Embargoed For Release 5 August 2011

Hunting PLC

("Hunting" or the "Company" or the "Group")

Proposed Acquisition of the Titan Group and Trading Statement

Hunting PLC (LSE:HTG), the international energy services group, is pleased to announce that it has agreed to acquire TSI Acquisition Holdings LLC and its subsidiaries including Titan Specialties, Ltd. for a total consideration of US$775 million (approximately £475 million), subject to Adjustments and payable in cash. TSI Acquisition Holdings LLC is majority owned by entities affiliated with Riverstone Holdings, LLC.

Titan is a leading provider of perforating gun systems, shaped charges, well logging instrumentation, perforating gun switches and other engineered hardware used in the drilling, completion and maintenance of oil and gas wells. The increasing complexity of horizontal wells drives demand for Titan's products coupled with positive sector dynamics which are driving an anticipated increase in on-shore shale oil and gas production and increases in US land drilling and completion spending.

Due to the size of the Proposed Acquisition, it is subject to, inter alia, shareholder approval, which is currently expected to be obtained in mid-September 2011 at the General Meeting. Completion is expected shortly thereafter.

TRANSACTION HIGHLIGHTS

The Board of Hunting believes that the Proposed Acquisition represents a highly complementary extension of the Company's existing portfolio. The combination of Hunting and Titan will better position the Enlarged Group to take advantage of growth opportunities. Key features of the Proposed Acquisition include:

- Titan is a market leader with proprietary products
    - A market leader in North America in perforating products
    - Portfolio of proprietary products
    - Well invested facilities requiring minimal capital expenditure
    - Highly experienced management team
- Excellent strategic fit
    - Further exposure to high growth unconventional resource plays
    - Titan's products are complementary to Hunting's tools and equipment and enhance Hunting's suite of well construction and completion products
    - Titan's established US in-house distribution combined with Hunting's existing international footprint should create further opportunities

- Continued attractive industry dynamics
    - US horizontal drilling grew at an average rate of circa 40 per cent. per annum from 2002 to 2010 as a result of its application in unconventional reservoirs
    - Horizontal wells in the US have been increasing in complexity (longer lateral lengths and more frac stages), driving demand for Titan's products
    - US on-shore shale oil production is expected to contribute 30 per cent. of total production in 2016 up from less than 5 per cent. currently
    - US land drilling and completion spending is projected to grow 60 per cent. from US$110 billion in 2010 to US$176 billion in 2016
- Attractive returns
    - The Titan Group has strong EBITDA margins
    - The acquisition of the Titan Group is expected to be significantly earnings enhancing in the first full financial year on an underlying basis[1]

The consideration of US$775 million (£475 million) will be satisfied through Hunting's existing cash balances, the proceeds from the Placing announced separately today, as well as the New Bank Facility of £375 million. The Placing of 13,175,838 new ordinary shares in the Company is fully underwritten and represents approximately 9.9 per cent. of the Company's existing issued share capital. A separate Placing Announcement is being issued by Hunting this morning.

Following completion of the Acquisition, the Board will retain the financial flexibility to pursue further organic initiatives and acquisition opportunities in line with its stated strategy. Hunting is in advanced negotiations to acquire other complementary businesses which may be secured in the near future for an estimated aggregate consideration of around £90 million. There is no certainty that one or more of these other acquisitions will complete.

The Acquisition is subject to, inter alia, the approval of Hunting's shareholders at a General Meeting expected to take place in mid-September 2011 and expiration of the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. A Circular is expected to be sent to Shareholders in late August 2011 setting out further details of the Acquisition and convening the General Meeting.

HUNTING TRADING UPDATE

In advance of the publication of the Company's Half-Year Results on 25 August 2011, Hunting gives the following trading update:

The Company expects to report revenue and EBITDA for the six months ended 30 June 2011 of approximately £250 million and £35 million respectively[2] and the Company anticipates paying an interim dividend of 4p per share.

The Board's view of the current trading and prospects for Hunting is in line with its expectations for the year as a whole. With an operational footprint of over 30 sites globally and an increasing range of products and services, Hunting remains well placed to take advantage of the increased investment in oil and gas resources globally.

TITAN TRADING UPDATE

The Titan Group has continued to perform well for the six months ended 30 June 2011 with unaudited revenue and EBITDA of US$114.7 million and US$41.7 million[(3)], respectively. Revenue in all divisions was higher than that achieved in the first half of 2010. The Perforating and Instruments divisions have grown significantly from the same period last year and are ahead of the management team's expectations for the year.

