2014 Half Year Results

Jim Sturgess

4 February 2014

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1. Titan overview (ASX:TTN)

- Titan is an energy and infrastructure services group focused on the growing Queensland CSG industry
- During HY14, Titan has:
  - Increased RCH room numbers from 674 to 979
  - Commenced a start-up water & waste transport business
  - Continued to grow Nektar and won first permanent camp contract (200 rooms)
  - Continued to integrate Hofco and invest for future growth
- Titan will continue to examine opportunities to grow/diversify organically and through acquisition

The Titan Energy Services Group

ATLAS DRILLING	RCH	Nektar REMOTE HOSPITALITY	HOFCO OILFIELD SERVICES
▪ 4 rigs under contract ▪ 3 owned rigs, 1 hired ▪ High utilisation ▪ 'Blue chip' customers	▪ 979 rooms - Dec 2013 ▪ New start-up water & waste transport business ▪ Experiencing good growth	▪ Organic start-up business ▪ Commenced in April 2012 ▪ 9 contracts ▪ Experiencing good growth	▪ Provider of specialist drilling equipment to the oil and gas sector ▪ Growth potential through investment

2. Group highlights

NPAT OF $5.0M

- 117% increase on previous corresponding period (pcp)

EBIT OF $8.0M

- 86% increase on pcp
- 1H EBIT result impacted by:
  - Rig 1 down time for upgrade and recontracting
  - Repairs undertaken on Rig 3
  - Deferral of rooms contracts

SHAREHOLDER RETURNS

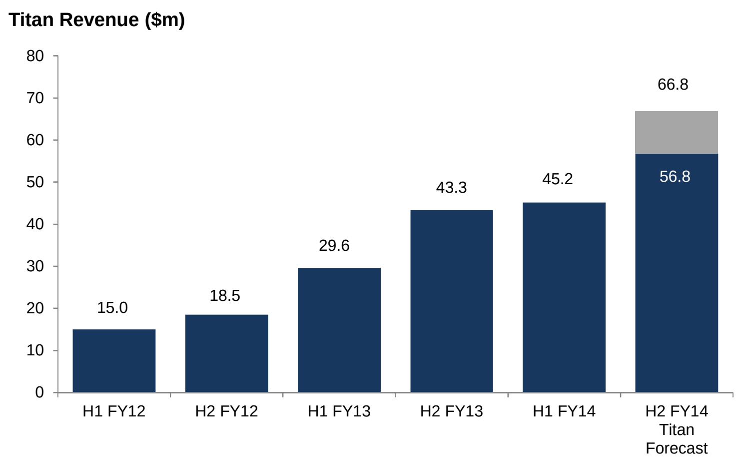
- Earnings per share 10.2 cps, 55% improvement on pcp
- 3.5cps interim dividend, to be paid on 7 Mar 2014

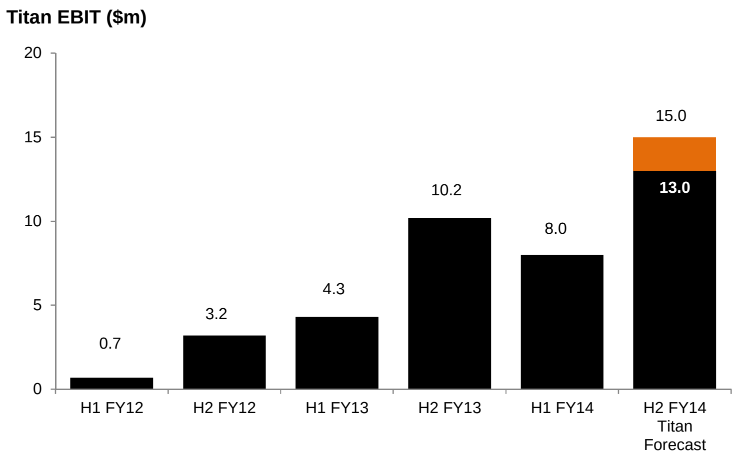
NET DEBT

- Net Debt $10.6m, down from $12.4m[1] at 30 June 2013

SAFETY

- No LTIs for 16 months
- TRIFR (12 month rolling) of 19.5 (FY13 – 17.9)





Note:
(1) Includes Hofco deferred consideration of $5.8m

3. Half year results overview

	1H FY14	1H FY13	Change
Revenue ($m)	45.2	29.6	53%
EBIT ($m)	8.0	4.3	86%
EBIT margin %	*17.7%*	*14.5%*	3.2%
Net Profit After Tax ($m)	5.0	2.3	117%
NPAT margin %	*11.1%*	*7.8%*	3.3%
Basic earnings per share (cents)	10.2	6.6[1]	55%
Dividends declared per share (cents)	3.5	2.0	75%

Note:
(1) EPS of 7.96 previously reported for the half year ended 31 December 2012 has been retrospectively adjusted to reflect the impact of share issues during the current year that if in existence at 31 December 2012, would have impacted the EPS calculation, per the requirements of AASB 133.

