

ASX: TEG

www.triangleenergy.com.au

52 Wk Share Price Range

\$0.018 - \$0.04

Market Capitalisation

\$21.51M (at \$0.02 per share as at 28 October 2021)

Issued Capital (as at 30 September 2021)

1.075B Outstanding Shares
672.7M Listed Options
49M Performance Rights
1.8M Unlisted Options @\$0.10
4M Unlisted Options @\$0.03

Cash (as at 30 September 2021)

\$5.44M

Investment in State Gas Limited

\$14.36 million (at \$0.30 per share, as at 28 October 2021)

Top 20 Shareholders (30 September 2021)

30.80%

Board and Management

Timothy Monckton
Non-Executive Chairman

Rob Towner
Managing Director/CEO

Wai-Lid Wong
Non-Executive Director

Malcolm King
Non – Executive Director

Deanna Carpenter
Non – Executive Director

Marvin Chan
Chief Financial Officer

Lucy Rowe
Company Secretary

Triangle Energy (Global) Ltd

Suite 2, 100 Havelock Street,
West Perth, WA 6005
T: +61 8 9219 7111
E: info@triangleenergy.com.au

HIGHLIGHTS OF THE QUARTER

- ❖ **Steady Oil Production and Inventory of approximately 122,270 barrels delivered to BP Kwinana**
- ❖ **Successfully completed the workover of CH-6 well and CH-11 water injection intervention**
- ❖ **Mt Horner L7(R1) Prospective Resources Update**
- ❖ **Continued the Completion of the acquisition of a further 50% interest in Mt Horner L7(R1) 86.94% interest in EP-437 and 78.75% of WA-481- P**
- ❖ **Continued current Exploration and Development Programmes for both Cliff Head Oil Field and the Mount Horner Oil Field**

Production - Cliff Head Operations

- **No crude oil lifting occurred during the quarter. Subsequent to the end of the quarter, approximately 117,900 barrels were lifted from BP Kwinana**
- **Crude oil inventory value of AU\$7.42 million (at cost) representing 122,270 barrels of oil stored at BP Kwinana at the end of the quarter**
- **Produced and delivered 66,610 barrels during the quarter. Average production during quarter of 716 barrels of oil per day**
- **Lifting costs: US\$24.06/bbl (previous quarter US\$27.52/bbl)**

Exploration

- **Completed the review of Prospects and Leads portfolio within L7(R1)**
- **Detailed planning for Bookara Seismic Survey continued**
- **Detailed well planning for Cliff Head Mark 2**

Corporate

- **On 28 July 2021, the Extraordinary General Meeting of shareholders approved the ratification of the prior issue of Tranche 1 Placement shares and also approved the issue of the Tranche 2 Placement Shares**
- **In August 2021, raised \$8.0 million (after costs) from Tranche 2 of the Placement announced in the June quarter**
- **The Company is the major shareholder of State Gas Limited (State Gas) (ASX:GAS) with an interest of 23.96% as at the date of this report. The investment is equivalent to AU\$14.36 million in value at \$0.30 per State Gas share (as at 28 October 2021)**
- **Cash: AU\$5.44M (previous quarter: AU\$598K)**

COMPANY UPDATE

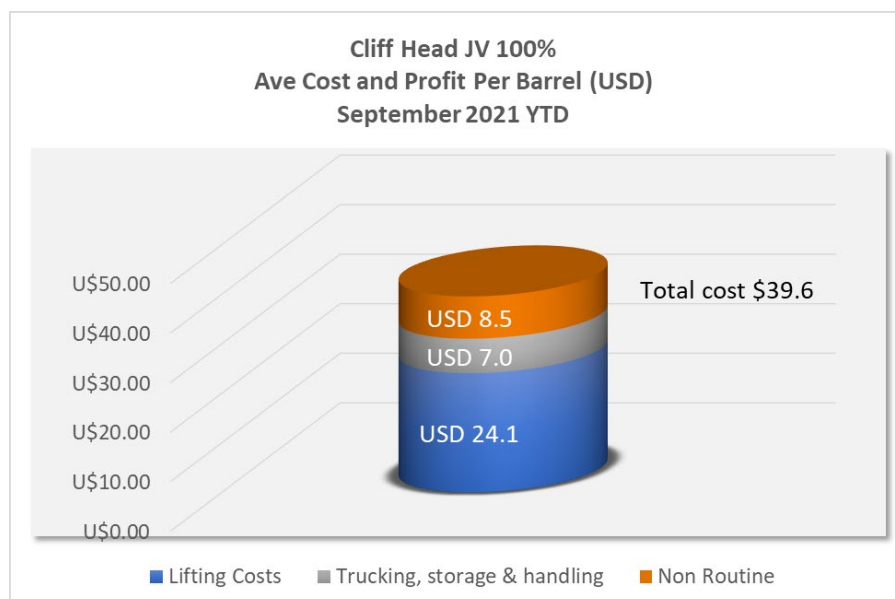
Cliff Head Oil Field (100%)

Cliff Head Operations

During the quarter, the Cliff Head Joint Venture (**CHJV**) continued to produce and deliver crude oil to BP Kwinana. As at 30 September 2021, the CHJV has delivered 122,270 barrels of crude oil. At cost, the value of this inventory is AU\$7.42 million with an expected realisable value of approximately AU\$12 million at US\$75.0 price and exchange rate of US\$0.75.

