

ASX Announcement

Date: 31 July 2013



Talon Petroleum Limited

ABN 88 153 229 086

Level 9, 46 Edward Street
Brisbane, Qld Australia 4000

Postal: GPO Box 402
Brisbane, Qld Australia 4001

Telephone: +61 7 3211 1122
Fax: +61 7 3211 0133

Directors:

Jeff Forbes (Chairman)
Angus Douglas
Bruce Cowley
Clifford Foss
David Mason

Company Secretary:

Anastasia Maynes

Contact:

Clifford Foss
President, CEO & Managing Director
+1 281 419 4976
cfoss@texozep.com

Website:

www.talonpetroleum.com.au

ASX Code: TPD

Roundhouse Prospect Navarro County, Texas Bonner 1H Well Incident Update

Talon Petroleum Limited ("Talon") previously reported in its ASX announcement dated 26 July 2013 that during fracing operations in the O'Brien Energy Company ("O'Benco") operated Roundhouse Prospect proof of concept well (Bonner 1H) the 9.625 inch and the 7 inch casings parted, that Boots and Coots well control specialists were onsite and that two contractors were injured.

O'Benco has now provided an update with a forward plan of operations for the Bonner 1H well.

The injured personnel were treated for minor acid burns and returned to work the same day.

Boots and Coots have reduced their team to one engineer on site.

The operator has notified local, state, federal agencies and their insurers regarding the incident.

Current Operations

After removing the extruded casing and well head equipment on the surface and excavating to approximately 20 feet below ground level, the parted 9.625 inch and the 7 inch casings were located and a BOP (Blow Out Preventer) stack has been installed on the 9.625 inch casing for control at the surface. The well is currently flowing a small amount of water to a lined pit.

The operator is currently preparing to mobilize a rig in an effort to re-establish the mechanical integrity of the failed casings and if successful to continue the completion operations.

Talon holds approximately a 24% non-operating Working Interest in the Bonner 1H well and the approximately 600 acres surrounding the well.

-ends