Commenting on the Proposed Acquisition, Dennis Proctor, Chief Executive of Hunting, said:

"Titan is an excellent business and a market leader in perforating products in North America, a market which has exciting opportunities and in which we have been eager to grow. It will fit well within Hunting's Well Construction and Completion divisions offering complementary products and services and a strong US distribution footprint. I believe that Hunting can provide significant additional opportunities for the business through its geographic profile and financial and operational strength in the medium to long term, which will generate significant value for our shareholders."

Commenting on the Proposed Acquisition, Ken Babcock, Chief Executive of Titan, said:

"The combination of Titan and Hunting is a great fit. Hunting's international distribution presence will enable Titan to grow much faster internationally and, in addition, Titan will be able to leverage Hunting's global manufacturing footprint."

Commenting on the Proposed Acquisition, N. John Lancaster, Managing Director of Riverstone Holdings added:

"Following our acquisition of Titan in 2007, Ken and the Titan team have done an outstanding job of expanding Titan's product line and market presence while maintaining the standard of quality and customer service set by its founders over 40 years ago. It is exciting to consider the possibilities for additional growth and international expansion through this combination and the integration of Titan into Hunting's global operations."

Analyst conference call

The management of Hunting will be hosting a conference call with investment analysts today commencing at 8:30 a.m. BST to discuss this announcement.

Dial in details for the call can be obtained from Buchanan and the presentation accompanying the call is now available at www.huntingplc.com located in the download area of the investor section.

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Notes to Editors:

About Hunting PLC

Hunting PLC is an international energy services provider to the world's leading upstream oil and gas companies. Established in 1874, it is a fully listed public company traded on the London Stock Exchange. The Company maintains a corporate office in Houston and is headquartered in London. As well as the United Kingdom, the Company has principal operations in Canada, China, Hong Kong, Indonesia, Mexico, Netherlands, Singapore, United Arab Emirates and the United States of America.

Forward-looking Statements

This announcement contains (or may contain) certain forward-looking statements with respect to certain of Hunting's plans and its current goals and expectations relating to its future financial condition and performance and which involve a number of risks and uncertainties. Hunting cautions readers that no forward-looking statement is a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statements. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements sometimes use words such as 'aim', 'anticipate', 'target', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', or other words of similar meaning. Examples of forward-looking statements include, among others, statements regarding Hunting's future financial position, income growth, impairment charges, business strategy, projected levels of growth in its markets, projected costs, estimates of capital expenditure, and plans and objectives for future operations of Hunting and other statements that are not historical fact.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances, including, but not limited to, UK domestic and global economic and business conditions, the effects of continued volatility in credit markets, market-related risks such as changes in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, changes in legislation, the further development of standards and interpretations under International Financial Reporting Standards ("IFRS") applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS, the outcome of pending and future litigation, the success of future acquisitions and other strategic transactions and the impact of competition — a number of which factors are beyond Hunting's control. As a result, Hunting's actual future results may differ materially from the plans, goals, and expectations set forth in Hunting's forward-looking statements. Any forward-looking statements made herein by or on behalf of Hunting speak only as of the date they are made. Except as required by the FSA, the London Stock Exchange or applicable law, Hunting expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in Hunting's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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This document (and the information contained herein) is not for release, publication or distribution, directly or indirectly, in or into the United States, Australia, Canada or Japan.

Note regarding presentation of currencies

For the purpose of this document and unless otherwise stated, a pound sterling to United States dollar exchange rate of 1:1.63 has been applied for illustrative purposes (source: Financial Times: closing mid-rate of exchange on 4 August 2011) to calculate the pounds sterling equivalent of the consideration for the Acquisition and any United States dollar amounts related to the Acquisition. Such translations should not be considered as a representation that such currencies could have been or could be converted into pounds sterling or United States dollars (as the case may be) at any particular rate, the rates stated above or at all.

Hunting PLC

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Proposed Acquisition of the Titan Group and Trading Statement

Introduction

Hunting has agreed to acquire TSI Acquisition Holdings LLC and its subsidiaries including Titan Specialties, Ltd. for a total consideration of US$775 million (approximately £475 million) on a cash-free-debt-free basis, subject to Adjustments and payable in cash.

Based in Pampa, Texas USA, Titan is a leading provider of perforating gun systems, shaped charges, well logging instrumentation, perforating gun switches and other engineered hardware used in the drilling, completion and maintenance of oil and gas wells.

The Acquisition is subject to, inter alia, the approval of Hunting's shareholders at a General Meeting expected to take place in mid-September 2011, in addition to certain other conditions. A Circular is expected to be sent to Shareholders in late August 2011 setting out further details of the Acquisition and convening the General Meeting with Completion expected thereafter.