There was no sale of crude oil during the reporting quarter.

The oil price has improved significantly this quarter compared to the same period last year. This quarter's average Brent price was US\$73.47 compared to US\$42.96 for the 2020 September quarter (an increase of 72% or US\$30.51).



Subsequent to the end of the quarter, on 14 October 2021, the CHJV was pleased to announce that the CHJV participants (**Producers**) entered into a Binding Offtake Agreement (**Offtake Agreement**) with BP Singapore Pte Limited (**BP Singapore**), in relation to the sale and purchase of its crude oil produced at the Company's Cliff Head Oil Field. Under the terms of the Offtake Agreement, BP Singapore will purchase 100% of the crude produced from the Cliff Head Oil Field, commingled with crude and condensate of other producers (**Designated Seller Groups**), on FOB Kwinana terms. Triangle Energy (Operations) Pty Ltd (**TEO**), is acting as the Operating Agent on behalf of all of the Designated Seller Groups in relation to each of their offtake agreements and has entered into an agreement with each of the Designated Seller Groups to govern the provision of these services.

Further, on 27 October 2021, the CHJV was pleased to announce that it had completed a lifting of 107,000 barrels of Cliff Head Crude from the BP Kwinana Terminal under the terms of the Offtake Agreement.

BP have purchased the crude FOB BP Kwinana Terminal as part of a commingled product with other producers. The price received is a fixed differential to the average dated Brent price for the month of October 2021 and will be finalised at the end of that month, with the CHJV to receive approximately A\$10.7 million on or about 25 November 2021.

For a further 10,900 bbls of Cliff Head crude delivered and sold, in April 2021, under the amendment to the previous Crude Oil Supply Agreement with BP Australia (announced 1 March 2021), the Cliff Head Joint Venture will now receive approximately A\$1.1 million, with the price received to be finalised at the end of October 2021.

The accumulation of 5 months' inventory since the last lifting has meant that the Company has benefited from the increase in oil price by approximately US\$1.0 million compared to monthly lifting.

Successful completion of CH-6 Workover and CH-11 Water Injection intervention

The CH-6 well was shut in, in June 2020, due to Electrical Submersible Pump (**ESP**) failure. In October 2020, the Company attempted to replace the ESP but initial attempts to retrieve the old ESP were unsuccessful. The CH-6 workover was therefore temporarily suspended. The failed ESP had been in production for over ten years.

In June 2021, the Company announced that activities had begun on the CH-6 Workover and that in conjunction with that workover, it would undertake a Slickline Intervention on CH-11WI. The Company had completed studies that indicated

reconfiguration of the injection zone of CH-11WI could contribute to increased oil recovery and further enhance daily oil production.

On 29 July 2021, the CH-11WI intervention was completed successfully. The well injection performance testing was positive and the reconfiguration of the injection zone of CH-11WI will contribute to increase oil recovery from Cliff Head.

Further, on 24 August 2021, the Company was pleased to announce that the CH-6 Workover was completed successfully with the replacement of the ESP in a more technically and cost-effective configuration. Production from the CH-6 well has stabilised at approximately 95 barrels of oil per day (**bopd**). The joint workover campaign provided the Company with the rare opportunity to evaluate the condition of the downhole completion and wellbore equipment with regard to long term well integrity and corrosion management.

CH- 10 Shut In

On 29 September 2021, the Cliff Head Joint Venture (**CHJV**) announced that a downhole electrical fault had caused a shut in on CH-10. This well has produced reliably for nearly 12 years with the same ESP, and this performance significantly exceeds the field average of 4 years.

Production from the field stabilised at approximately 720 bopd and the CHJV is currently assessing possible scenarios in relation to this low production rate well, which ranges from replacing the ESP, to a possible updip sidetrack well which may involve recovering the well slot for future development drilling as part of an Asset Life Extension campaign for the Cliff Head Alpha platform.

Cliff Head Reserves and Contingent Resources

The re-evaluation of Reserves for 30 June 2021 progressed during the quarter, along with an update of Contingent Resources. The restated Reserves and updated Contingent Resources were announced to the ASX subsequent to the end of the quarter on 28 October 2021. The Company's Cliff Head oil Reserves are summarised below (net 78.75% share).

Developed Reserves 30 June 2021 (Net TEG 78.75%)			
(MMstb Oil)	1P (Proven)	2P (Proven + Probable)	3P (Proven + Probable + Possible)
Cliff Head	0.21	0.81	1.04

Triangle Reserves at June 30, 2021

The Company's 2C Contingent Resources at 30 June 2021 are assessed to be 3.47 MMstb. This is a slight increase to the Company's 2C Contingent Resources of 30 June 2020 due to its assessment of the West Development opportunity and its impact on field life extension, and the inclusion of the CH10 HCA and CH11 Updip opportunities. The Company's updated Cliff Head Contingent Resources are provided below.

