with the ASX Listing Rules and the Company's Constitution.

The Company is offering the Facility to assist holders of Unmarketable Parcels to sell their shares. Holders of Unmarketable Parcels who take advantage of the Facility will have their shares sold without having to act through a broker or pay brokerage fees. The Company will also organise payment of the other costs associated with the sale and transfer (although any tax consequences from the sale of your shares will be your responsibility).

By facilitating the sale of unmarketable parcels the Company expects to reduce the administrative costs associated with maintaining a large number of small shareholdings.

Our records show that you held an Unmarketable Parcel of 22,727 shares or less based on the Titan share price of A\$0.022 as at close of trade on 4 November 2014 (**Record Date**). Unless you advise the Company that you do NOT wish to sell your shares through the Facility within six (6) weeks from the date of this letter, Titan intends to sell your shares through the Facility. Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable.

Please also note that the Company will not sell your shares in the event that a third party announces a takeover offer for the Company. Consistent with its continuous disclosure obligations, the Company may release to the ASX information that may be material to a shareholder's decision as to whether they wish to retain their shares. This information will, if released, be available on the ASX website www.asx.com.au (ASX code "TTE").

What should you do?

If you do **NOT** wish to sell your shares through the Facility, you must complete and return the **attached** form to the address on the form so that it is received by 5:00pm Western Standard Time as observed in Perth, Western Australia (WST) on 29 December 2014. Please read the instructions on your personalised Share Retention Form carefully before completing it.

If you want to sell your shares through the Facility, you do not need to take any action. By refraining from taking any action, after the expiration of the time prescribed in the ASX Listing Rules, you will be deemed to have irrevocably appointed the Company as your agent:

- a) to sell all of your shares at a price to be determined, to determine when and how the shares are sold and without any cost being incurred by you; and
- b) to deal with the proceeds of the sale as set out in the **attached** information sheet.

If you need help deciding what to do, or if you require information regarding the financial, legal or tax consequences of participating in the Facility you should consult your legal, financial or taxation adviser.

The **attached** information sheet sets out further details of the Facility, which you should read before making any decision.

If you have any queries about lodging your form or the practical operation of the Facility please contact the undersigned on telephone: +61 8 9322 6955, by facsimile to +61 8 9322 6722 or by email to info@titanenergy.com.au.

Yours sincerely

For and on behalf of Titan Energy Ltd
Jack Toby
Company Secretary

INFORMATION SHEET

1. WHAT IS AN UNMARKETABLE PARCEL OF SHARES?

An unmarketable parcel of shares is a holding of Titan shares valued at less than A\$500 as at close of trade on the Record Date. Based on the price of Titan shares at the Record Date, this is a holding of 22,727 shares or less.

2. WHAT PRICE WILL I RECEIVE FOR SHARES SOLD THROUGH THE FACILITY?

The price that you receive for your shares under the Facility will be determined by when and how the shares are sold. The Company may sell your shares on market or in any other way they consider fair and reasonable in the circumstances. If the shares are sold on market the price will depend on a number of factors, including market conditions at the time of sale. You will not have control over the time at which your shares are sold, the price you receive may be different from the price appearing in the newspaper or quoted by ASX on any day, may not be the best price on the day that your shares are sold and may be an average price per share based on the price obtained for all the shares sold under the Facility. If the Company sells your shares other than on market, the price will be the price that the Company has been able to negotiate with the acquirer or acquirers. In any event, the sale price will not be less than that price equal to the simple average of the last sale prices of the shares quoted on ASX for each of the ten trading days immediately preceding the date of any offer received by the Company.

3. WHAT IS THE PRICE OF TITAN ENERGY LTD SHARES?

The last sale price of Titan shares on 4 November 2014 was A\$0.022. The share price changes frequently and more recent prices are available from the ASX website (www.asx.com.au) under the ASX code "TTE".

4. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO ME?