4. Business highlights

ATLAS

- Record half year revenue $21.8m – up 27% on pcp
- Rig 1 upgraded and recontracted
- Rig utilisation 83%

RCH

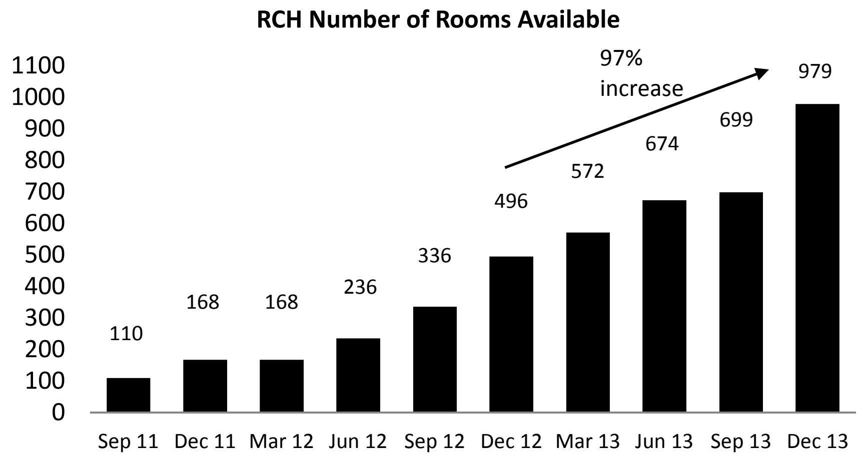
- Capacity increased 45% from June 13 to 979 rooms
- Organic growth into water and waste transport
- Expansion of ensuited rooms

NEKTAR

- First permanent camp contract operational
- 50,591 man days catered up 203% on H1 FY13
- Record revenue of $7.2m up 243% on pcp

HOFCO

- Investment in people and capital to grow business
- Half year revenue improvement of 14% on H2 FY13 to $4.2m
- Future growth opportunities identified



5. Safety

- Lost Time Injury Frequency Rate of Zero, with no LTIs recorded since October 2012
- At December, the group Total Recordable Injury Frequency Rate (TRIFR) was 19.5 (June 13 – 17.9). Titan is continuing to implement a number of strategies to improve safety outcomes
- An external safety consultancy has been appointed to assist the group in improving safety outcomes
- Safety initiatives implemented during the year:
  - Safety recognition/ reward program for field based employees
  - Additional safety staff employed
  - Generation of a Safety/ Behavioural Intervention Training program
  - Additional initiatives to be implemented in FY14

6. Titan strategy

INDUSTRY

- Capitalise on significant expenditure in the CSG-LNG industry over next 20+ years; and
- Extensive CSG-LNG industry knowledge and contacts