Background to and reasons for the Proposed Acquisition

Following the disposal of Gibson Energy in December 2008, Hunting's strategy has been to focus its business on upstream oil and gas equipment and services through investing in earnings enhancing organic initiatives and acquisitive opportunities as well as streamlining its operations through non-core divestments such as Hunting Energy France.

Key initiatives since 2008 have included:

- Expansion into higher growth and more challenging drilling environments, including high pressure, high temperature environments, on-shore oil and gas shale and deep water and directional drilling;
- Reorganisation of its supply chain for improved efficiencies and increasing production in low cost manufacturing locations (including Wuxi in China);
- Expansion of its current manufacturing facilities to improve operational efficiency (primarily Scotland and Wyoming);
- Diversification and expansion of its geographic footprint into high growth markets including Asia Pacific, the Middle East and Central and South America;
- Creation of a new regional centre in Pennsylvania to take advantage of shale oil and gas drilling activity as well as new drilling tool facilities in Conroe, Texas and Casper, Wyoming to service the US Gulf coast states and the Bakken oil and gas shale; and
- Creation of a Well Intervention division to emphasise Hunting's growth in this area.

Furthermore, the Company has, to date, made a number of niche acquisitions to progress its strategic initiatives. These include: Innova-Extel, a leading supplier of harsh environment electronics technology to the global energy industry; Welltonic, a provider of well intervention services; PT SMB Industri, a premium threading operation located in Indonesia; and National Coupling Company, a leading developer and manufacturer of subsea hydraulic equipment.

These initiatives have positioned Hunting to benefit from favourable industry trends in the oil services industry. Unconventional drilling is currently driving the US oil services sector. This is demonstrated by:

- Rapid growth in the US horizontal rig count
  - Horizontal drilling grew at an average rate of circa 40 per cent. per annum from 2002 to 2010 as a result of its application in unconventional reservoirs
  - The percentage of rigs drilling horizontally has increased from approximately 7 per cent. in 2002 to approximately 61 per cent. currently

- Renaissance of oil production in the US
  - Crude oil drilling currently accounts for 53 per cent. of US drilling activity, compared to 14 per cent. in 2004, and is expected to increase further due to the attractive economics of oil drilling. The current break even oil price is as low as US$40 per barrel for some basins
  - US shale oil production is expected to contribute 30 per cent. of total production in 2016 (currently 5 per cent.), driven by improved technologies, lower costs and supportive oil prices

- Significant increase in US oil services spend
  - US land drilling and completion spending is projected to grow by 60 per cent. from US$110 billion in 2010 to US$176 billion in 2016, a compound annual growth rate of 8.3 per cent.
  - Management believes spending will ramp up as operators build out unconventional drilling programs

The Board of Directors is confident that the Proposed Acquisition of the Titan Group provides significant strategic, operational and financial benefits to Hunting with the principal benefits including:

- Titan is a market leader in North America with a significant market share in perforating products;

- Titan has a portfolio of proprietary products, many of which are protected by patents and/or other intellectual property;

- Hunting is looking to gain further exposure to high growth unconventional resource plays. The Proposed Acquisition of the Titan Group provides Hunting with an improved position in this market;

- Hunting's Well Construction and Well Completion businesses focus on high specification downhole tools and equipment (particularly patented tubular connections, which are ideally suited to horizontal drilling and exploitation of oil and gas shale plays). Titan's perforating gun systems, charges, switches and instrumentation are complementary to Hunting's tools and equipment, and the Acquisition of the Titan Group will therefore enhance Hunting's suite of well construction and completion products that it provides to its customers;

- Hunting can use its established international footprint to assist the Titan Group in penetrating international markets. Titan's established US in-house distribution combined with Hunting's existing US presence should create further opportunities; and

- The acquisition of the Titan Group is expected to be significantly earnings enhancing in the first full year on an underlying basis(1).

Information on the Titan Group

Titan is a leading provider of downhole tools and equipment to the oil and gas industry. It designs, manufactures and distributes perforating gun systems, shaped charges, well logging instrumentation, perforating gun switches and other engineered hardware used in the drilling, completion and maintenance of oil and gas wells. Titan is a market leader in North America with a significant market share in perforating products.

Titan's operations are organised into three product based divisions:

- Perforating division – which manufactures and distributes gun systems and associated perforating hardware;
- Energetics division – which designs, manufactures and distributes shaped charges for perforating systems and explosives for other downhole applications; and
- Instruments division – which designs, manufactures and distributes firing switches for perforating guns and an expanded offering of downhole logging tools and perforating related instruments.

