

**Titan Energy Services Limited**

Unit 1/ 170 Montague Road  
South Brisbane QLD 4101

ACN 150 110 017  
ABN 79 150 110 017



29 January 2013

Attn: Mr Nathan Bartrop  
ASX Compliance Pty Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Mr Bartrop

**Titan Energy Services Limited (Company)  
Appendix 3Y Change of Director's Interest Notice**

We refer to your letter dated 25 January 2013 regarding the late lodgement of the Appendix 3Y lodged by the Company on 17 January 2013.

The Company acknowledges that the lodgement of the Appendix 3Y occurred outside of the prescribed 5 business day notification period and the following responses are submitted in relation to the questions asked:

**1. Please explain why the Appendix 3Y was lodged late.**

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

**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 directors are aware of their disclosure obligations under Listing Rule 3.19A and the Company has a policy that Directors advise the Company of any change in their interest as they occur. In addition to this, the directors have agreed to notify the Company under the terms of their appointment.

**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 is of the view that the current arrangements that it has with Directors are adequate and are being enforced. The Company has reviewed its internal procedures to ensure full compliance with Listing Rule 3.19B.

Yours sincerely

**David Thornton  
Company Secretary**



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25 January 2013

Mr David Thornton  
Company Secretary  
Titan Energy Services Limited  
Unit 1  
170 Montague Road  
South Brisbane QLD 4101

By Email

Dear David

**Titan Energy Services Limited (the "Company")**

We refer to the following;

1. The Appendix 3Y lodged by the Company with ASX on 17 January 2013 for Mr Jim Diakos and the the Appendix 3Y lodged by the Company with ASX on 17 January 2013 for Mr Sturgess (the "Director Notices");
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) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. 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 Director Notices indicates that the change of notifiable interests for each director changed on 19 December 2012. It appears that the Director Notices should have been lodged with ASX by 28 December 2012. 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 Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company 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 Director Notices 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. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (ie before 9.30 a.m. A.E.D.S.T.) on Wednesday 30 January 2013.

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.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N. Bartrop'.

Nathan Bartrop  
Senior Adviser, Listings Compliance