DIVERSITY

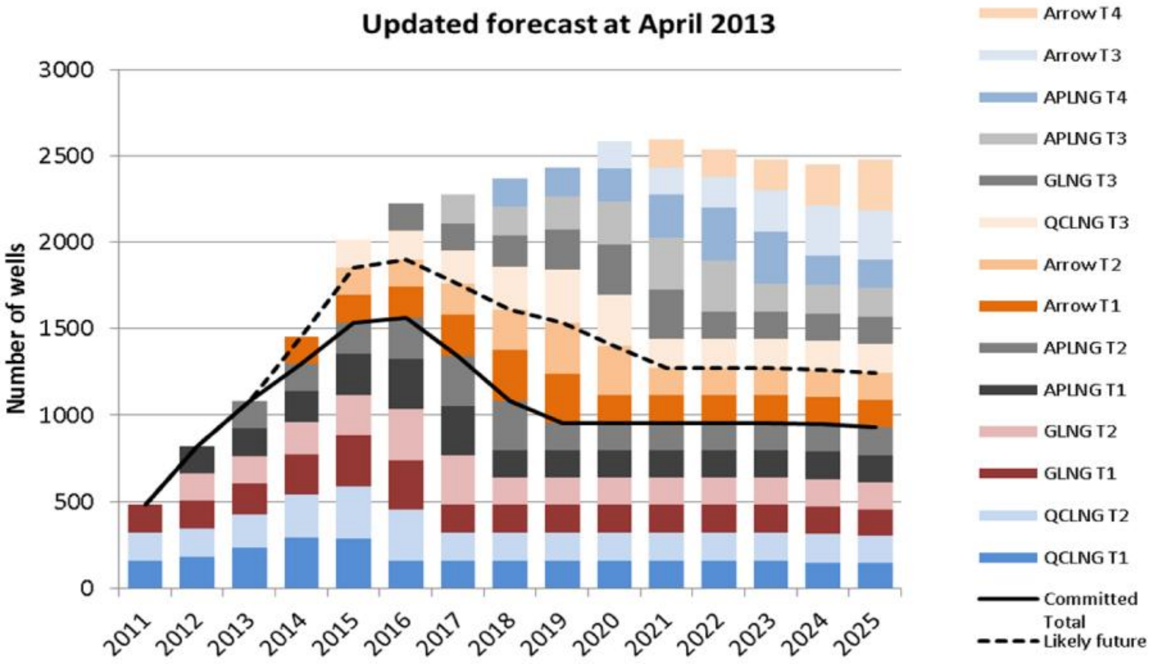
- By business (Drilling, Camps, Catering, Rental, Other)
- By geography (Qld, NT, SA & others)
- By industry segment (CSG, rail, road, pipeline, etc)

GROWTH

- RCH room growth as demand dictates
- Nektar to target permanent camps and business outside CSG
- Expand Hofco's rental offering and improve utilisation
- Examine new opportunities to grow organically and through acquisition
- Right people in the right roles



