

Triangle Energy Expands Footprint Significantly in 8,605km² Exploration Permit in Offshore Perth Basin and agrees to enter Wind & Solar Project Joint Venture

Highlights

- Triangle to acquire a 78.75% interest in and operatorship of offshore Perth Basin exploration permit WA-481-P from Pilot Energy
- Acquisition aligns WA-481-P exploration permit ownership with the producing Cliff Head Oil Field
- Cliff Head Oil Field is owned and operated by Triangle (78.75%). Royal Energy (21.25%) is to be acquired by Pilot, subject to Pilot shareholder approval
- Triangle to pay Pilot \$300,000 (on completion) and carry Pilot through completion of the WA-481-P Permit 3 Year work program
- Triangle and Pilot agree to form the Cliff Head Wind & Solar Project Joint Venture with Pilot 80% owner and operator and Triangle 20%
- Pilot to carry Triangle on cost of Cliff Head Wind & Solar Project feasibility study
- Joint Venture to assess feasibility of development of large-scale wind and solar project centered around the Cliff Head Oil Field infrastructure
- Triangle confirmed as the dominant operator in the offshore Perth Basin for Oil and Gas.

Experienced Perth Basin oil producer Triangle Energy (Global) Limited (**Triangle/ the Company**) (ASX: **TEG**) is pleased to advise it has entered into an agreement with Pilot Energy (Pilot) to acquire a 78.75% interest in offshore Perth Basin exploration permit WA-481-P covering 8,605km². WA-481-P is located immediately adjacent to, and contiguous with, the Triangle owned and operated offshore Cliff Head Oil Field.

Pilot is currently the 60% owner and operator of offshore Exploration Permit WA-481-P and has entered into definitive agreements to acquire the remaining 40% interest from Key Petroleum Limited (ASX:**KEY**), subject to Pilot shareholder approval.

Upon completion of the acquisition of Key's 40% interest, Pilot will hold a 100% interest in WA-481-P.

Triangle has entered into a binding agreement with Pilot to acquire a 78.75% interest in, and operatorship of, WA-481-P, with Pilot retaining a 21.25% non-operated working interest in the permit. This transaction is conditional on Pilot acquiring Key's 40% interest in WA-481-P and Pilot and Triangle agreeing (i) a revised joint operating agreement in respect of WA-481-P; (ii) a joint operating agreement in respect of the Cliff Head Wind & Solar Project Joint Venture; and (iii) access agreements in respect of the Cliff Head

and Arrowsmith infrastructure and operations on the area of WA-481-P. The transfer of WA-481-P is subject to standard regulatory approvals.

The cut-off date to agree these documents and for the WA-481-P transaction to complete is 15 March 2021 (or as otherwise agreed).

Triangle Managing Director Rob Towner said the deal with Pilot created opportunities for Triangle to leverage its Perth Basin operations and infrastructure to unlock further value in the under-explored Perth Basin.

“Exploration and Development in the Offshore Perth Basin is now aligned, with Triangle operating Cliff Head and the adjacent prospective WA-481-P exploration acreage, with a supportive partner in Pilot Energy Limited,” Mr Towner said.

“Triangle has developed an excellent understanding of the WA-481-P exploration permit, having recently completed subsurface studies of the Offshore Perth Basin through its Cliff Head Renewal Project.

“We now have a significant offshore portfolio encompassing WA-31-L (Cliff Head Oil Field), TP-15 (Xanadu discovery) and WA-481-P, making us the dominant operator in the Offshore Perth Basin.

“As an experienced and successful oil producer and owner of the existing infrastructure and processing facilities associated with Cliff Head, becoming majority owner and operator of WA-481-P confirms that Triangle will play a major role in unlocking the potential of the Offshore Perth Basin.”