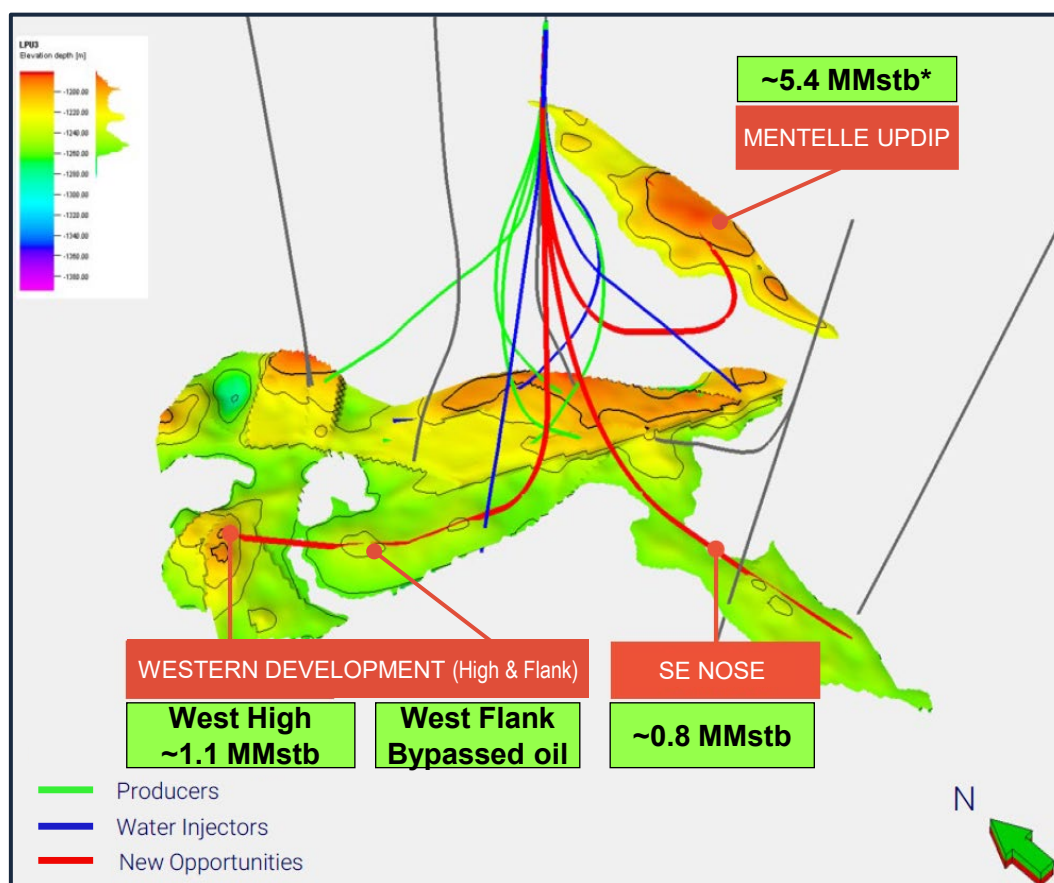
Net TEG (78.75%) Contingent Resources			
(MMstb Oil)	1C (Low)	2C (Best)	3C (High)
SE Nose	0.39	0.64	0.98
Western Development		1.13	
Far North		0.32	
CH11 Updip		0.26	
CH10 HCA		0.34	
Cliff Head Field Life Extension		0.78	
Total TEG Share		3.47	

Triangle's Contingent Resources (Cliff Head) at 30 June 2021

Cliff Head Mark 2 – Well Planning

Three attractive drilling opportunities were developed from the previously completed Cliff Head Renewal Project (**CHRP**), the South-East Nose development, West High/West Flank appraisal/development (Western Development) and Mentelle Updip exploration prospect. Success with these opportunities could materially increase production and extend the life of the Cliff Head oil field. A fourth opportunity, Catts prospect, is also technically mature but dependent on SE Nose drilling results.

The Company is progressing the well planning for the Cliff head satellite wells. The Select phase work is complete and the well planning is moving into detailed design for SE Nose, Western Development and Mentelle Updip, targeting drilling during 1H 2023.



* The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

Figure 1 Cliff Head Satellite Opportunities

Mt Horner Production Licence L7(R1)