Payment will be sent to you following settlement of the sale or otherwise as soon as is practicable. Payment will be made in Australian dollars by cheque. You will be notified by way of a transaction confirmation statement of the number of your shares sold, and the price and total sale proceeds. The cheque will be sent by post to your address as shown in the share register at the time the share sale payment is run.

5. IF I BUY MORE SHARES, WILL I RETAIN MY HOLDING?

Yes, the Company will treat any purchase of additional shares that increases the value of a Titan shareholding to more than A\$500 as an indication that you do not want your shares to be sold through the Facility. For a purchase to be an effective notification that you wish to retain your shares, any additional shares purchased must be registered by 5:00pm (WST) on 29 December 2014 under the same name and address and with the same holder number (SRN or HIN) as set out in this letter.

6. WHAT IF MY SHARES ARE HELD IN A CHESS HOLDING?

If your Shares remain in a CHESS holding at 5:00pm (WST) on 29 December 2014, the Company may move those Shares to an issuer sponsored holding and the Shares will be sold through the Facility.

7. WHERE CAN I GET FURTHER INFORMATION?

If you have any questions concerning your shareholding or how the Facility will be administered, please contact the Company Secretary on telephone: +61 8 9322 6955, by facsimile to +61 8 9322 6722 or by email to info@titanenergy.com.au.

8. IMPORTANT NOTES

The Company reserves the right to change any of the dates referred to in this letter by notice to the ASX. The letter does not constitute advice nor a recommendation to buy, sell or hold shares nor that the Facility is the best way to sell Titan shares.

If you are in any doubt about what to do, you should consult your legal, financial or taxation adviser.

NOTE:

If you currently have more than one holding on the Titan share register, you may wish to consider amalgamating them. This may result in your amalgamated holding no longer being an Unmarketable Parcel. Under these circumstances your shares will not be sold as part of this Facility.

Titan Energy Ltd

ABN 53 109 213 470

Return your Form to the Company's share registry:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:

Phone:



(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

000001 000 TTE
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Share Retention Form

If you wish to retain your securities, your form must be received by 29 December 2014

This is an important document that requires your immediate attention. It can only be used in relation to the securityholding represented by the details printed overleaf. If you are in doubt about how to deal with this form, please contact your financial or other professional adviser.

Step 1: Securityholder Details

Use this form if you wish to retain your securities in Titan Energy Ltd. If you have recently bought or sold securities your holding may differ from that shown. If you have already sold all your securities in Titan Energy Ltd, do not complete or return this form. If you have more than one holding on Titan Energy Ltd's register and you do not sell your securities under the Small Securityholding Sale Facility, you should consider consolidating them. For further advice on how to do this, contact Computershare Investor Services Pty Limited ("CIS") on the number above.

Please check the details provided and update your address via www.investorcentre.com if any of the details are incorrect. If you have a CHESS sponsored holding, please contact your Controlling Participant to notify a change of address.

Step 2: Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders must sign.

Power of Attorney: Where signing as Power of Attorney (POA), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a Company, this form must be signed in accordance with the Corporations Act, either as:

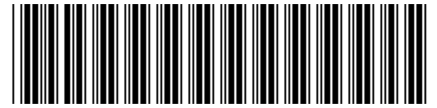
- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of the Death Certificate and Will must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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Share Retention Form

For your security keep your SRN/
HIN confidential.

STEP 1 Securityholder Details

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Securities held as at 5:00 pm (WST) on
4 November 2014:

2000

STEP 2 Signature of Securityholder(s) *This section must be completed.*

By signing and returning this form, I/we confirm that I/we understand that my/our securities will NOT be sold under the Small Securityholding Sale Facility

Individual or Securityholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Securityholder 2

Director

Securityholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

Email
Address

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited (CIS), as registrar for the securities issuers (the issuer), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. In addition, the issuer may authorise us on their behalf to send you marketing material or include such material in a corporate communication. You may elect not to receive marketing material by contacting CIS using the details provided above or emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to the issuer for whom we maintain securities registers or to third parties upon direction by the issuer where related to the issuer's administration of your securityholding, or as otherwise required or authorised by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.