Many of Titan's products are consumable in nature and used in the development and performance of oil and gas wells, as the perforation provides the physical conduit through which hydrocarbons flow into the wellbore. Demand for Titan's broad offering of downhole tools and equipment continues to benefit from the increasing technological requirements of drilling and completion, particularly with the increased complexity of horizontal drilling and hydraulic fracturing techniques (also known as "fracking"), associated with oil and gas shale resources. Management have identified the following as a selection of growth products: EB Fire™; Control Fire™; MWD Gamma Detector; T-Set™ and Spectra Jet Cutters.

Titan's addressable market is derived as the product of the global rig count, number of wellbores, horizontal drilling and frac stages per well. The increasing complexity of horizontal wells continues to drive the demand for Titan's products.

As lateral lengths increase, more frac stages and wellbore footage is required for perforation. Many horizontal wells in shale plays have lateral lengths exceeding 8,000 feet and have 20 or more frac stages (such as Bakken, Marcellus and Woodford). Titan's management believe each stage can require up to 10 perforating guns (i.e. approximately 200 or more guns per well). Therefore, the more stages within a well, the more guns, shaped charges, switches and associated hardware is required.

Conventional vertical wells use only a few guns in a single producing zone. As a result, revenue from a horizontal well can be significantly higher than that from a vertical well. Management believes that combining Hunting's global position with Titan's products will increase Titan's addressable market.

Over the past four years, Titan has made significant investments in complementary product lines and intellectual property, distribution facilities and human resources. Titan has formed a strong distribution network across the US and, more recently, internationally through distribution agreements. As a result of prior investments, there is not expected to be a significant capital requirement in the business.

Titan has an established management team with significant industry experience. Chief Executive Officer, Ken Babcock, has worked in the industry for 31 years and he joined Titan in 2008. Chief Financial Officer, Roger Rivet, joined Titan in 2008. Ken Babcock and Roger Rivet have agreed to stay with the business following the Acquisition and have signed new employment agreements with Titan.

Summary Financial Information

The Titan Group's revenue, EBITDA, EBITDA margin, operating profit, profit before tax and net profit after tax, for the three years ended 31 December 2008, 2009 and 2010, are summarised below:

US$ million	*Year ended 31 December 2008*	*Year ended 31 December 2009*	*Year ended 31 December 2010*
Revenue	144.1	86.9	157.7
EBITDA	50.4	20.3	49.5
EBITDA margin	35.0%	23.4%	31.4%
Operating profit	40.5	10.1	38.6
Profit before tax	23.8	0.8	29.0
Net profit after tax	23.3	0.5	28.5

Source: Audited US GAAP Consolidated Financial Statements for the years ended 31 December 2008, 2009 and 2010. These will be restated under IFRS and Hunting's accounting policies in the Circular to be sent to Shareholders.

The Titan Group had net assets of US$168.1 million (£103.1 million) and gross assets of US$378.4 million (£232.1 million) at 31 December 2010[(4)].

Historically, TSI Acquisition Holdings LLC has reported privately to its shareholders under US GAAP and the historical financial information on the Titan Group will be restated and represented under Hunting's IFRS accounting policies in the Circular, which will be sent to Shareholders. The material adjustments identified to date by the Company, are of a non-cash nature and are as follows:

i. Reduction of the estimated useful lives of some of the Titan Group's intangible assets, to bring these into line with the useful lives used by Hunting; and

ii. Recognition of a charge in relation to Titan's equity based incentive schemes. On completion of the Acquisition, Titan's incentive scheme will be paid out in full and will not have an ongoing impact on the Enlarged Group.

In addition to the above, the conversion of Target's US GAAP historical financial information to IFRS is expected to result in the reclassification of the certain income statement, balance sheet and cash flow line items.

On completion of the Proposed Acquisition, a full fair value exercise will be undertaken, which will separately identify and value the assets acquired.

Principal Terms of the Acquisition

Hunting has entered into a conditional agreement and plan of merger to acquire 100 per cent. of TSI Acquisition Holdings LLC for a total consideration of US$775 million (£475 million) on a cash-free-debt-free basis, subject to Adjustments and payable in cash. TSI Acquisition Holdings LLC is the parent company of Titan; however, it is ultimately majority owned by entities affiliated with Riverstone Holdings, LLC. After completion of the Proposed Acquisition, TSI Acquisitions Holdings LLC will be a wholly-owned subsidiary of Hunting Energy Services, Inc.

The Acquisition is conditional on Hunting Shareholder approval (due to its size) and the expiration of the applicable waiting period under the US Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended ("HSR"). Hunting and TSI Acquisition Holdings LLC will make all relevant filings under HSR on or around 5 August 2011. HSR filings are automatically approved after 30 days unless extended by the US government.