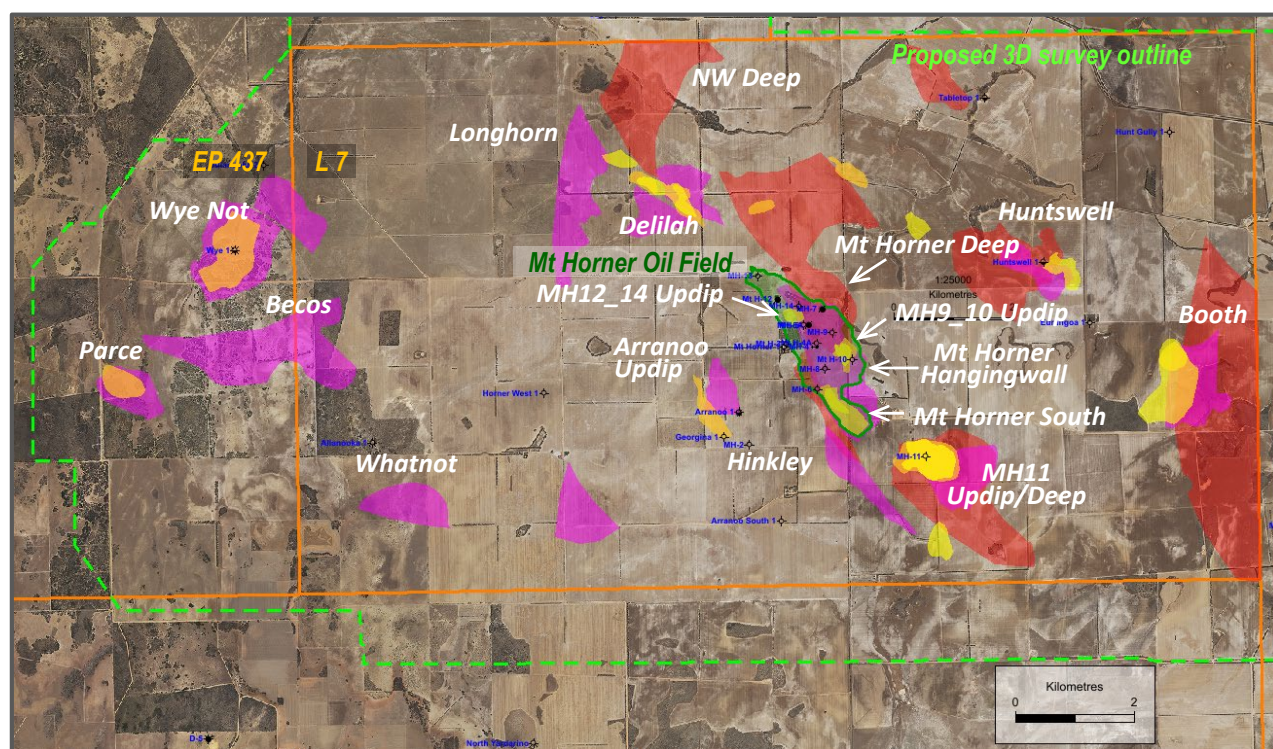
On 29 January 2021, the Company entered into a Sale and Purchase Agreement (**Agreement**) and Royalty Deed with subsidiaries of Key Petroleum Limited (ASX:**KEY**) to acquire a further 50% participating interest in Production Licence L7(R1) (**L7**) and a combined 86.94% interest in Exploration Permit EP 437 (**EP 437**) (together, **the Acquisition**).

Completion of the Agreement is conditional on usual regulatory approvals and execution of a deed of covenant in respect of the EP 437 JOA. Under the terms of the Agreement:

- Triangle will pay to Key a cash consideration of A\$600,000 (\$A500,000 of which has now been paid), any outstanding cash calls in respect of L7 based on an agreed work program and budget plus a 5% gross overriding royalty payable on production from L7 and EP 437;
- Subject to Completion occurring, the existing Farmout Agreement between Triangle and Key in relation to the L7 licence at Mt Horner, the execution of which was announced on 31 October 2018, will terminate and the parties will release each other from all claims and liabilities in respect of L7 and the Farmout Agreement, except in relation to certain rehabilitation work undertaken by Key Petroleum prior to execution of the Agreement, including any disputes in respect of the Farmout Agreement (refer announcement by TEG on 4 August 2020); and
- TEG is guaranteeing the performance by the Triangle subsidiary acquiring the interest under the Agreement and the Royalty Deed.

Both companies have continued to complete the necessary regulatory requirements in order that the Department of Mines, Industry Regulation and Safety can effect the transfer of Key's Petroleum's interests in L7 and EP 437 to Triangle, and subsequent to the end of the September quarter, the proposed Cut Off date for the Agreement was extended to 31 January 2022.

In August 2021, the Company completed a technical review of L7 to evaluate the numerous oil shows and oil and gas exploration opportunities in the Lower Jurassic and Permian in advance of the Bookara 3D seismic acquisition. An extensive Prospects and Leads portfolio of some 18 oil opportunities and 4 gas leads within L7(R1) in which it currently holds 50% (another 50% subject to Completion) were confirmed from the review and are provided in Table 1 below. These prospects and leads will be evaluated for drilling with the Bookara 3D seismic survey that is planned to be acquired in December 2021/January 2022.



L7 (Mt Horner) and EP437 Prospects and Leads

Subsequent to the end of quarter, Key and Triangle entered into a Management Services Agreement where Triangle will provide all operational services in relation to the L7/EP437 titles. This includes the preparations for the Bookara 3D Seismic Survey.

Detailed planning for the Bookara 3D seismic survey continued during the quarter. The survey design was finalised and the Joint Venture continues to work through the land access and approval processes with acquisition planned to follow the harvest season in Dec 2021/Jan 2022. Planning for the survey is well advanced.

The Company has completed surface development studies to evaluate development options for the infill development of Mt Horner field and the development of successful oil and gas exploration opportunities. Low-cost development schemes indicate strong potential value could be present in L7.

The Company commenced a farmout campaign and has opened an online data room with several companies evaluating the opportunity.

