



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

20 June 2014

Company Announcements
ASX Limited

ADDENDUM TO NOTICE OF MEETING TO BE HELD ON 27 JUNE 2014

On 27 May 2014, Titan Energy Ltd (“Titan Energy” or “Company”) announced a Notice of Meeting to be held on 27 June 2014 (“Notice”).

Resolution 6 in the Notice is to consider approval, with or without amendment, for the issue of 850,000 variable price convertible notes and Resolution 8 in the Notice is to consider approval, with or without amendment, for the issue of 1,000,000 fixed price convertible notes.

The Company hereby announces the attached Addendum to the Notice to amend Resolutions 6 and 8. The only changes proposed is to increase the number of variable price convertible notes to be approved in Resolution 6 to 1,250,000 and to increase the number of fixed price convertible notes to be approved in Resolution 8 to 1,250,000. No other change is proposed and there is no change to the terms and conditions of the convertible notes.

Schedules 1, 2 and 3 in the Addendum are identical the Schedules 1, 2 and 3 in the original notice.

The proxy form for the meeting remains unchanged and valid proxies already received by the Company will remain valid. If any shareholders wish to amend their proxies, they may do so by completing and signing another proxy form and returning it by:

- (a) delivery to Titan Energy Limited, 31 Ord Street, West Perth, WA 6005; or
- (b) facsimile to the Company on facsimile number +61 8 9322 6722,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Jack Toby
Company Secretary

TITAN ENERGY LIMITED

ACN 109 213 470

ADDENDUM TO NOTICE OF GENERAL MEETING

Titan Energy Ltd (ACN 109 213 470) (Company), hereby gives notice to shareholders of the Company that it replaces "Resolution 6 – Placement – Variable Price Convertible Notes" and "Resolution 8 – Placement – Fixed Price Convertible Notes" from the Notice of Annual General Meeting dated 22 May 2014 (Notice of Meeting) in respect of a general meeting of members to be held at 10:30 am (WST) on 27 June 2014 at 31 Ord St, West Perth Western Australia 6005 with the following resolutions:

RESOLUTION 6 – PLACEMENT – VARIABLE PRICE CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Convertible Notes on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

RESOLUTION 8 – PLACEMENT – FIXED PRICE CONVERTIBLE NOTES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 1,250,000 Convertible Notes on the terms and conditions set out in the Explanatory Statement."

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 6 – PLACEMENT – VARIABLE PRICE CONVERTIBLE NOTES

1.1 General

Resolution 6 seeks Shareholder approval for the issue of up to 1,250,000 Convertible Notes at an issue price of \$1.00 per Convertible Note to raise up to \$1,250,000 (**Placement**).

The Company has engaged Pendulum to manage the Placement. In consideration for Pendulum's corporate services, the Company will pay a 6% fee of the amount raised to Pendulum pursuant to this Resolution. The Company may elect to settle this fee in cash or Shares and/or Options pursuant to Resolution 13.

A summary of ASX Listing Rule 7.1 is set out in section 1.1 above.

The effect of Resolution 6 will be to allow the Company to issue the Convertible Notes pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Convertible Notes to be issued is 1,250,000;
- (b) the Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Convertible Notes will occur progressively;
- (c) the issue price will be \$1.00 per Convertible Note;
- (d) the Convertible Notes will be issued to clients of Pendulum. Except as set out in Resolution 7, none of these subscribers are related parties of the Company;
- (e) the Convertible Notes will be issued on the terms and conditions set out in Schedule 2; and
- (f) the Company intends to use the funds raised from the Placement towards exploration expenses on the Company's existing oil and gas projects in Western Australia and the USA, administration expenses and general working capital.

2. RESOLUTION 8 – PLACEMENT – FIXED PRICE CONVERTIBLE NOTES

2.1 General

Resolution 8 seeks Shareholder approval for the issue of up to 1,250,000 Convertible Notes at an issue price of \$1.00 per Convertible Note to raise up to \$1,250,000 (**Placement**).

The Company has engaged Pendulum to manage the Placement. In consideration for Pendulum's corporate services, the Company will pay a 6% fee of the amount raised to Pendulum pursuant to this Resolution. The Company may elect to settle this fee in cash or Shares and/or Options pursuant to Resolution 13.