7. Queensland CSG well profile

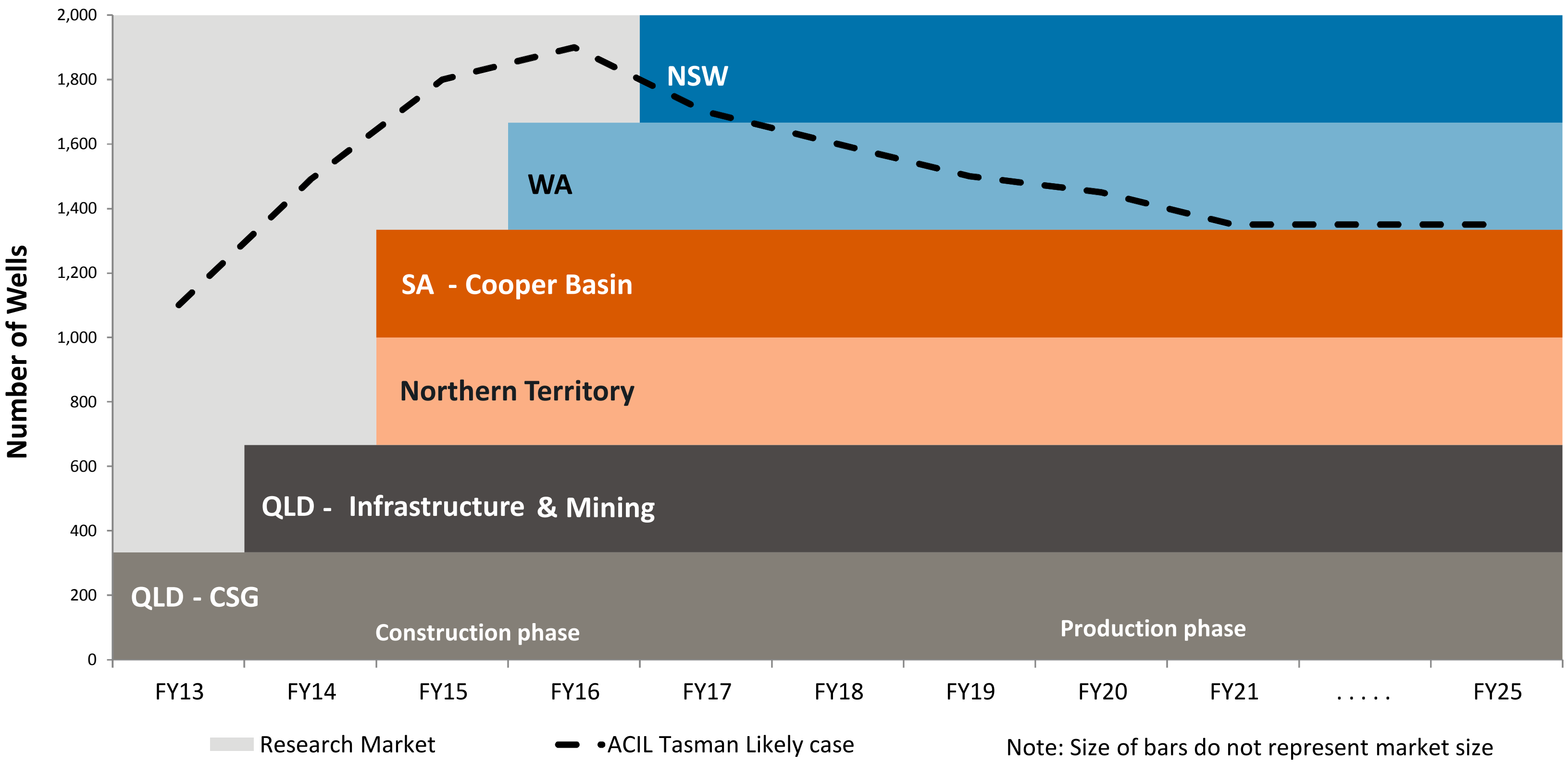


Source: ACIL Tasman

- Current wells ~1,000 per annum
- Wells forecast to peak in 2016 at ~1,900 (1)
- Ongoing number of wells expected to be ~1,300 per annum (1)

Note:
(1) Well numbers based on 8 LNG trains

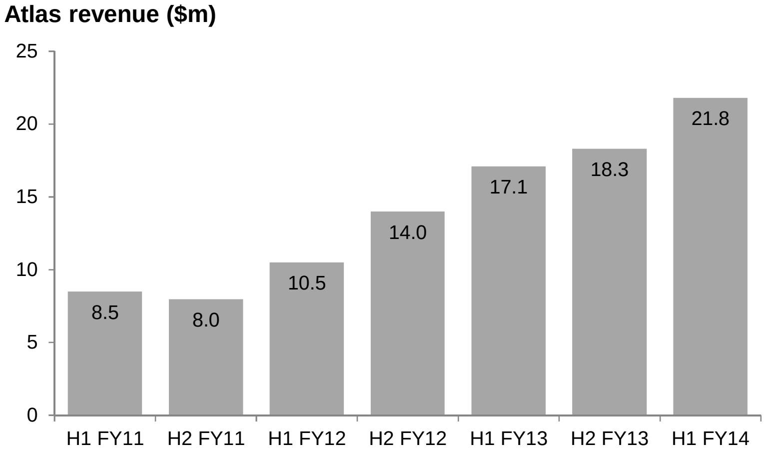
8. Growth opportunities – not just Qld or CSG



- Research and sales effort currently being conducted in a number of new markets
- Future growth beyond Qld CSG expected to come from geographic and industry diversification
- RCH mobilising a camp to the Northern Territory in the March quarter to build presence

9. Atlas Drilling financial performance

	1H FY14	1H FY13	Change
Utilisation	83%	98%	(15%)
Revenue ($m)	21.8	17.1	27%
EBIT ($m)	2.4	2.7	(11%)
EBIT margin	11%	16%	(5%)
CAPEX ($m)	2.8	2.4	17%
PP&E ($m)	19.1	18.0[1]	6%



- Increased revenue due to Rig 4 being in operation for the period (started operating in late June 2013)
- Margin impacted by Rig 1 being out of service prior to starting a new contract and unexpected mechanical repairs undertaken to Rig 3
- Utilisation on Rigs 2 & 4 remained high during the half year to December

