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MEDIA/ASX ANNOUNCEMENT

TITAN CONSOLIDATES POSITION AS KEY CSG SERVICE PROVIDER WITH NEW DRILLING CONTRACT

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ASX ticker: TTN

TITAN Energy Services Limited (TTN) is pleased to announce that it has signed a new long-term contract that will see the Atlas Drilling business supply a SchrammTXD rig (Rig 3) to Australia Pacific LNG, Australia's largest CSG producer.

TTN managing director Jim Sturgess said the Rig 3 agreement included a six-month contract with a six-month option.

"This is another significant agreement for Titan and Atlas Drilling and enhances the business's reputation as a valued partner to the major CSG companies," Mr Sturgess said.

"Rig 3 is expected to be operational from next month and will give Atlas Drilling long-term contracts with three of the four major CSG developers in Queensland, namely Australia Pacific LNG, QGC and Arrow Energy."

The initial six month term of the contract is expected to generate \$5.0million to \$5.5million in revenue.

Mr Sturgess said the new agreement had been factored into the profit upgrade TTN delivered at its Annual General Meeting in Brisbane on November 20. At that meeting, Mr Sturgess told shareholders the company would target an EBIT result between \$8million and \$9million during 2012/13, compared to \$3.9million during 2011/12.

TTN's initial target for 2012/13 was for an EBIT result between \$7million and \$8million.

"While this new agreement will not affect our guidance for the year, it provides a level of earnings certainty and highlights the great progress Atlas and Titan have made in a relatively short period of time," Mr Sturgess said.

"It underlines the fact that we are a highly credible and experienced drilling company."

The Australia Pacific LNG project includes the development of Australia's largest 2P CSG resources in the Surat and Bowen basins, a 530km transmission pipeline and an LNG facility off the coast of Gladstone, Queensland.

Australia Pacific LNG is a CSG-to-LNG joint venture between Origin, ConocoPhillips and Sinopec.

ENDS

For investor or media inquiries:

Mr Jim Sturgess
Managing Director
Tel: 0402 890 654

About Titan

Titan Energy Services Limited (ASX: TTN) is a diversified oil and gas services business with a focus on the rapidly growing CSG-LNG industry in eastern Australia.

Titan was established in 2007, through its wholly owned subsidiary Atlas Drilling. In September 2011, Titan acquired the Resources Camp Hire (RCH) business, a provider of flexible, innovative temporary accommodation solutions to the oil and gas sector, and the remote infrastructure construction sector. Through its subsidiary Nektar Remote Hospitality, Titan also offers remote catering and camp management services.

Titan currently manages 427 remote accommodation rooms, operates three drilling rigs with a fourth rig under construction for a contract with APLNG, owns and hires equipment (including pumps and ancillary drilling tools) and owns and deploys transport assets including trucks, trailers and loaders.