

QUARTERLY ACTIVITIES REPORT JUNE 2015

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ACTIVITY HIGHLIGHTS FOR THE JUNE 2015 QUARTER

Commenting on the key areas of focus, Chief Executive Officer, Brad Simmons says: "In April we highlighted our focus to transform the Company into a low cost, conventional oil producer focussed on low risk, high probability and profitable producing salt domes. We are well on the way to this transformation and I'm very proud of the team. We had to fight the weather this quarter and draw from all our skills to overcome downhole complications on the JT Reese wells. I'm pleased to say we got there and I am incredibly happy with the results of the drilling program thus far. As you will see from the events described to follow – we are moving forward aggressively to continue to bring success after success to our shareholders."

Key outcomes for the Quarter ending 30th June 2015 were:

REESE #14 ON PRODUCTION. JT Reese #14, Titan 50% WI, the first well of an in-field development program (DP1) with JV partner Gulf South Holding, Inc (Gulf South), has successfully been on production for the latter part of the quarter. The well is consistently producing at between 70 - 90 BOPD.

INCREASED DRILLING FUND COMMITMENT. Titan received an increased commitment from US\$50 Million to US\$75 Million from JV partner Gulf South over the next 3 years (subject to market conditions).

GULF SOUTH - STAKEHOLDER. Gulf South also disclosed that it had taken an initial shareholding stake in Titan of 8 million ordinary shares, further reinforcing their view of the future relationship between the companies.

ENCORE ALLIANCE AND INVESTMENT. Titan & Encore entered into a strategic partnership delivering a discounted, long-term daily drilling rate with Encore Drilling LLC (Encore) as part of the Company's aggressive ongoing drilling program. Titan placed 45 million, fully paid shares valued at US\$900,000 (AU\$1.14 Million) to the principals of Encore. The shares will be held in voluntary escrow. The escrow period will end on 30 October 2015.

REESE #15 COMPLETED COMMENCED. JT Reese #15, Titan 50% WI, was completed and successfully logged down to 4250 ft. Initial production zone was subsequently shut in due to flow restrictions and a shallower zone was perforated at the end of June and production testing commenced early July.

MARKHAM DOME ACQUISITION. Titan acquired 1,144 gross acres (844 net acres) on the south-eastern flank of Markham Dome, which comprises approximately one quarter of the entire field. Markham Dome is located 90 miles southwest of Houston, Texas and approximately 40 miles from the Company's Allen Dome and Boling Dome fields. A comprehensive 2D and 3D seismic evaluation was also being acquired as part of the purchase.

REESE #17 COMMENCED DRILLING. Titan commenced drilling the JT Reese #17, Titan 50% WI, the third well of the multi-well developmental drilling program on Allen Dome.

Management

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Brad Simmons
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HUDSON #55 COMMENCED DRILLING. First Markham well was spudded and was drilling ahead to a total depth of 3750 feet on the Markham Dome project in Matagorda County, Texas.

ADR TRADING IN THE U.S. - Titan Energy begins trading on OTCQX under the symbol "TTENY" where each ADR represents 200 ordinary shares. U.S. investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on www.otcmarkets.com

PRODUCTION FOR QUARTER. Allen Dome production for the quarter was 7,544 barrels of oil, approximately the same as last quarter's production of 7,573 barrels. Production was significantly impacted by weather forcing temporary shut-in of the wells and personnel evacuation due to floods from Tropical Storm Bill as well as delays in bringing Reese #15 onto full production. Note as February, 2015 66.7% of the production from the work over wells and 50% from the JT Reese 14, 15 and 17 wells is part of Gulf South's WI.

OIL PRICING AND LIFTING COSTS - Average price per barrel received was US\$56.60 up from \$44 last quarter. Direct production costs per barrel for the quarter dropped to under \$10.

EVENTS SUBSEQUENT TO THE END OF QUARTER

INCREASED HOLDINGS AT ALLEN DOME. Titan increased its interest in a high profile area of Allen Dome following an agreement with the previous Operator to be re-assigned a 100% WI in 244 acres on the Perry Ranch. The Company will receive acreage on both sides of the Ward #1 discovery well after agreeing to sell its 40% WI in a 58 acre unit surrounding the Ward #1 location back to the Operator for US\$500,000.

REESE #17 A SUCCESS. Production casing was set on the JT Reese #17 and the well is in the completion and production testing phase.

REESE #23 COMMENCED DRILLING. JT Reese #23, Titan 50% WI, the fourth development well at Allen Dome was spudded and drilling is currently underway.

CONVERTIBLE NOTE. The Company issued AU\$1,770,000 one year 9.50% convertible notes at a conversion price of AU\$0.04 per share. The funds will be deployed over the next quarter to expedite Titans 100% WI drilling program and to further expand the JV development well program (supported via the US\$75 Million JV funding). Titan plans to facilitate the expansion for the Joint Development program by drilling a number of field extension wells within the Allen, Markham, and Boling Domes.

PROPOSED NEW NAME – TTE PETROLEUM LTD. The Company announced a proposed name change to TTE Petroleum Limited and asked shareholders to vote at an upcoming EGM. The Company wishes to change the name to avoid confusion with a number of similar named public and private companies in both Australia and in the USA. Some of these other companies have not fared well with the downturn in the energy sector and Titan intends to end the confusion with this material change of name while also highlighting the identity of a stock symbol that its shareholders have come to appreciate.

DROVER DECOMMISSIONED. AWE Limited (ASX: AWE), as Operator of Exploration Permit 455 advised that after consultation with Joint Venture partner, Titan Energy Limited it will not proceed with Phase 2 of the Drover-1 exploration program and will not hydraulically fracture stimulate the well. Results from the Diagnostic Fracture Injection Test (DFIT) and analysis of the core samples and wireline data have provided sufficient information for AWE's assessment of the shale gas potential in the southern extent of its Perth Basin acreage. The Drover-1 exploration well will now be decommissioned and rehabilitated back to its pre-existing state. Titan holds an 18.5% WI in the permit. The Joint Venture has applied to renew Exploration Permit 455 and is awaiting regulatory approval.

FIRST MARKHAM WELL A SUCCESS. The Company announced drilling success in the first test well the Hudson #55 on the Markham salt dome in Matagorda County, Texas. Titan holds a 100% working interest in this well. The Hudson #55 was drilled to 3,750 feet and ultimately side tracked to a Total Depth (TD) of 3,715 feet. Wireline logging and coring in conjunction with Sidewall Core Analysis has confirmed the presence of approximately 50 net feet of Frio oil pay from 3628 to 3678 feet.

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