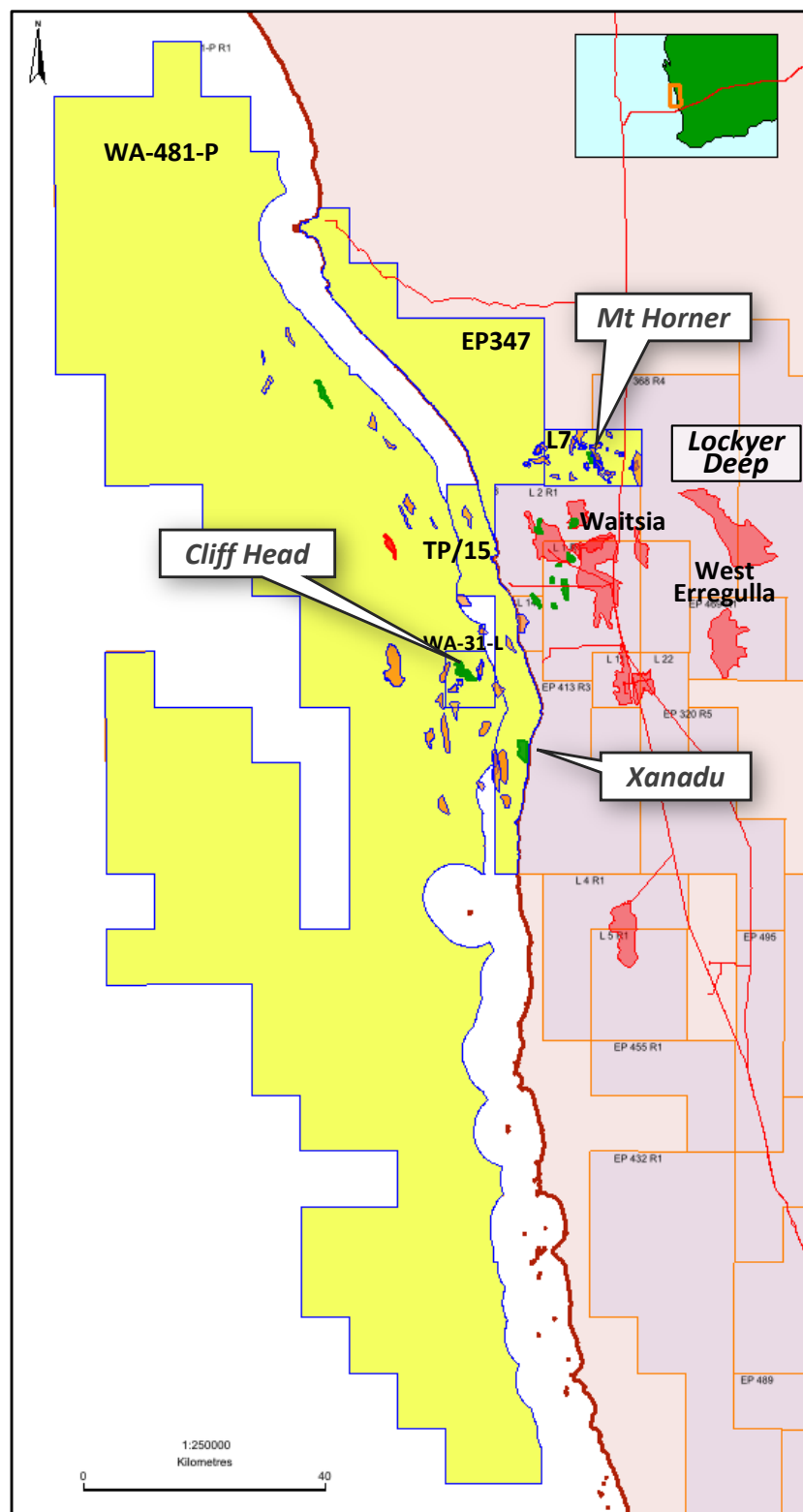
L7 (Mt Horner) Oil: Best Estimate Prospective Resources* (MMstb)		Gross (100%)	Net TEG (50%)	Status
Oil Prospect/Lead	Objective	MMstb	MMstb	
Mount Horner 9_10 Updip	Jurassic	0.23	0.12	Prospect
Mount Horner 12_14 Updip	Jurassic	0.23	0.11	Prospect
Mount Horner Hanging Wall	Dongara	3.11	1.56	Prospect
Mount Horner South (MH6 Updip)	Jurassic and Dongara	0.83	0.41	Prospect
Mount Horner 11 Updip	Jurassic	1.49	0.75	Prospect
Mt Horner 11 Deep	Dongara	0.71	0.35	Prospect
Arranoo Updip	Dongara	1.41	0.70	Prospect
Becos L7	Kingia/High Cliff	1.35	0.68	Lead
WhatNot	Kingia/High Cliff	2.18	1.09	Lead
Delilah Hanging Wall	Jurassic	0.20	0.10	Lead
Delilah Footwall	Dongara	1.62	0.81	Lead
Longhorn	Dongara	4.19	2.10	Lead
Booth	Jurassic and Dongara	4.46	2.23	Lead
Hinkley A	Dongara	2.09	1.05	Lead
Hinkley South	Dongara	0.36	0.18	Lead
Arranoo Sandstone	Arranoo	tba	tba	Concept
Hunstwell Trend	Kingia/High Cliff	tba	tba	Concept
Mount Horner Footwall	Kingia/High Cliff	tba	tba	Concept
Total		24.5	12.2	

