

ASX Announcement
6 February 2014

Independent Evaluation of EP455, Perth Basin

TTE 18.5% | AWE 81.5%

Titan Energy Ltd (ASX: TTE) ("Titan Energy") has an 18.5% joint venture interest in the North Perth Basin prospect EP455.

On 6 February 2014, AWE Limited ("AWE") released an ASX announcement titled "Perth Basin independent resource estimate" in which AWE announced "Gross Prospective Gas Resources for EP455 of 2,393 billion scf".

AWE noted that "further exploration and appraisal success would be required to demonstrate the commerciality of these resources and the viability of any future development".

In its announcement, AWE said that "the estimate was provided in an independent technical assessment of exploration permits EP413, EP455, L4 and L5 undertaken by Deloitte LLP's Calgary-based Resource Evaluation and Advisory practice (REA)" and "The REA assessment considered four unconventional targets: the Kockatea Shale; the Carynginia Shale; the Irwin River Coal Measures and the High Cliff Sandstone, to provide Best Estimate gross, un-risked, recoverable, prospective resource estimates for the four permits. Proof of concept has been demonstrated by successful production testing of gas from each of these intervals".

Titan Energy is pleased with Joint Venture partner AWE's efforts in developing today's release.

Titan Energy holds an 18.5% equity interest this permit area. Please refer to Figure 1 for the location of EP455.

Discussing the size of the independent resources reported within AWE's announcement, Titan Energy Chairman, Darren Levy, said the study supported the Company's view that EP455 is a highly valuable asset.

"That is a significant figure, particularly for a small company like Titan Energy. We believe that the share market has not attributed any value to our Perth Basin interests to date, and hopefully that will change with the news of these results.

"I strongly believe we will now start to see the Perth Basin transition from an exploration & development phase, into its production & supply phase, where we will begin to realise a return on our investment.

"We look forward to further updates on AWE's progress towards the drilling of our first well in EP455, Drover-1 in the first half of 2014," Mr Levy said.

Titan Energy Ltd

Western Australian based global oil and gas explorer with growing assets in Australia and the United States.

Actively searching for oil and gas in the onshore Perth Basin and internationally, where it has active exploration and production in the USA.

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TTE is participating in a Joint Venture with AWE which farmed in for an 81.5 % equity share in an area known as Eneabba South (EP455) in the North Perth Basin. Pursuant to the farmin agreement, AWE will carry TTE through a gross permit expenditure of up to \$7,500,000. Expenditure to 31 December 2013 was approximately \$980,000.

AWE’s Managing Director, Mr Bruce Clement, said:

“The independent assessment by REA has reinforced AWE’s expectation of significant unconventional gas potential in the onshore Perth Basin.

“AWE’s Perth Basin drilling program this year is likely to commence in the south with the Drover-1 exploration well in license EP455 in 1H 2014 to establish the southern extent of the unconventional play.”

Figure 1: Titan Energy – Areas of Interest _ North Perth Basin