Note:
(1) PP&E book value as at 30 June 2013

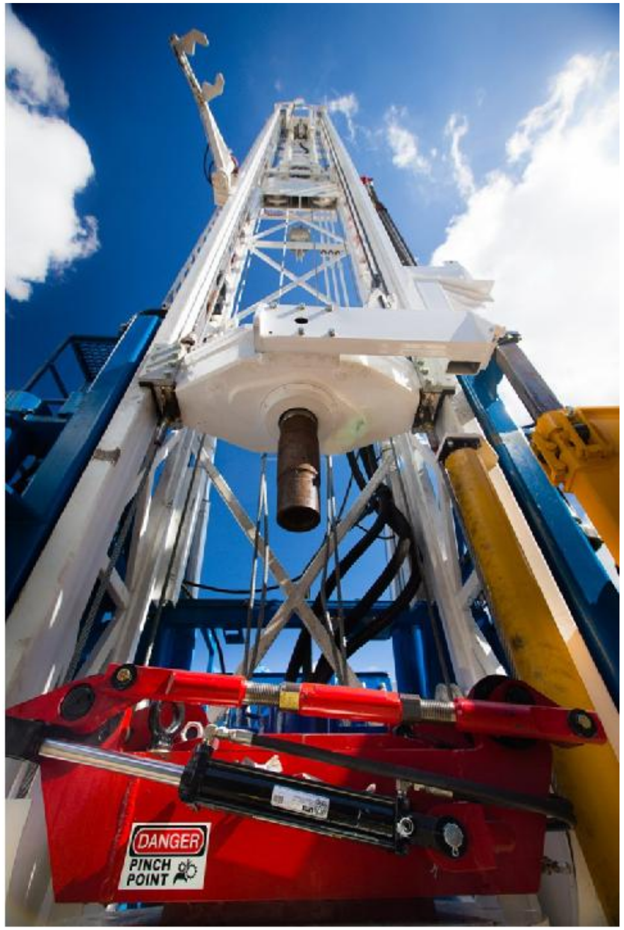
10. Atlas Drilling overview

BUSINESS STRATEGY

- Ensure rigs are continuously contracted
- Develop strong relationships with key clients
- Explore opportunities in flush-by and work over rigs

CURRENT BUSINESS

- Operating for 6 years in CSG-LNG industry
- 3 Rigs owned, 1 Rig hired [1]
- Rig 4 contract restructure and will end in February 2014, remaining 4 month term expected to be added to Rig 1 contract



Note:
(1) The Rig 3 contract involves Atlas Drilling operating the rig on behalf of a third party under an operating and maintenance contract. When the Rig is working for a third party, such as APLNG, the Rig is rented by Atlas Drilling.

11. RCH financial performance

	1H FY14	1H FY13	Change
Year End rooms	979	496	97%
Weighted rooms	796	348	129%
Utilisation	67%	78%	(11%)
Total Revenue ($m)	18.3	12.6	45%
EBIT ($m)	4.4	2.9	52%
EBIT margin	24%	23%	1%
Capex ($m)	1.7	2.4	(29%)
PP&E ($m)	16.4	15.4[1]	6%

Note:
(1) PP&E book value as at 30 June 2013

- Strong revenue growth driven by robust demand and significant expansion in room capacity (97%)
- Occupancy during the half impacted by deferral of contracts and reduced demand for double rooms:
  - 252 Double rooms – 46% utilisation
  - 727 Ensuited rooms – 78% utilisation
- Demand for ensuited rooms continues to be robust
- Start-up water & waste transport business commenced in Dec 2013 and consists of 2 trucks and 4 tankers
- A small camp is now located in Darwin to promote into the Northern Territory market

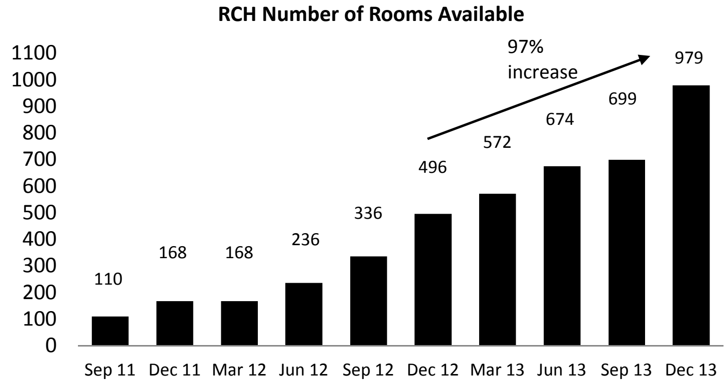
12. RCH overview

BUSINESS STRATEGY

- Capitalise on Qld CSG in the short term
- Preferred supplier status with CSG majors
- Expand relationships with existing key clients
- Pursuing opportunities in other markets – NT, SA, etc

CURRENT BUSINESS

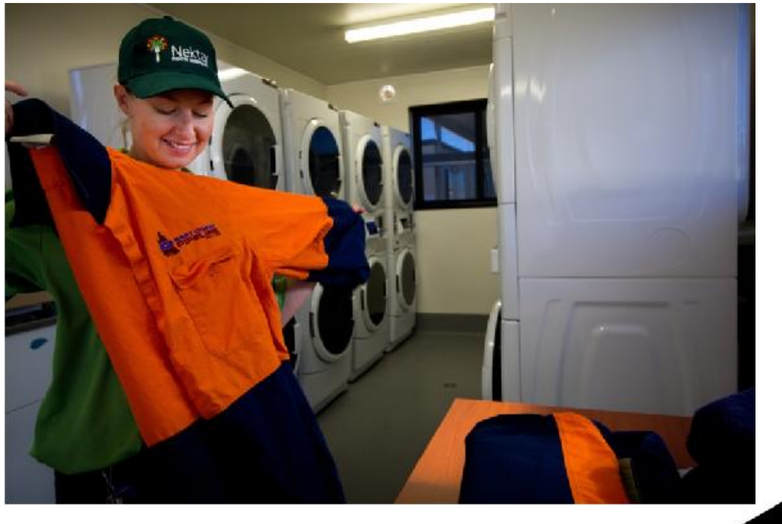
- Acquired in September 2011 with capacity of 110 rooms
- Grown to current capacity of 979 rooms primarily through operating lease arrangements
- Start-up of water and waste business in Dec 2013
- Current contracts range from 3 to 18 months (average ~6 months)
- 110 rooms have been mobilised in Jan 2014 to APLNG



13. Nektar financial performance

	1H FY14	1H FY13	Change
Man days catered	50,591	16,688	203%
Total Revenue ($m)	7.2	2.1	243%
EBIT ($m)	0.9	0.4	125%
EBIT margin	13%	19%	(6%)
Capex ($m)	0.2	-	N/A
PP&E ($m)	0.2	-	N/A

- Increased capacity within the business
- Man days catered up 203% from H1 FY14
- Revenue grew significantly half on half as additional contracts won
- EBIT margin reduction due to investment in people and start-up costs of entry into the permanent camp sector



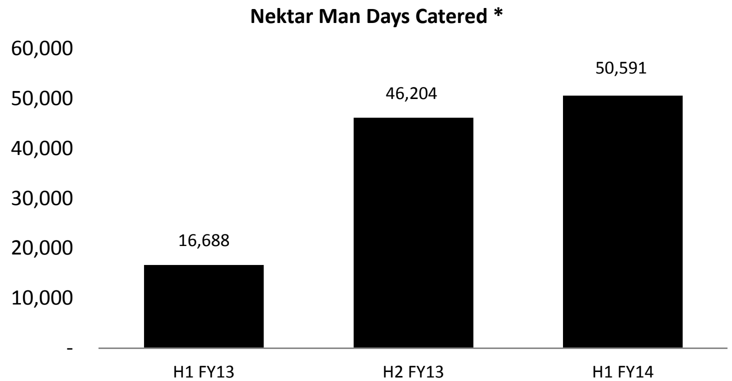
14. Nektar overview

BUSINESS STRATEGY

- Low capital intensive business which targets remote catering opportunities throughout Australia
- Expand into new geographical and industry segments
- Target temporary and permanent catering and camp management
- Offer high quality catering and camp management services to remote accommodation service providers

CURRENT BUSINESS

- Established by Titan in April 2012
- Currently servicing 9 contracts serving 50,591 meal days the first half of FY14
- 200 room permanent camp commenced operations
- LOI for 600 room permanent camp progressing
- Developed strong reputation for quality food and service



* Number of days Nektar has catered x number of people catered per day

15. Hofco financial performance

	1H FY14	1H FY13
Total Revenue ($m)	4.2	n/a
EBIT ($m)	2.2	n/a
EBIT margin	52%	n/a
Capex ($m)	0.6	n/a
PP&E ($m)	6.2	6.2[1]

- Revenue improvement of 14% to 4.2m on H2 FY13 ($3.7m)
- Hofco delivered an EBIT result in-line with expectations however lower than H2 FY13
- Key roles have been filled with the right people
- Capital being deployed in fishing equipment and drill pipe to grow revenue
- Margins reduced reflecting sub-rentals however expected to improve due to:
  - Less sub-hire moving forward
  - Results of management team, BDM and other staff

Note:
(1) PP&E book value as at 30 June 2013

16. Hofco overview

BUSINESS STRATEGY

- Expansion of down-hole tools available for rent
- Focus on CSG sector, potential to expand into alternative drilling markets
- Expand the business geographically
- Capitalise on existing Titan Group clients

CURRENT BUSINESS

- Established in 1980, acquired by Titan in March 2013
- Market leader in CSG drilling rental equipment
- Specialised equipment with lower utilisation but high margin
- Equipment hired on a day rate from 1 week to 12 months
- Customer responsible for replacement of lost equipment and refurbishment costs (low maintenance/servicing costs)
- Investment in new workshop, BDM and equipment for future growth