“In addition, we are well aware of what is happening in the energy world with many major players investing in the transition from conventional energy to renewables. These agreements with Pilot will facilitate Triangle’s first foray into assessing the feasibility of a renewables project that would also utilise Triangle’s existing offshore (Cliff Head platform and pipeline route) and onshore (Arrowsmith) infrastructure. This infrastructure is likely to be critical to a successful offshore wind and onshore solar project, and would be a pioneering project in Western Australia for a company of Triangle’s size.”

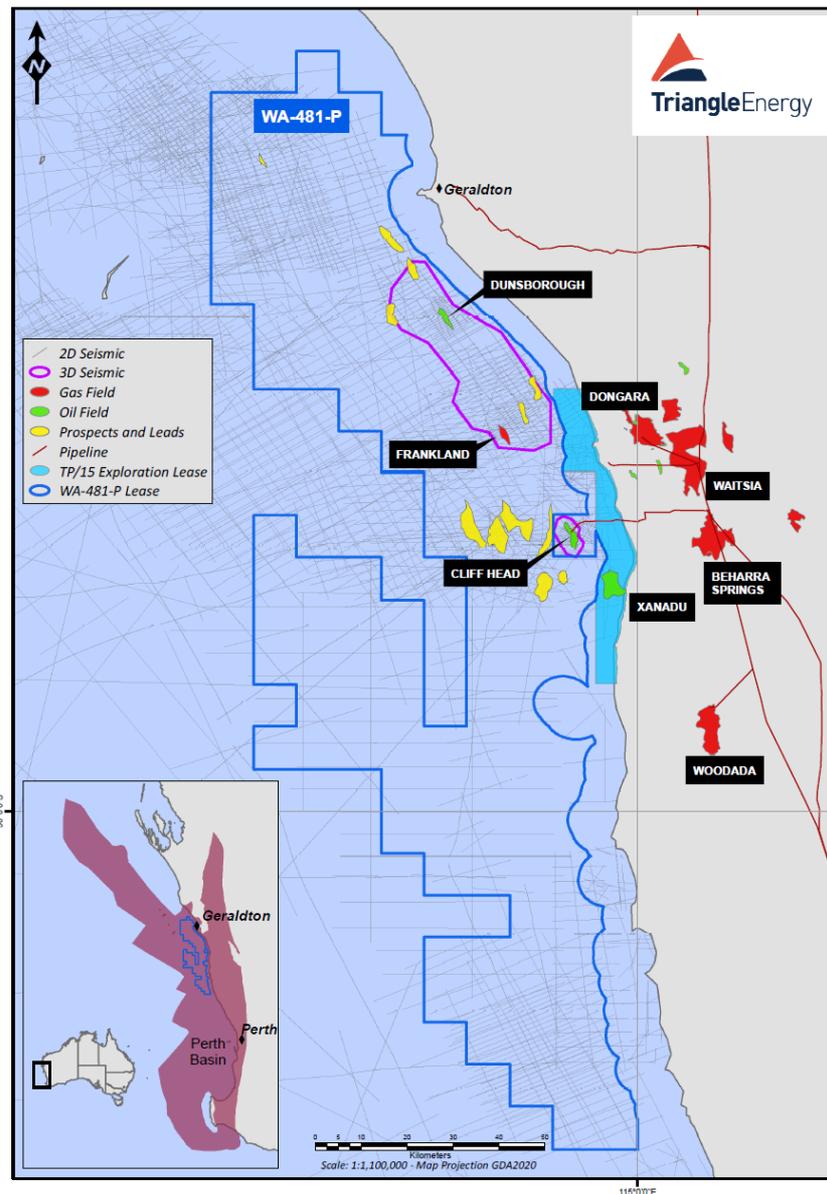
As consideration for the acquisition, Triangle will:

- Pay Pilot \$300,000 at completion; and
- Carry Pilot’s 21.25% share of costs for the first 3 years of the WA-481-P minimum work program (up to a maximum of \$1.22 million based on the current minimum work program).