If Hunting does not obtain its Shareholders' approval, it is required to pay TSI Acquisition Holdings LLC a break-fee of one per cent. of the market capitalisation of Hunting based on the closing market price on the London Stock Exchange on 4 August 2011.

The consideration for the Acquisition includes an escrow amount of US$40 million (£24.5 million) which will be held by Wells Fargo Bank, N.A., of which US$5 million (£3.1 million) will be used for any Adjustments and the remaining US$35 million (£21.5 million) will be used to satisfy general indemnification claims.

In addition there will be an escrow amount of US$1 million (£0.6 million) for potential environmental matters. This escrow amount may be increased in certain circumstances. The actual amount of such costs and liabilities, if any, will be determined subsequent to the signing of the Acquisition Agreement on the basis of analysis undertaken by environmental consultants, and the escrow amount will be increased to reflect them. If the actual amount of such costs and liabilities as so determined would exceed US$5 million, TSI Acquisition Holdings LLC may elect either to complete the Acquisition Agreement and to bear such increased liabilities or to terminate the Acquisition Agreement prior to completion. If TSI Acquisition Holdings LLC elects to terminate, Hunting may elect to complete the Acquisition Agreement and itself to bear the amount in excess of US$5 million (£3.1 million). If TSI Acquisition Holdings LLC elects to terminate the Acquisition Agreement, and Hunting does not agree to bear the amount in excess of US$5 million (£3.1 million), TSI Acquisition Holdings LLC will be required to terminate the Acquisition Agreement on the termination date.

The Acquisition Agreement contains warranties that in terms of scope are customary for a transaction of this nature. In terms of recourse, they are limited to the escrow amounts.

Further details of the Acquisition Agreement are set out in the Appendix.

Financing of the Proposed Acquisition

The consideration of US$775 million (£475 million) for the Proposed Acquisition will be satisfied through the proceeds from the Placing announced separately today, Hunting's existing cash balances and a New Bank Facility of £375 million. Further details of the Placing are set out in the Placing Announcement.

Following Completion of the Proposed Acquisition and the Placing, Hunting will retain financial headroom and flexibility in order to be able to take advantage of further organic initiatives and acquisition opportunities in line with its stated strategy. Hunting is currently in advanced negotiations to acquire other complementary businesses in the near future for an estimated aggregate consideration of around £90 million. There is no certainty that one or more of these acquisitions will complete.

New Bank Facility
The New Bank Facility has been underwritten by Barclays Bank PLC, Lloyds TSB Bank PLC and The Royal Bank of Scotland plc and amounts to £375 million. Under a facility agreement dated 5 August 2011, the New Bank Facility is structured as a multi-currency revolving credit facility which is conditional on the Acquisition and will replace Hunting's Existing Bank Facility of £120 million on Completion. The New Bank Facility will expire in 2016 and is on current market terms, with an interest margin of 165bps above LIBOR through December 2011 and then subject to an interest ratchet based on the Company's net leverage ratio thereafter. The New Bank Facility will be available to meet the Enlarged Group's working capital requirements and other general corporate purposes (including acquisitions).

Hunting Current Trading

The Company expects to report revenue and EBITDA for the six months ended 30 June 2011 of approximately £250 million and £35 million, respectively[(2)], representing increases of 29 per cent. and 27 per cent. over the six months ended 30 June 2010. The Company anticipates paying an interim dividend of 4p per share (3.7p for the six months ended 30 June 2010).

The Board's view of the current trading and prospects for Hunting is in line with its expectations for the year as a whole. With an operational footprint of over 30 sites globally and an increasing range of products and services, Hunting remains well placed to take advantage of the increased investment in oil and gas resources globally.

Hunting will provide a further update on trading in its Half-Year Results to be announced in late August 2011.

Titan Current Trading

The Titan Group has continued to perform well for the six months ended 30 June 2011 with unaudited revenue and EBITDA of US$114.7 million and US$41.7 million (36.4 per cent. EBITDA margin), respectively[(3)]. Revenue in all divisions was higher than that achieved in the first half of 2010. The Perforating and Instruments divisions have grown significantly from the same period last year and ahead of the management team's expectations for the year.

Circular to Shareholders and Outline Timetable

Hunting currently intends to send a Circular to shareholders in late August 2011 giving further details of the Proposed Acquisition and including notice of a General Meeting at which a resolution will be proposed to consider approval of the Acquisition. The General Meeting is expected to take place in mid-September 2011 with Completion of the Acquisition, subject to, inter alia, Shareholder approval and the expiration of the application waiting period of Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, taking place shortly thereafter.

