

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Titan Energy Ltd

ABN

53 109 213 470

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (12 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	642	1,268
1.2	Payments for (a) exploration & evaluation	(2,603)	(7,411)
	(b) development	(777)	(777)
	(c) production	(64)	(85)
	(d) administration	(975)	(2,758)
1.3	Dividends received	—	—
1.4	Interest and other items of a similar nature received	10	38
1.5	Interest and other costs of finance paid	—	—
1.6	Income taxes paid	—	—
1.7	Other – Oil revenue held in suspense pending resolution of entitlements	—	357
1.7	Other (primarily research and development tax concession rebate)	161	161
Net Operating Cash Flows		(3,606)	(9,207)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	(557)	(1,704)
	(b) equity investments	—	—
	(c) other fixed assets	(37)	(94)
1.9	Proceeds from sale of: (a) prospects	—	—
	(b) equity investments	—	—
	(c) other fixed assets	—	—
1.10	Loans to other entities	—	(160)
1.11	Loans repaid by other entities	60	60
1.12	Other (provide details if material)	—	—
Net investing cash flows		(534)	(1,898)
1.13	Total operating and investing cash flows (carried forward)	(4,140)	(11,105)

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1.13	Total operating and investing cash flows (brought forward)	(4,140)	(11,105)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,717	10,333
1.15	Proceeds from sale of forfeited shares	—	—
1.16	Proceeds from borrowings	—	—
1.17	Repayment of borrowings	—	—
1.18	Dividends paid	—	—
1.19	Capital raising funds received in previous year	—	(144)
1.19	Other (capital raising costs)	(162)	(518)
	Net financing cash flows	2,555	9,671
	Net increase (decrease) in cash held	(1,585)	(1,434)
1.20	Cash at beginning of quarter/year to date	2,462	2,339
1.21	Exchange rate adjustments to item 1.20	175	147
1.22	Cash at end of quarter	1,052	1,052

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	143
1.24	Aggregate amount of loans to the parties included in item 1.10	—

1.25 Explanation necessary for an understanding of the transactions

Fees for directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

AWE Limited have informed Titan Energy Ltd that their expenditure for the quarter on EP455 was \$229,131.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	400
3.2	Credit standby arrangements	0

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Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	—
4.3 Production	50
4.4 Administration	500
Total	950

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,009	2,424
5.2 Deposits at call	—	—
5.3 Bank overdraft	—	—
5.4 Other (provide details) term deposit applied as security	43	38
Total: cash at end of quarter (item 1.22)	1,052	2,462

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	*Ordinary securities	1,595,217,910	1,595,217,910		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	127,500,000 110,000,000	127,500,000 110,000,000	1.26 cents 1 cent	1.26 cents 1 cent
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	30,000,000 35,000,000 30,000,000 5,000,000 496,887,459	Nil Nil Nil Nil 496,887,459	Exercise price 1.5 cents 2 cents 2.75 cents 5 cents 3 cents	Expiry date 30-Aug-2014 31-Jul-2014 31-Oct-2013 31-Jul-2015 31-Oct-2015
7.8	Issued during quarter	170,841,600 30,000,000	170,841,600 Nil	3 cents 1.5 cents	31-Oct-2015 30-Aug-2014
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				

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7.12	Unsecured notes (<i>totals only</i>)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 5\)](#).
- 2 This statement does ~~/does not~~* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: Jack Toby
 (~~Director~~/Company secretary)

Date: 31 July 2013

Print name: Jack Toby

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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