L7 Gas Targets: Best Estimate Prospective Resources*		Gross (100%)	Net TEG (50%)	Status
Gas Prospect/Lead	Objective	bcf	bcf	
Mt Horner Deep Gas	Kingia/High Cliff	28	14	Lead
MH11 Deep gas	Kingia/High Cliff	25	12	Lead
Booth Deep Gas	Kingia/High Cliff	89	44	Lead
NW Deep Gas	High Cliff	24	12	Lead
Total		165	83	

L7 (Mt Horner) Prospects and Leads Inventory

* The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Acquisition of 78.75% of WA-481-P and Formation of Joint Venture



As previously announced (see ASX announcement 9 November 2020), Triangle has agreed to acquire a 78.75% interest in the offshore Perth Basin exploration permit WA-481-P and is appointed as Operator. WA-481-P is located immediately adjacent to, contiguous with and surrounds the Triangle-operated offshore Cliff Head Oil Field.

Under the terms of the acquisition agreement, as consideration for the transfer to Triangle of the 78.75% interest in WA-481-P and operatorship, Triangle will:

- Pay Pilot \$300,000 in cash; and
- 100% free carry Pilot through the completion of the Year 3 \$5.75 million minimum work programme (see table below) with a value of \$1.23 million to Pilot's work programme share.

Having entered into the WA-481-P joint venture agreement, the Cliff Head Wind and Solar joint venture agreement, Cliff Head access deed and Cliff Head Wind and Solar access deed during the June 2021 quarter, the remaining conditions to be satisfied before the transaction completes relate to the regulatory approval including in relation to the transfer of Key Petroleum's interest in WA-481-P to Pilot and Murphy Oil's consent to the transfer (holder of a Net Profit Interest over WA-481-P).

During the reporting period, both Pilot and Triangle have been working to complete the necessary regulatory requirements in order that the Department of Mines, Industry Regulation and Safety receive the regulatory approvals with Completion anticipated to occur during the December 2021 quarter.

In addition to and in parallel with the WA-481-P transaction, Pilot and Triangle also agreed to form the Cliff Head Wind and Solar Project Joint Venture to initially 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. Under the

Cliff Head Wind and Solar joint venture agreement, Pilot holds an 80% operating interest and will free carry Triangle, which holds a 20% interest, during the initial feasibility study period.



TP/15 Xanadu-1 JV (45%)

The results of the Xanadu 3D seismic data acquired in 2019 suggests that commercial potential of the Xanadu discovery may be limited. However, follow-up prospectivity from the Xanadu-1 well oil recovery is identified in the West Xanadu, Texel and South Xanadu Leads.

Additional seismic coverage is required to progress Texel and West Xanadu to drillable status. The company is actively reviewing the opportunity to cost effectively combine seismic acquisition in TP/15 along with data acquisition in the adjacent WA-481-P to mature these leads for drilling.

Subsequent to the reporting period TP/15 Operator, Norwest Energy NL, provided notice to the TP/15 Joint Venture participants of its intention to withdraw from the permit at the end of the current permit year, being 6 December 2021. Operatorship of TP/15 is being transferred to a subsidiary of Triangle Energy (Global) Ltd, to facilitate a smooth transition into the next permit year for the remaining joint venture participants.

INVESTMENTS

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (ASX:GAS) with an interest of 23.96% (as at the date of this report), the investment is equivalent to AU\$14.36 million in value at AU\$0.30 (as at 28 October 2021) per State Gas share.

During the quarter, State Gas released the Resource estimates and final well results for Rougemont. Data from the wells indicated strong correlation between the wells, with laterally continuous coal seams of approximately 8 metres net coal across the area. The laboratory analysis of the coal samples has indicated good gas contents in the coals. The primary seams in Rougemont-2 were measured as 6.00 and 5.15 m³ / tonne dry ash free while the correlative seams in the deeper Rougemont-1 were 6.20 and 6.18 m³ / tonne dry ash free.