APPENDIX

SUMMARY OF THE PRINCIPAL TERMS OF THE ACQUISITION AGREEMENT

1. Introduction

On 5 August 2011, Hunting Energy Services, Inc. (the "Acquiror"), a subsidiary of the Company, entered into a conditional agreement and plan of merger (the "Acquisition Agreement") pursuant to which a wholly-owned subsidiary of the Acquiror (the "Merger Sub") will be merged with and into TSI Acquisition Holdings LLC (the "LLC") whereby each outstanding unit of the LLC's membership interests and each unit appreciation right awarded by the LLC will be converted into the right to receive the applicable proportion of merger consideration. The Company has fully guaranteed the obligations set forth in Sections 6.2 (Publication of Circular) and 12.1 (Remedies) under the Acquisition Agreement. The principal terms of the Acquisition Agreement are set out below.

2. Acquisition Structure

Pursuant to the Acquisition Agreement, the Merger Sub will be merged with and into the LLC, with the LLC being the surviving entity. After completion of the Acquisition, the LLC will be a wholly-owned subsidiary of the Acquiror. The LLC also has a number of operating subsidiaries that will be acquired as part of the transaction, including Titan Specialties, Ltd.

3. Conditions and Termination Rights

The closing of the transactions contemplated by the Acquisition Agreement ("Closing") is conditional upon the satisfaction of certain conditions, including the approval of Shareholders at the General Meeting. Closing is also conditional on, among other things, no material adverse change (broadly defined as an event occurring between the date on which the Acquisition Agreement was signed and Closing which has or will have a material adverse effect on the LLC and its subsidiaries, taken as a whole) having taken place and all filings having been made under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the regulations and the waiting period thereunder having expired, lapsed or been terminated as appropriate.

If the Shareholders do not approve the Resolution by 19 September 2011 (subject to an extension in certain circumstances for completion of the determination of the final environmental escrow amount), and the LLC is not in default of its obligations under the Acquisition Agreement, then the LLC will have the right to terminate the Acquisition Agreement. If such termination right is exercised, the Company must pay the LLC a break-fee equal to one per cent. of the market capitalisation of the Company as at the close of business on the London Stock Exchange on 4 August 2011 (the "Break Fee") (provided that the Break Fee shall in no event exceed such amount as would have caused the Break Fee to require Shareholder approval, in accordance with Listing Rule 10.2.7 of the Listing Rules).

In addition, the Acquisition Agreement provides that the LLC or the Acquiror may terminate the Acquisition Agreement on or after 31 October 2011; provided, that the terminating party may not have been the primary cause of the failure to close; and provided further that this date will be extended until 31 December 2011 if approval under the HSR Act has not been obtained due to a request for additional information from certain governmental entities.

The LLC may terminate the Acquisition Agreement if, on the basis of analysis undertaken by environmental consultants, the actual amount of certain potential environmental costs and liabilities is determined to exceed US$5 million. In these circumstances the LLC may elect either to terminate or to complete the Acquisition Agreement and to bear such increased costs and liabilities. If it elects to terminate, Hunting may elect to complete the Acquisition Agreement and itself to bear the amount in excess of US$5 million (£3.1 million).

4. Consideration and Escrow Agreement

The Acquiror will pay the aggregate merger consideration equal to US$775 million (£475 million) in cash less (i) estimated funded indebtedness of the LLC and its subsidiaries at Closing, plus (ii) estimated cash and cash equivalents of the LLC and its subsidiaries at Closing less (iii) the amount of expenses paid by, or at the direction of, the LLC to the representative (the "Holder Representative") of the equityholders of the LLC (the "Unitholders") less (iv) an amount equal to US$41 million (£25.2 million) (the "Escrow Amount") (the Escrow Amount may be increased in certain circumstances as described below) less (v) 65 per cent. of the aggregate amounts payable to certain employees in connection with retention bonus letters and (vi) either (x) less the amount the Closing Date Net Working Capital is less than US$102 million (£62.6 million) or (y) plus the amount the Closing Date Net Working Capital exceeds US$102 million (£62.6 million) (capped at US$13 million (£8.0 million)). The entire cash purchase price will be payable in immediately available funds at Closing.

The Escrow Amount will be paid to Wells Fargo Bank, N.A., as escrow agent, to be held and disbursed pursuant to the terms of escrow agreements to be entered into by the parties (the "Escrow Agreements").