Triangle is majority owner and operator of the Cliff Head Oil Field (located in the Offshore Production Licence WA-31-L) and the onshore Arrowsmith Separation and Processing Facilities. As previously announced to ASX on 25 September 2020, Pilot has entered into definitive agreements to acquire Royal Energy Pty Ltd, which holds an effective 21.25% interest in the Cliff Head Oil Field through its ownership of 50% interest in Triangle Energy Operations Pty Ltd, the operator and owner of 42.5% joint venture interest in the Cliff Head Oil Field.

Upon completion of the sale of the majority 78.25% interest in and transfer of operatorship of WA-481-P, Pilot and Triangle will have created substantial alignment through the newly created WA-481-P Joint Venture and the existing Cliff Head Oil Field Joint Venture (in which Pilot will acquire an effective 21.25% interest upon the completion of the Royal Energy Acquisition).

Triangle has agreed that Pilot’s share in any oil and gas discoveries in WA-481-P will be developed and produced through the Cliff Head Oil Field facilities and that Pilot will have access to these facilities on the same basis as Triangle (subject to market standard terms).



The WA-481-P permit contains numerous leads and prospects located within close proximity to the Cliff Head Alpha Production Platform. As part of the definitive agreement to acquire the majority interest in WA-481-P, Triangle has also agreed that the work program to be conducted in the permit will be directed in the defined area around Cliff Head covering these numerous previously identified leads and prospects.

Triangle's initial focus in WA-481-P will be on the prospectivity west and south of Cliff Head field. This area is considered highly prospective for oil as evidenced by Cliff Head oil field and the Xanadu oil discovery. Several leads are mapped in this area which require further definition with seismic acquisition. Any discovery that could arise from these leads could potentially be developed through the Cliff Head infrastructure.

The wider WA-481-P area is also highly prospective for oil and gas. Triangle will evaluate and develop the greenfield exploration potential of this very large permit which lies on the eastern margin of the Arolhos Sub-basin, a proven source kitchen. Development of the Dunsborough oil and gas discovery with also be further investigated. Triangle and Pilot will enter into a conventional offshore oil and gas joint operating agreement covering the establishment of the joint venture managing the permit and the operatorship of

the permit with Triangle as the operator. Under these arrangements, Pilot will be designated the operator's representative in connection with all matters relating to the interface with any potential offshore wind development affecting the WA-481-P permit area.

Cliff Head Wind and Solar Project Joint Venture

In addition to and in parallel with the sale of the majority interest in WA-481-P, Triangle and Pilot have also agreed to form the Cliff Head Wind and Solar Project Joint Venture (**Wind & Solar JV**) with Pilot owning 80% and Triangle 20% (subject to agreeing the terms of a joint operating agreement and the WA-481-P transaction completing).

The Wind & Solar JV will assess the feasibility of the development of an offshore wind and onshore wind and solar power project centred around the Cliff Head Offshore Oil Field production facilities, Cliff Head Alpha and the onshore Arrowsmith Separation and Processing Facilities, encompassing:

- taking advantage of well-recognised, world-class wind and solar resources of Western Australia's Mid West Region;
- multi-tasking the existing Cliff Head Oil Field offshore and onshore facilities to improve their utilisation and extend their life;
- Triangle and Pilot negotiating an access and coordination agreement to establish the basis for providing accessing to the existing Cliff Head Alpha Platform, the offshore/onshore pipeline right-of-way from the platform and to the onshore Arrowsmith Separation and Processing Facilities; and
- Pilot carrying Triangle's costs in conducting the feasibility study for the development of the wind and solar power project.

Approved for Release by:

The Board of Directors

ENDS

For more information:

Mr Robert Towner

Managing Director

E: rtowner@triangleenergy.com.au

Ph: +61 8 9219 7111

General Shareholder Enquiries:

info@triangleenergy.com.au

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX:TEG) oil producer and explorer based in Perth, Western Australia. The Company has a 78.75% interest in, and is Operator of, the producing Cliff Head Oil Field, which includes the Arrowsmith Stabilisation Plant. Triangle also has a 50% share of the Mt Horner L7 production licence and a 45% equity interest in the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX:GAS), which has an 80% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.