A summary of ASX Listing Rule 7.1 is set out in section 1.1 above.

The effect of Resolution 8 will be to allow the Company to issue the Convertible Notes pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Convertible Notes to be issued is 1,250,000;
- (b) the Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Convertible Notes will occur progressively;
- (c) the issue price will be \$1.00 per Convertible Note;
- (d) the Convertible Notes will be issued to clients of Pendulum. Except as set out in Resolutions 9, 10 and 11, none of these subscribers are related parties of the Company;
- (e) the Convertible Notes will be issued on the terms and conditions set out in Schedule 3; and
- (f) the Company intends to use the funds raised from the Placement towards exploration expenses on the Company's existing oil and gas projects in Western Australia and the USA, administration expenses and general working capital.

Dated: 20 June 2014

By order of the Board

**Mr Jack Toby
Company Secretary**

GLOSSARY

\$ means Australian dollars.

5 Day VWAP means the volume weighted average price per Share calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Company means Titan Energy Limited (ACN 109 213 470).

Convertible Note means either a fixed price convertible note on the terms and conditions set out in Schedule 3 or a variable price convertible note on the terms and conditions set out in Schedule 2 as the context requires.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Proxy Form means the proxy form accompanying the Notice.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS AND CONDITIONS OF OPTIONS EXPIRING ON 31 MAY 2015

The Options entitle the holder to subscribe for Shares on the following terms and conditions:

- (a) Each Option entitles the holder to subscribe for one (1) Share upon the payment of \$0.04 per Share subscribed for.
- (b) The Options will lapse at 5.00pm, Western Standard Time on 31 May 2015.
- (c) The Company may, in its absolute discretion, apply for the Options to be listed for official quotation on the ASX in the future. In the event that the Options are listed for official quotation on the ASX in the future, the Company is under no obligation to maintain the listing and may take any action that may result in the delisting of the Options by the ASX.
- (d) If the Options are not quoted on the ASX, the Option holder must not offer any of the Options, or the Shares issued on exercise of the Options, for sale to any person (Secondary Offer) within 12 months from the respective date of issue of those Options or Shares (as applicable) unless:
 - (i) the Secondary Offer does not require disclosure as a result of sections 707 or 708 of the Corporations Act (excluding section 708(1) of the Corporations Act);
 - (ii) the Secondary Offer does not require disclosure as a result of section 708A or ASIC Class Order 04/671 or any variation or replacement of such Class Order;
 - (iii) the Secondary Offer is made pursuant to a disclosure document in accordance with the Corporations Act; or
 - (iv) the Secondary Offer is received by a person outside Australia.

For the avoidance of doubt, paragraph (d)(iii) does not create any obligation on the Company to issue a disclosure document (whether at its cost or otherwise).
- (e) There are no participating rights or entitlements inherent in the Options and holders of the Options will not be entitled to participate in new issues of capital that may be offered to Shareholders during the currency of the Option.
- (f) In the event of any re-organisation (including reconstruction, consolidation, subdivision, reduction or return of capital) of the issued capital of the Company, the Options will be re-organised as required by the ASX Listing Rules, but in all other respects the terms of exercise will remain unchanged.
- (g) The Options shall be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the Option holder to exercise all or a specified number of Options held by them accompanied by an Option Certification and payment to the Company for the subscription monies for the Shares. An exercise of only

some Options shall not affect the rights of the Option holder to the balance of the Options held by them.

- (h) The notice of exercise of Options may be deemed by the Company to be received at the end of the calendar month in which it is actually received and the Company shall comply with the ASX Listing Rules with respect to the allotment of resultant Shares and the issue of a statement of shareholding.
- (i) Shares allotted pursuant to an exercise of Options shall rank, from the date of allotment, equally with the existing Shares of the Company in all respects.
- (j) The Company shall make an application to have those Shares allotted pursuant to an exercise of Options listed for official quotation by ASX.
- (k) If there is a bonus share issue to the holders of Shares, the number of Shares over which an Option is exercisable will be increased by the number of Shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
- (l) There is no right to change the exercise price of the Options nor the number of underlying Shares over which the Options can be exercised, if the Company completes a pro rata issue.

