

Entitlement Offer to raise approximately \$500,000

Talon Petroleum Limited (**Talon**) announces a two for nine non-renounceable entitlement offer of fully paid ordinary shares in Talon (**New Shares**) to raise approximately \$500,000, after issue costs (**Entitlement Offer**).

Eligible members will be able to subscribe for two new ordinary shares in Talon for every nine existing shares held at 7.00pm (AEST) on Tuesday, 7 April 2015 (**Record Date**) at \$0.012 per share (**Entitlement**). The Entitlement Offer is fully underwritten by Trojan Investment Management Pty Ltd ACN 102 972 501. The proceeds will be used for Talon's general working capital purposes. Entitlements are non-renounceable and will not be tradeable on ASX or otherwise transferable. Members who do not take up their Entitlement, or are not eligible to receive them, will not receive any value for them.

Approximately 46 million new ordinary shares in Talon will be issued as part of the Entitlement Offer. Shares issued under the Entitlement Offer will rank equally with existing shares. The Entitlement Offer will include a top up facility under which eligible members who take up their full Entitlement may apply for additional New Shares in the Entitlement Offer from a pool of those not taken up by other members (**Top-up Shares**). If there is excess demand for Top-up Shares, eligible members who have applied for Top-up Shares will be scaled back and will be transferred Talon shares to be sold under the Small Lot sale facility (also announced today), which transfer will complete in mid-May.

Talon will notify members as to whether they are eligible to participate in the Entitlement Offer. Eligible members will receive an information booklet including a personalised entitlement and acceptance form which will provide further details of how to participate in the Entitlement Offer.

Also, under ASX Listing Rules, Appendix 7A, Talon will despatch a letter about the Entitlement Offer to each holder of options to subscribe for Talon shares. A presentation on the Entitlement Offer has been lodged with ASX today and is able to be downloaded from ASX's website, www.asx.com.au.

Key dates for the Entitlement Offer are set out below:

"Ex" date	Wednesday, 1 April 2015
Record date 7.00pm (AEST)	Tuesday, 7 April 2015
Entitlement Offer opens	Friday, 10 April 2015
Entitlement Offer closes 5.00pm (AEST)	Tuesday, 21 April 2015
Issue of New Shares	Monday, 27 April 2015
Trading of New Shares on a normal basis	Tuesday, 28 April 2015
Transfer of shares under the Small Lot sale facility	Friday, 15 May 2015

For further information, please contact Peter Love (Chairman): peter.love@talonpetroleum.com.au or Andrew Crawford (Company Secretary) andrew.crawford@talonpetroleum.com.au.

About Talon Petroleum Limited:

Talon Petroleum Limited is a Texas and Gulf Coast focused exploration and appraisal company listed on ASX (ASX code: TPD). Talon's strategy is to invest in multi-well oil projects that are located within areas with good production infrastructure employing horizontal drilling and advanced fracking technologies. The projects target oil in resource plays (shales) or in low permeability conventional reservoirs that originally produced only a small fraction of the hydrocarbons in-place (old fields with tight reservoirs) where recoveries can be improved with new technologies. Funding to drill the proof of concept tests in the early projects will come from selling down in large acreage blocks. Additional information is available on Talon's website: www.talonpetroleum.com.au.