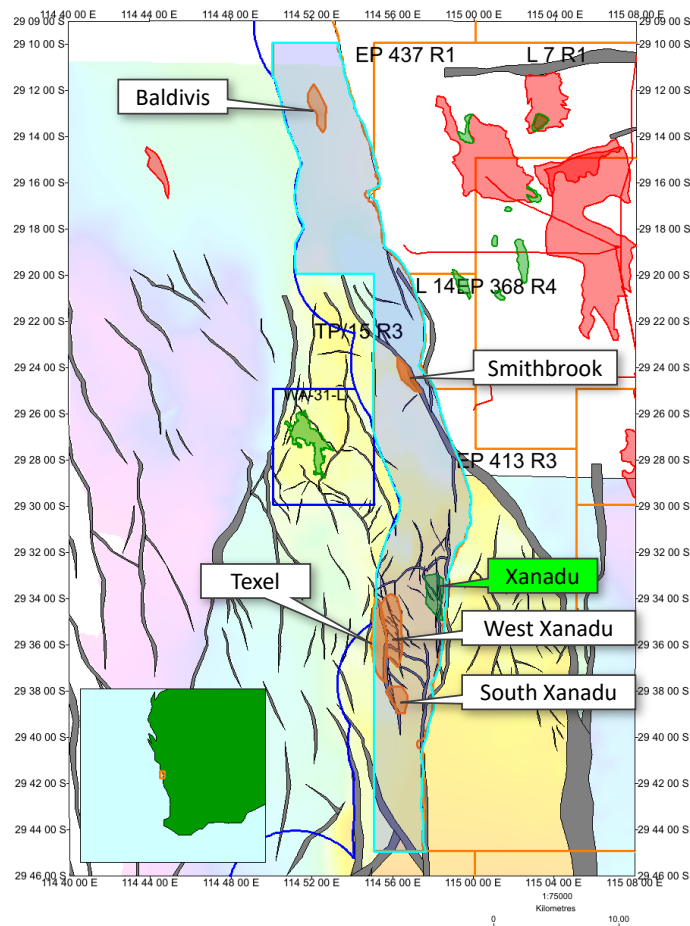
State Gas net share of estimated Contingent Resources are set out in tables below (as announced by State Gas on 27 August 2021):

Estimated Contingent Resources East Bandanna Fairway		
1C	2C	3C
53 PJ	91 PJ	161 PJ

Estimated Contingent Resources Reid's Dome (PL231)		
1C	2C	3C
53 PJ	91 PJ	161 PJ

During the quarter State Gas successfully completed the placement of A\$8 million from institutional and sophisticated investors at A\$0.32 per share.

For further information on State Gas Limited, please refer to the company's website at <https://stategas.com/>



Triangle's Managing Director, Mr Rob Towner, represents Triangle's interests on the board of State Gas as a non-executive director.

CORPORATE

Placement of Shares

On 17 June 2021, the Board was pleased to announce that it had received firm commitments for \$10 million in a placement to new and existing sophisticated, institutional, and professional investors. There was tremendous interest shown in this placement along with the recognition of the Company's Perth basin expansion strategy and its significant investment in ASX listed gas exploration and development company State Gas Limited.

The Company appointed CPS Capital Group Pty Ltd (CPS) to act as lead manager and broker to this successful capital raising.

Use of Funds

The use of the funds has been applied as follows:

- **Cliff Head Oil Field**
CH6 Workover (re-entry) and CH11 Water Injection slickline intervention, which were completed during the quarter. Well planning has also been initiated for the drilling of South-East Nose, West High and Mentelle as well as grouting work on CH10.
- **L7, EP-437 and WA-481-P Permits**
Progressing with the seismic planning at L7 and EP-437 Permits and the exploration evaluation at WA-481-P.
- **Corporate and Working Capital**
Funds have been applied to the costs of the offer, working capital and undertaking a feasibility study for a Mid-West oil refinery and to establish a Cliff Head Infrastructure Future Fund which will provide a cash reserve for any planned or unplanned major project in Cliff Head. Subsequent to the end of the quarter, the Cliff Head Infrastructure Future Fund account was set up with an initial deposit of AU\$2M.

Entitlement Offer

On 23 June 2021, the Board was further pleased to announce a pro-rata non-renounceable entitlement offer (**Entitlement Offer**) to eligible shareholders of quoted options in the Company at an issue price of \$0.001 each and on the basis of 1 new quoted option (**New Option**) for every 2 shares held on the record date. Each New Option has an exercise price of \$0.035 each and an expiry date of 4 August 2023.

The Entitlement Offer closed on 28 July 2021 and the Company was pleased to announce that it received valid applications under the Entitlement Offer for 150,276,755 Options pursuant to eligible shareholders' entitlements, raising a total of \$150,277.59 and leaving a shortfall of 160,104,833 Options which was subsequently issued and quoted on 11 August 2021.

General Meeting

A General Meeting of Shareholders was held on 28 July 2021.

All resolutions presented for shareholders' consideration were passed by a sufficient majority as ordinary resolutions.

Capital and Management Expenditure

As at 30 September 2021, Triangle had a cash balance of AU\$5.44M

During the quarter, the Company made the following payments:

- **Production expenditure:** Normal production operations at Cliff Head of AU\$1,092K. This amount represents 57.5% participating interest in CHJV;

- **Exploration and evaluation expenditure:** the Company paid AU\$444K for subsurface work in Cliff Head and L7 (Mt Horner);
- **Staff cost:** Payments to staff of AU\$654K; and
- **Administration and corporate:** other general and administration expenses of AU\$676K incurred by the Company in other areas of the business.

The Company also holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd. This investment is equity accounted for in the Company's financial statements.

Payments to Related Parties of the Company and its Associates

During the quarter ending 30 September 2021, the Company paid AU\$145K to related parties of the entity and their associates. The payment is broken down as follows:

1. payments to executive director of AU\$96K, and
2. payments to non-executive directors of AU\$49K.

Shareholder Analysis

As at 30 September 2021 the Company had 2202 shareholders and 1,075,308,936 shares on issue. The Top 20 shareholders held 30.80% of the total issued capital.