US$5 million (£3.1 million) of the Escrow Amount will be used for any post-Closing downward price adjustments linked to the LLC's net working capital at Closing (the "Adjustment Escrow Amount"). US$35 million (£21.5 million) of the Escrow Amount will be used for post-Closing general indemnification claims (the "Indemnification Escrow Amount"). The remaining Escrow Amount of US$1 million (£0.6 million) will be used for certain potential environmental matters. This escrow amount may be increased in certain circumstances. The actual amount of such costs and liabilities, if any, will be determined subsequent to the signing of the Acquisition Agreement on the basis of analysis undertaken by environmental consultants, and the escrow amount will be increased to reflect them. If the actual amount of such costs and liabilities as so determined would exceed US$5 million, the LLC may elect either to complete the Acquisition Agreement and to bear such increased liabilities or to terminate the Acquisition Agreement prior to completion. If the LLC elects to terminate, Hunting may elect to complete the Acquisition Agreement and itself to bear the amount in excess of US$5 million (£3.1 million).

The Adjustment Escrow Amount, if any remains, will be distributed after the determination of the Closing Date Net Working Capital, the Closing Date Funded Debt and the Closing Date Cash (approximately 90 days following the Closing). On the six month anniversary of Closing, 50 per cent. of the Indemnification Escrow Amount, less the amount of any pending claims by the Acquiror, will be distributed to the Unitholders, along with the earnings on the amount distributed. A further distribution of the Indemnification Escrow Amount will be made to the Unitholders on the one year anniversary of Closing, and a final distribution will be made upon the resolution of any claims pending as of such date.

The Environmental Escrow Amount, if any remains, will be distributed to the Unitholders, along with the earnings on the amount distributed, on the three year anniversary of Closing, less the amount of any pending claims by the Acquiror.

5. Representations and Warranties

The LLC has made extensive representations and warranties with respect to the LLC and its subsidiaries. These include representations and warranties relating to the LLC's and its subsidiaries' organisation, good standing, authority, capitalisation, due authorisation, contracts, no defaults, compliance with laws, permits, no conflicts, consents, litigation, absence of certain changes or events, taxes, employee benefit plans, employment matters, environmental matters, intellectual property, insurance and no brokers (other than Goldman, Sachs & Co.). The representations and warranties are subject to a number of exceptions as set out in the Disclosure Schedules attached to the Acquisition Agreement.

The Company and Merger Sub are also making customary representations and warranties, including those relating to corporate organisation, good standing, authority, due authorisation, no conflict, litigation, consents and financial ability. It should be noted that the LLC will become a subsidiary of Hunting and therefore in terms of recourse, the benefit of these representations and warranties to the Enlarged Group will be limited to the escrow amounts.

6. Warranty Claims

Each Unitholder has agreed, severally, but not jointly, to the extent of its escrow percentage of the Indemnification Escrow Amount to indemnify the Acquiror and related parties for losses they suffer after the Closing Date as a result of (i) the breach by the LLC of the representations and warranties made by the LLC in Article 3 of the Acquisition Agreement, or in any certificate, instrument or agreement delivered in connection with Section 9.2 of the Acquisition Agreement; and (ii) the breach by the LLC of any covenant or agreement made by the LLC in the Acquisition Agreement or in any certificate, instrument or agreement delivered in connection with Section 9.2 of the Acquisition Agreement.

The indemnification obligations of the Unitholders are subject to a number of limitations, including (i) generally the representations and warranties survive for only twelve months after the Closing; (ii) a de minimis exception of US$250,000 (£0.2 million); (iii) no claims may be made until the aggregate losses suffered exceed US$3 million (£1.8 million), and then the Unitholders are required to indemnify only to the extent losses (again not counting the de minimis exception) exceed US$3 million (£1.8 million) (the "Deductible"); and (iv) the Unitholders' aggregate liability for breach of representations and warranties is limited to the Indemnification Escrow Amount (i.e., US$35 million (£21.5 million)) (the "Cap").

Each Unitholder has also agreed, severally, but not jointly, to the extent of its escrow percentage of the Environmental Escrow Amount to indemnify the Acquiror and related parties for claims and liabilities they suffer after the Closing Date for certain potential environmental matters

The Acquisition Agreement provides for limited exceptions to the foregoing limitations. Specifically, the Deductible shall not apply to claims for losses associated with a breach of any fundamental representation (organisation, subsidiaries, due authorisation, and capitalisation) or fraud, and the Cap shall not apply to any claim for fraud.

