

KEY PERMIT HIGHLIGHTS

- Holcomb #1H to spud.
- First well of a potential 23 well program
- Sell-down of 4.33% Working Interest reducing Titan's W.I to 7.33%
- Sale recovered US\$306,500 of US\$822,000 paid to date.

Titan Energy (ASX: TTE) ("the Company") is pleased to provide this update on its Holcomb Ranch Project in North Western Texas.

On the 11th December, 2013 the Company acquired an 11.66% WI in the Holcomb Project by paying US\$319,000 for geological and land expenses and a further payment of US\$503,000, being 13.33% of the total cost of drilling and completing the initial test well through to the tanks. The Company would then earn an 11.66% WI.

The Company has sold a portion of its Working Interest (WI) in the Holcomb project area to a US exploration company. In the transaction, Titan received US\$306,500 and has reduced its Working Interest to 7.33%. Proceeds of the sale have been allocated towards the Holcomb #1H cash call. Total cost for drilling and completion of the first well is approximately US\$3.7M.

Project Operator Muller Exploration Inc, has contracted experienced local company Unit Texas Drilling LLC, to drill and complete the Holcomb #1H well. The Unit Drilling Rig #359 started moving on location on the 23rd May but due to adverse weather conditions the remainder of the mobilisation was delayed. It is expected the rig will continue their move Tuesday US time for an imminent spud.

Rig #359 is a highly sort after top drive rig with an experienced crew, which should make for a very efficient operation.

Holcomb Ranch is located in Hardeman County, Texas, a region with a long-standing history of hydrocarbon exploration, and discoveries. The project aims to target the oil and gas charged Mississippian Chappel limestone formation. Utilising 3D seismic datasets, a drilling location has been positioned upon a structural high.

Holcomb #1H will be drilled to a Total Vertical Depth of 8,600 feet (2620m) with a 2,500-foot (760m) lateral extent through the Mississippian limestone target. The well location is situated proximate to historical vertical wells with log signatures that indicate fracture porosity in the limestone. The lateral section of the well aims to intersect these naturally occurring fracture sets within the reservoir formation. Carbonate formations such as the Chappel typically respond well to acidizing treatment, which stimulates the flow of hydrocarbons in order to achieve maximum recovery.

Management

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

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A look-alike development scenario is currently being utilised at the Conley Field approximately two miles to the south, where 11 successful horizontal Mississippian wells have been completed.

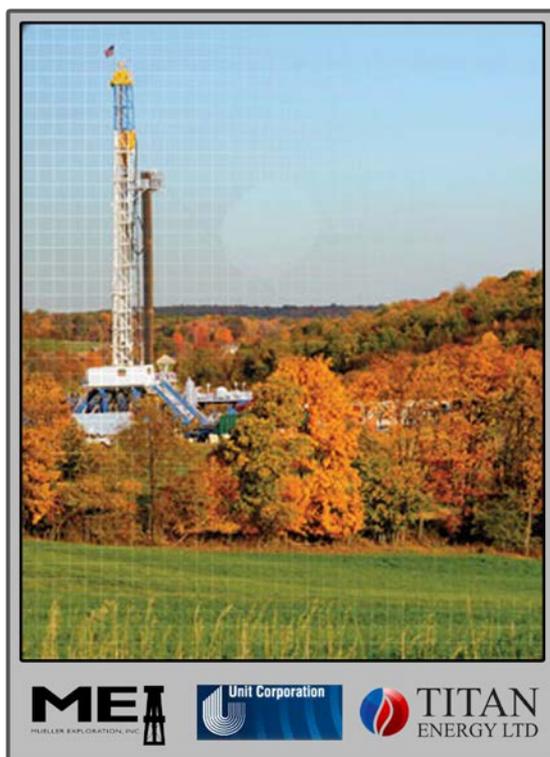
HOLCOMB PETROLEUM RESOURCES TABLE | NET TO TITAN

Net Prospective Resources							
Asset	Interest	Unit	NET PROSPECTIVE RESOURCES			Evaluator (Evaluation Date)	Estimation Method
			Low Estimate	Best Estimate	High Estimate		
<i>Texas</i>							
Holcomb Ranch	7.33%	MMbbl	0.756	0.840	0.924	ERC LLC (January 2014)	Probabilistic
Holcomb Ranch	7.33%	MMboe	0.523	0.580	0.064	ERC LLC (January 2014)	Probabilistic

MMbbl = million barrels of oil
MMboe = million barrels of oil equivalent

100 mcf = 17.2 BOE
1 bcf = 172,455 BOE
*5.81 mcf = 1 BOE

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.



Unit Drilling Rig

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Qualified Petroleum Reserves and Resources Evaluators

Technical information, including information in relation to petroleum reserves, & resources, provided in this announcement, is based on, and fairly represents information and supporting documentation and/or compiled by the Company's technical advisor, Richard W. Pomrenke, Owner - Manager of Energy Recovery Concepts (ERC).

Mr Pomrenke holds a Bachelor of Science in Petroleum Engineering with a minor in Geology, he is a member of the Society of Petroleum Engineers, and has more than 40 years of experience as Petroleum Engineer involved with all aspects of oil and gas operations and analyses, Domestic US and International.

Mr Pomrenke has reviewed the results, procedures and data contained in this announcement and consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears.