

Supplementary Prospectus

Titan Energy Services Limited ACN 150 110 017 (Company)

Supplementary Prospectus

To a Prospectus dated 7 November 2011

Lodgement with Australian Securities & Investments Commission (ASIC)

This Supplementary Prospectus is dated 21 November 2011 and was lodged with the ASIC pursuant to Section 719(1) of the *Corporations Act 2001* (Cth) on the same date. The ASIC takes no responsibility as to the contents of this Supplementary Prospectus.

This document is important and should be read in its entirety in conjunction with the Prospectus dated 7 November 2011 and lodged with the ASIC on the same date (Prospectus). If you are in any doubt as to the contents of this document, you should consult your sharebroker, solicitor, banker or accountant without delay.

Terms used in this Supplementary Prospectus

Terms used in this Supplementary Prospectus shall have the same meaning as ascribed to them in the Prospectus.

Additional Disclosure

The Directors wish to provide the following additional disclosure to investors in respect of the Offer.

New Drilling Contract

The Company, via its subsidiary Atlas Drilling, has entered into a drilling services contract that is in addition to the drilling contracts disclosed in Section 9.3.1 of the Prospectus (**New Drilling Contract**). Under the New Drilling Contract, Atlas Drilling provides an Atlas Drilling owned rig for the performance of drilling services in accordance with the client's drilling programs. The key terms of the New Drilling Contract are as follows:

- (a) **Type of Contract:** Drilling Services;
- (b) **Executed:** 15 November 2011;
- (c) **Commencement:** 15 November 2011;
- (d) **Completion/Expiry:** 15 May 2012 or the date that demobilisation of the drilling rig has been completed in accordance with the contract, whichever is the earlier;
- (e) **Option/Extension:** Term may be extended for a further 6 months at the client's option;
- (f) **Date/Time for notice of Extension:** At least 60 days prior to the end of the term;
- (g) **Extension by:** Written notice given to Atlas Drilling, and then by agreement between the parties. The client must confirm in writing that it will proceed with the extension based on any new rates.

The general provisions outlined in the paragraphs entitled "Termination" and "Other terms and conditions" in Section 9.3.1 of the Prospectus also apply to the New Drilling Contract.

New Camp Hire Agreement

Titan Plant Logistics Pty Ltd, a subsidiary of the Company, has entered into a Hire Agreement pursuant to which Titan Plant Logistics will hire a drilling camp from a third party. The minimum hire period of the camp is 23 months (commencing 19 October 2011) and Titan Plant Logistics has agreed to pay commercial rates for the hire of the camp for the minimum hire period.

Titan Resources Camp Hire Pty Ltd, a subsidiary of the Company, has subsequently on-hired the camp to a customer through a new camp hire agreement, which is in addition to the camp hire agreements disclosed in Section 9.3.2 of the Prospectus (**New Camp Hire Agreement**). The key terms of the New Camp Hire Agreement are as follows:

- (a) **Camp:** Camp #14 – 38 person camp;
- (b) **Hire Period:** 3 months commencing 23 November 2011 and expiring 23 February 2012, with two options to extend for further periods of one month.

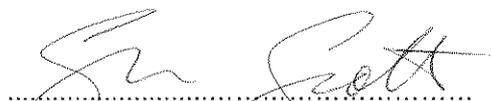
The general provisions outlined in the paragraphs entitled "Termination" and "Other terms and conditions" in Section 9.3.2 of the Prospectus also apply to the New Camp Hire Agreement.

Other Material Information

The Directors of the Company are not aware of any acts, matter or thing (not already described in the Prospectus) which may be material to the making of an informed assessment of:

- (c) the effect of the offer on the Company; or
- (d) the rights attaching to the Shares.

This Supplementary Prospectus has been signed by a Director of **Titan Energy Services Limited** with the authority of each of the Directors and is dated 21 November 2011.



Shaun Scott – Chairman