7. Covenants and Employment Agreements

Under the Acquisition Agreement, the LLC has agreed, as to itself and its subsidiaries, that during the period from the date of the Acquisition Agreement to Closing, except as contemplated by the Acquisition Agreement or as consented to by the Acquiror (which consent shall not be unreasonably conditioned, withheld, delayed or denied), to operate its business in the ordinary course and substantially in accordance with past practice and use its commercially reasonable efforts to maintain its assets and relationships with third parties and keep available the services of its present officers and employees. The LLC must also not engage in any material practice or take any material action if such practice or action artificially accelerates the ordinary course conversion of working capital to cash or take material actions to otherwise artificially increase cash outside of the ordinary course of business to the detriment of the Acquiror.

Riverstone Investment Group, LLC is subject to a non-solicitation of employees and customers and Titan has delivered employment agreements (as approved by the Acquiror) to Ken Babcock and Roger Rivet at the signing of the Acquisition Agreement which will be effective as of Closing.

8. Governing Law and Dispute Resolution

The Acquisition Agreement is governed by the laws of the State of Delaware. The State of Delaware is given exclusive jurisdiction for the resolutions of disputes.

NOTES

The following notes apply throughout this document:

Note 1: Before acquisition costs and normal acquisition adjustments such as fair value adjustments and the amortisation of intangible assets. This statement should not be interpreted to mean that the earnings per share in the first full financial year, or in any subsequent period, would necessarily match or be greater than, those for the relevant preceding financial period for Hunting or the Titan Group.

Note 2: Reported figures for the six months ended 30 June 2011 are pre-exceptional and exclude Field Aviation. These figures have not been audited or reviewed by Hunting's auditors.

Note 3: Results for the Titan Group for the six months ended 30 June 2011 are sourced from the Titan Group's unaudited US GAAP management accounts.

Note 4: Audited US GAAP Consolidated Financial Statements for the year ended 31 December 2010. These will be restated under IFRS and Hunting's accounting policies in the Circular to be sent to Shareholders.

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

"Acquisition" or the "Proposed Acquisition"	the proposed acquisition of the Titan Group pursuant to the Agreement and Plan of Merger
"Acquisition Agreement"	the conditional Agreement and Plan of Merger relating to the Acquisition dated 5 August 2011
"Adjustments"	the adjustments to the purchase price to be made pursuant to the Acquisition Agreement, which may be positive or negative, and which are linked to the net working capital of the Titan Group at completion of the Acquisition
"Barclays Capital"	Barclays Capital, the investment banking division of Barclays Bank PLC
"Board" or "Directors"	the board of directors of Hunting
"Circular"	the Circular to be sent to Shareholders by the Company in connection with the Proposed Acquisition and including notice of a General Meeting at which a resolution will be proposed to approve the Acquisition
"Closing" or "Completion"	completion of the Proposed Acquisition in accordance with the terms of the Acquisition Agreement
"DC Advisory Partners"	DC Advisory Partners Limited
"EBIT"	earnings before interest and tax
"EBITDA"	earnings before interest, tax, depreciation and amortisation
"Enlarged Group"	the Hunting Group following Completion
"Existing Bank Facility"	Hunting's £120,000,000 revolving credit facility, provided by Lloyds TSB Bank PLC, Barclays Bank PLC and Bayerische Landesbank, London Branch dated 25 October 2010
"General Meeting"	the general meeting of Hunting at which a resolution will be proposed to approve the Proposed Acquisition expected to be held mid-September 2011
"Half-Year Results"	Half-Year Results of the Hunting Group for the six month period ended 30 June 2011
"Hunting" or "Company"	Hunting PLC

"Hunting Group" or "Group"	Hunting and its subsidiaries and subsidiary undertakings
"Hunting Shares" or "Ordinary Shares"	ordinary shares of 25 pence each in the share capital of Hunting and "Hunting Share" or "Ordinary Share" means any of them
"LLC"	TSI Acquisition Holdings LLC
"New Bank Facility"	the new revolving credit facility of £375 million dated 5 August 2011 and arranged and underwritten by Barclays Bank PLC, Lloyds TSB Bank PLC and The Royal Bank of Scotland plc
"Placing"	the placing of 13,175,838 new Ordinary Shares to certain institutional shareholders proposed to be completed following this announcement on 5 August 2011
"Placing Announcement"	the Announcement containing details of the Placing issued on 5 August 2011
"RBS Hoare Govett"	RBS Hoare Govett Limited
"Shareholders"	holders of Ordinary Shares in Hunting
"subsidiary"	has the meaning ascribed to it in sections 1159 and 1162 of the Companies Act 2006
"subsidiary undertaking"	has the meaning ascribed to it in sections 1161, 1162 and Schedule 7 of the Companies Act 2006
"Titan"	Titan Specialties, Ltd.
"Titan Group"	TSI Acquisition Holdings LLC and its subsidiaries
"US$"	United States dollar