

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Titan Energy Ltd

ABN

53 109 213 470

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	147	621
1.2	Payments for (a) exploration & evaluation	(1,850)	(5,178)
	(b) development	(157)	(1,273)
	(c) production	(90)	(214)
	(d) administration	(183)	(988)
1.3	Dividends received	—	—
1.4	Interest and other items of a similar nature received	3	17
1.5	Interest and other costs of finance paid	(16)	(128)
1.6	Income taxes paid	—	—
1.7	Other – Oil revenue held in suspense pending resolution of entitlements	(48)	(40)
1.7	Other (Joint Development Agreement funding)	260	2,565
1.7	Other (primarily research and development tax concession rebate)	30	838
Net Operating Cash Flows		(1,904)	(3,780)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(205)	(645)
	(b) equity investments	—	—
	(c) other fixed assets	(25)	(85)
1.9	Proceeds from sale of: (a) prospects	192	876
	(b) equity investments	—	—
	(c) other fixed assets	—	—
1.10	Loans to other entities	—	—
1.11	Loans repaid by other entities	—	—
1.12	Other (provide details if material)	—	—
Net investing cash flows		(38)	146
1.13	Total operating and investing cash flows (carried forward)	(1,942)	(3,634)

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1.13	Total operating and investing cash flows (brought forward)	(1,942)	(3,634)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,133	2,495
1.14	Proceeds from issues of convertible notes	—	1,145
1.15	Proceeds from sale of forfeited shares	—	—
1.16	Proceeds from borrowings	175	530
1.17	Repayment of borrowings	—	(30)
1.18	Dividends paid	—	—
1.19	Other (capital raising costs)	—	(134)
	Net financing cash flows	1,308	4,006
	Net increase (decrease) in cash held	(634)	372
1.20	Cash at beginning of quarter/year to date	1,988	909
1.21	Exchange rate adjustments to item 1.20	(3)	70
1.22	Cash at end of quarter	1,351	1,351

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	336
1.24	Aggregate amount of loans to the parties included in item 1.10	—

1.25 Explanation necessary for an understanding of the transactions

Fees for directors for varying past and future periods.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Issue of 62,277,780 ordinary shares and 31,138,892 free options pursuant to the conversion of 1,121,000 Convertible Notes.
Issue of 1,200,000 free ordinary shares valued at \$41,200 pursuant to employee share plan.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	—	—
3.2 Credit standby arrangements	—	—

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,500
4.2 Development	200
4.3 Production	100
4.4 Administration	250
Total	2,050

Note: Items 4.1 to 4.3 above reflect estimated cash outflows net of any free carried interests or other working interest partner's share of expenditure.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,266	1,955
5.2 Deposits at call	—	—
5.3 Bank overdraft	—	—
5.4 Other (collateral for credit cards)	85	33
Total: cash at end of quarter (item 1.22)	1,351	1,988

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Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	653,086,031	653,086,031	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	1,200,000 62,277,780 45,000,000 146,110	1,200,000 62,277,780 45,000,000 146,110	Nil 1.8c 2.506c 4.0c Nil 1.8c 2.506c 4.0c
7.5	+Convertible debt securities (description)	Nil	Nil	

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	1,121,000	Nil	\$1.00 each	\$1.00 each
7.7	Options (description and conversion factor)	6,679,509 20,000,000 20,000,000	Nil Nil Nil	<i>Exercise price</i> 30 cents 3 cents 5 cents	<i>Expiry date</i> 31-Oct-2015 30-Nov-2015 30-Nov-2016
7.8	Issued during quarter	31,138,892	31,138,892	4 cents	31-May-2015
7.9	Exercised during quarter	146,110	146,110	4 cents	31-May-2015
7.10	Expired during quarter	187,793,486	187,793,486	4 cents	31-May-2015
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Jack Toby
(~~Director~~/Company secretary)

Date: 28 July 2015

Print name: Jack Toby

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

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- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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