

15 August 2014

Ms Belinda Mai
Adviser, Listings Compliance
ASX Compliance Pty Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Ms Mai

Titan Energy Services Limited

We refer to your letter dated 12 August 2014 regarding the late lodgement of Appendices 3Y in relation to directors Messrs Scott and Bizzell on 31 July 2014.

The Company responds as follows to the questions asked:

1. Please explain why the Appendices were lodged late

Late lodgement occurred as a result of an inadvertent administrative oversight. Upon realisation of the oversight the Company immediately lodged an Appendix 3X.

2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under Listing Rule 3.19A?

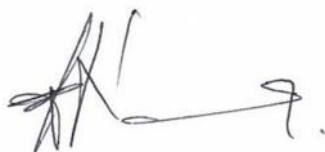
The Company has a policy that Directors advise the Company of any change in their interest as they occur and the directors have been reminded of their disclosure obligations under Listing Rule 3.19A.

3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with Listing Rule 3.19B?

The Company believes that the current arrangements that it has with Directors and its internal procedures are adequate and are being enforced. This was an inadvertent administrative error.

To prevent a reoccurrence of such an oversight, the Company has allocated additional resources to its company secretarial function to ensure that its existing policies and procedures are implemented.

Yours sincerely



David Thornton
Company Secretary



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12 August 2014

Mr David Thornton
Level 5, 189 Grey Street
South Brisbane QLD 4101

By email: david.thornton@titanenergyservices.com.au

Dear David,

Titan Energy Limited ("Company")

ASX Limited ("ASX") refers to the following:

1. The Appendices 3Y lodged by the Company with ASX Market Announcements Platform and released at 5:42pm and 5:47pm on Thursday, 31 July 2014 (the "Appendices 3Y"), confirming the change of director's interest of Mr Shaun Scott and Mr Stephen Grant Bizzell.
2. Listing rule 3.19A which requires an entity to tell ASX the following:
 - 3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.
 - On the date that the entity is admitted to the official list.
 - On the date that a director is appointed.The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.
 - 3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.
 - 3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.
3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.
4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.



The Appendices 3Y indicate that a change in the director's notifiable interest occurred on 7 February 2014. It appears that the Directors' Notice should have been lodged with ASX by 14 February 2014. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the directors concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Entity of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Entity make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendices were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at belinda.mai@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Your response is required as soon as reasonably possible and, in any event, by not later than half an hour before the start of trading (ie before 9.30 a.m. AEST) on Friday, 15 August 2014.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

A handwritten signature in black ink, appearing to be 'Bm'.

Belinda Mai
Adviser, Listings Compliance

Direct Line: (02) 9227 0469