SCHEDULE 2 – TERMS AND CONDITIONS OF VARIABLE PRICE CONVERTIBLE NOTES

The terms and conditions of each variable price Convertible Note are as follows:

Term	Details
Subscription Amount	\$1.00 each
Maturity Date	20 May 2015.
Interest	Interest accrues on a monthly basis at the rate of 9.25% per annum on the outstanding Subscription Amount.
Unsecured	Each Convertible Note will be unsecured and the Noteholders will rank equally with all other unsecured creditors of the Company.
Conversion	<p>The Variable Price Convertible Notes can only be convertible into Subscription Shares by the Noteholder providing the Company with written notice that the Noteholder elects to convert the Convertible Notes into Shares, such election made at any time prior to the Maturity Date.</p> <p>On conversion, each Convertible Note will convert into that number of Shares which, when multiplied by the issue price of \$0.05 per Share or 80% of the 5 day VWAP, whichever is lower (Issue Price), equals the outstanding Subscription Amount plus (subject to compliance with the ASX Listing Rules) any interest due and payable. Subject to and on conversion, the Company will issue the Noteholder one free Option exercisable at \$0.04 each and expiring on 31 May 2015 for every two Shares issued pursuant to the conversion of Convertible Notes.</p> <p>If, at any time prior to the conversion of the Convertible Note the issued capital of the Company is reorganised, the terms of the Convertible Note (e.g. the conversion rate) will be reorganised so as to ensure that the Noteholder will not be disadvantaged by the reorganisation in its position relative to Shareholders, but at the same time will not receive a benefit that Shareholders do not also receive.</p>
Redemption	<p>The Convertible Note can only be redeemed or converted in the following circumstances:</p> <p>(a) upon the Noteholder providing the Company with notice that the Noteholder intends to convert the Convertible Note; or</p> <p>(b) by repayment in cash automatically on the Maturity Date.</p>
Transferability	The Convertible Notes are transferrable.
Quotation	The Company will not apply for the Convertible Notes to be quoted.
No Participation or Voting Rights	The Noteholder will not have any voting rights prior to Conversion.
Governing Law	Western Australia, Australia.

SCHEDULE 3 – TERMS AND CONDITIONS OF FIXED PRICE CONVERTIBLE NOTES

The terms and conditions of each fixed price Convertible Note are as follows:

Term	Details
Subscription Amount	\$1.00 each
Maturity Date	21 May 2015.
Interest	Interest is payable on a monthly basis at the rate of 9.25% per annum on the outstanding Subscription Amount.
Unsecured	Each Convertible Note will be unsecured and the Noteholders will rank equally with all other unsecured creditors of the Company.
Conversion	<p>The Convertible Notes can only be convertible into Shares by either the Noteholder providing the Company with written notice that the Noteholder elects to convert the Convertible Notes into Shares or by the Company issuing a written notice that the Company elects to convert the Convertible Notes into Shares, such election being made at any time prior to the Maturity Date.</p> <p>On conversion, each Convertible Note will convert into that number of Shares which, when multiplied by the issue price of \$0.018 per Share (Issue Price), equals the outstanding Subscription Amount (subject to compliance with the ASX Listing Rules) (Subscription Shares). Subject to and on conversion the Company will issue the Noteholder one free Option exercisable at \$0.04 each and expiring on 31 May 2015 for every two Shares issued pursuant to the conversion of Convertible Notes.</p> <p>If, at any time prior to the conversion of the Convertible Note the issued capital of the Company is reorganised, the terms of the Convertible Note (e.g. the conversion rate) will be reorganised so as to ensure that the Noteholder will not be disadvantaged by the reorganisation in its position relative to Shareholders, but at the same time will not receive a benefit that Shareholders do not also receive.</p>
Redemption	<p>The Fixed Price Convertible Note can only be redeemed or converted in the following circumstances:</p> <ul style="list-style-type: none"> (a) upon the Noteholder providing the Company with notice that the Noteholder intends to convert the Convertible Note; or (b) upon the Company providing the Noteholder with notice that the Company intends to convert the Convertible Note; or (c) by repayment in cash automatically on the Maturity Date.
Transferability	The Convertible Notes are transferrable.
Quotation	The Company will not apply for the Convertible Notes to be quoted.

Term	Details
No Participation or Voting Rights	The Noteholder will not have any voting rights prior to Conversion.
Governing Law	Western Australia, Australia.