17. Group cashflow

$ Million	H1 FY14	H1FY13
Cash flow from operations	11.7	2.5
Income tax paid	(3.8)	-
CAPEX	(5.4)	(4.9)
Proceeds from disposal of PP&E	0.2	0.1
Acquisition	(5.8)	-
Proceeds / (repayments) of borrowings	(1.0)	1.8
Proceeds from issue of shares (1)	0.5	0.6
Dividends paid	(1.7)	(0.6)
Net Cash flow	(5.3)	(0.5)

Note:
(1) Net of capital raising costs

- CAPEX spend mainly on:
  - Atlas Rig 1 upgrade
  - Expansion of RCH business
  - Rental product expansion within Hofco
- Deferred consideration payment for Hofco was paid in August 2013
- Dividend payout ratio target of 25% NPAT
- Future cashflow will be used to grow the business organically or through acquisition and to pay dividends to shareholders

18. Outlook

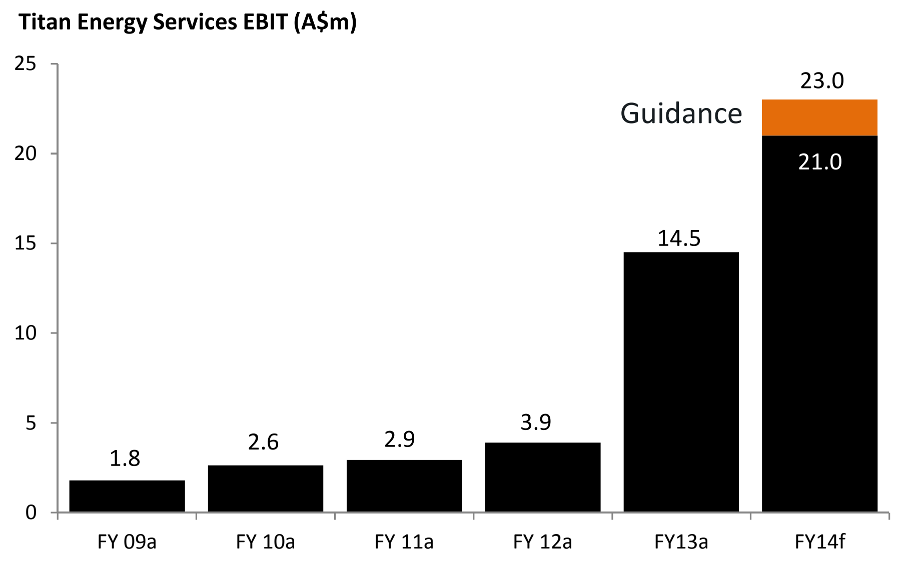
GUIDANCE

- FY14 earnings guidance of between **$21 - $23m EBIT** (FY13 - $14.5m)

H2 FY14 RESULT DRIVEN BY

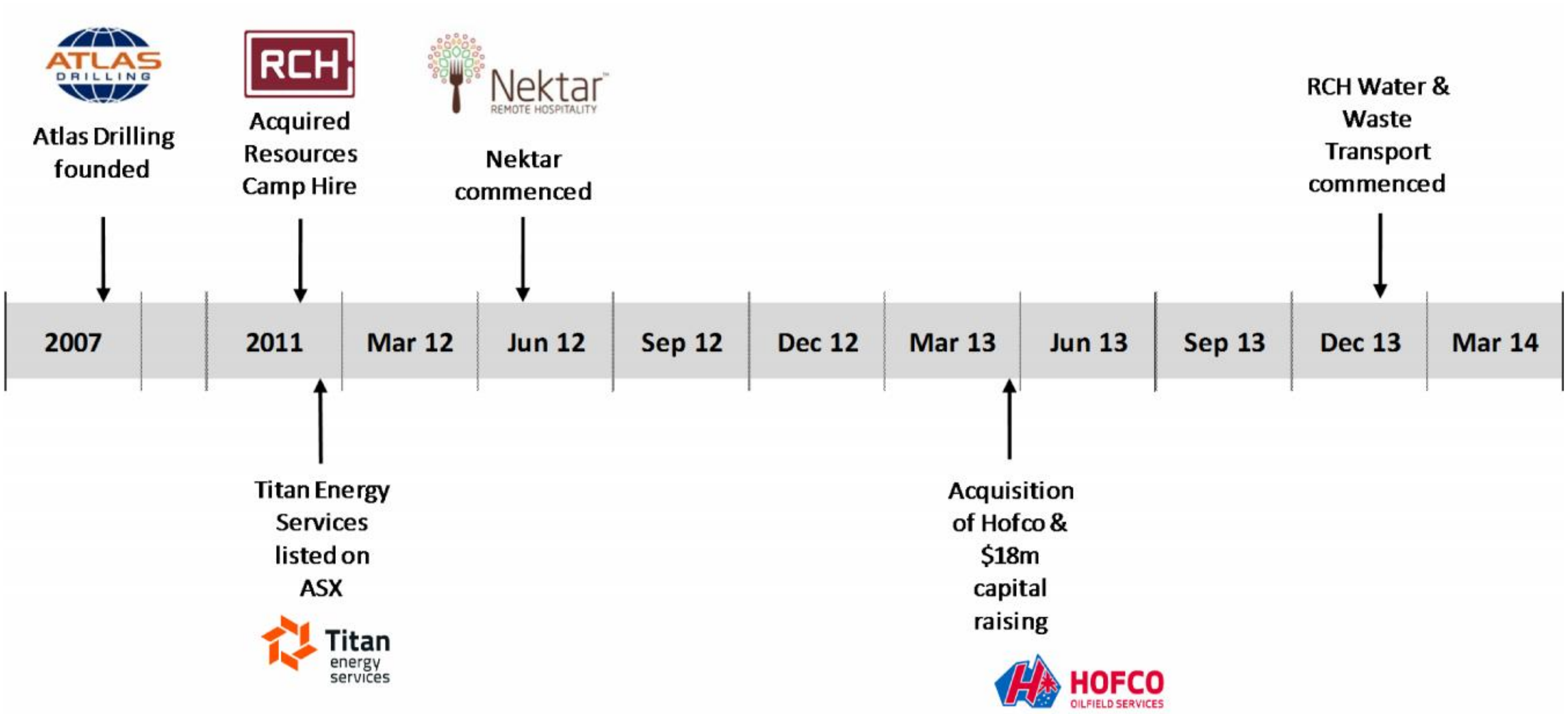
- Demand and capacity utilisation within RCH
- New water and waste transport business
- Growth in Nektar aligned to RCH
  and potential for growth in new markets
- Growth in Hofco rental revenues

Achieving this result is sensitive to significant adverse weather events



Appendix 1

Titan history



Balance sheet

$ Million	31 Dec 2013	30 June 2013
Cash and cash equivalents	1.4	6.6
Receivables	15.3	14.6
Inventories	2.5	1.9
Property, Plant and equipment	42.2	39.6
Intangible assets	20.4	20.4
Deferred tax assets	1.1	1.5
Other Assets	0.6	0.4
Total Assets	83.5	85.0
Payables	11.4	15.3
Current tax liability	1.4	3.3
Borrowings – current	3.6	3.6
Borrowings – non-current	8.3	9.6
Other Liabilities	2.4	1.4
Total Liabilities	27.1	33.2
Shareholders Equity	56.4	51.8

- Reduction in both cash balance and payables due to deferred consideration payment for Hofco of $5.8m paid in August 2013
- Increase in property, plant and equipment due to CAPEX spend on:
  - Atlas Rig 1 upgrade
  - Expansion of RCH business
  - Rental product expansion within Hofco
- As at 31 December 2013 Titan had net debt of $10.6m and gearing was 16% down from $12.4m[1] and 19% at 30 June 2013
- Undrawn funding facilities with GE as at 31 December 2013 were $15.0m ($7.4m Capex and $7.6m in a working capital facility)

Note:
(1) Includes Hofco deferred consideration of $5.8m

Corporate snapshot

Financial summary	
Listing Price (7 December 2011)	$1.00
Share price (closing price 3 February 2014)	$2.45
Interim dividend announced (4 February 2014)	3.5 cps
Market capitalisation (at 3 February 2014)	$119.7
Net Debt (at 31 Dec 2013)	$10.6m
Enterprise value (Market Cap + Net Debt)	$130.3m

Guidance	
EBIT guidance FY14	$21 - $23m
FY13 EBIT multiple (Enterprise Value/ EBIT)	5.7x – 6.2x

Shareholding (approximate):

XLX	9%
Board	6%
Institutional	49%
Other	36%

OUR BOARD

Shaun Scott (Chairman)
Jim Sturgess (MD)
Jim Diakos (ED)
Stephen Bizzell (NED)
Simon Keyser (NED)
Mark Snape (NED)
David Thornton (CFO & Coy. Sec)

OUR MANAGEMENT

Gus van der Heide (COO)
Troy Schefe (GM, Atlas)
Kerstine Plummer (GM, Hofco)
Lee Buckingham (GM, Nektar)
Darren Bishell (GM, RCH)