Information in relation to ASX Listing Rule 5.4.3

At 30 September 2021, the Company held a:

- 78.75% interest in WA-31-L in the Perth Basin, Western Australia;
- 45% interest in TP/15 Joint Venture in the Perth Basin, Western Australia;
- 100% participating interest in Production Licence L7(R1¹), Perth Basin, Western Australia;
- 86.94% participating interest in Exploration Permit 437², Perth Basin, Western Australia; and
- 78.75% participating interest in WA-481-P³, Perth Basin, Western Australia.

The Group did not acquire or dispose of any other tenements during the quarter.

¹ On 29 January 2021 the Company announced that it had entered into an agreement with Key Petroleum Limited to acquire the additional 50% of this licence, this transaction is still subject to Completion

² On 29 January 2021 the Company announced that it had entered into an agreement with Key Petroleum Limited to acquire 86.94% of this licence, this transaction is still subject to Completion

³ On 9 November 2020 the Company announced it had entered into agreements with Pilot Energy Limited, this transaction is still subject to Completion

BACKGROUND TO OPERATIONS

WESTERN AUSTRALIA

I. Cliff Head Oil Field - Operator WA-31-L Offshore Perth Basin (78.75%)

The Cliff Head Oil Field is located 10km off the coast of Western Australia at a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km² and the oil field covers 6km². It was the first commercial oil discovery developed in the offshore Perth Basin. The development cost of the field was A\$327 million with first oil production commencing in May 2006.

Production is from five ESP production wells and produced water is reinjected into three injection wells. Produced crude oil is trucked to BP in Kwinana, 42kms south of Perth.

Facilities and Infrastructure

The Cliff Head facilities are the only offshore infrastructure in the Perth Basin and are therefore important for any development in the surrounding area. An unmanned platform with a 14km pipeline carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith, with a production capacity of 15,000 bopd.

The field has the capacity to produce approximately 1,000 bopd from five production wells (3 horizontal and 2 deviated). The production from the field is supported by a water flood with 3 water injection wells (1 horizontal and 2 deviated). An additional unused well slot is available on the platform for future drilling activities.

Production Optimisation and Exploration Upside

The Perth Basin has more than 60 wells drilled offshore (approximately 47 wildcat wells) and 320 wells drilled onshore. The Northern Perth Basin has 20 commercial oil and gas fields and numerous additional significant discoveries of varying sizes. The Northern Perth Basin has proven production with 10 producing fields and with Cliff Head being the only offshore producing field.

The Cliff Head joint venture has developed a set of near field opportunities within the WA-31-L permit area to enhance production through the asset. These include in-field appraisal and development drilling, and near field exploration. Three opportunities are both technically mature and economically justified for drilling.



Arrowsmith Stabilisation Plant

Western Development

The West High appraisal/development opportunity, on a likely western extension of the Cliff Head field, could be drilled by a deviated appraisal well from the Cliff Head platform, and then completed as a production well in the event of success. A West High well path could also intersect a bypassed oil opportunity on West Flank for low additional cost, enhancing the recovery and economics of a West High well. Best Estimate Contingent Resources of 1.43 MMstb (100% equity) were announced to the ASX on 28 October 2021.

SE Nose

The SE Nose development opportunity is a low relief structure updip of the original Cliff Head 1 discovery well, that was confirmed and de-risked by depth conversion studies and is assessed to have Best Estimate Contingent Resources of 0.81 MMstb (100% equity) and is also mature for drilling.

Mentelle Updip

The Mentelle Updip prospect has developed into an opportunity with sufficient resource potential to materially impact the life-cycle of the Cliff Head asset. Further seismic acquisition was evaluated and is not justified because of relative cost and additional time delays. Mentelle Updip is mature for drilling.

Two new features were identified from the Cliff Head Renewal Project, the Catts exploration prospect 1.4 kms SSW of the Cliff Head Alpha platform, and the Far North opportunity north of Cliff Head 10. Catts is a subtle two-way-time closure that is enhanced with depth conversion and analogous to the SE Nose structure and can also be developed from the Cliff Head Alpha platform in the event of exploration success. Far North is a possible structural culmination on the northern limit of the field that is indicated by upside scenarios of the depth conversion work. The upside depth model is supported by the production performance of the Cliff Head 10 well. Far North is still under evaluation. The Cliff Head south area also appears to provide long term exploration potential that could be drilled from the Cliff Head Alpha Platform, which requires further seismic acquisition to adequately define it.

The next steps are to commence detailed well planning, targeting a drilling campaign within the constraints of the current oil price and industry environment.

Health, Safety and Environment (HSE)

The Cliff Head Joint Venture is dedicated to HSE and Asset Integrity Management.

Offshore Australian projects are subject to the *Offshore Petroleum and Greenhouse Gas Storage Act 2006* safety case regime and all requirements are implemented at the offshore and onshore facilities.

All environmental requirements (EIAs, EMPs, Oil Pollution Emergency Plans, carbon emissions reporting) are being met.

Through its existing Cliff Head Oil Field production operations, the Cliff Head Joint Venture has established good relations with the regulators, fishing community, landholding sectors, tourism stakeholders and other operators in the area.

II. Xanadu - TP/15 Offshore Perth Basin (45%)

TP/15 is located in the offshore northern Perth Basin approximately 280km north of Perth. The permit occupies the 3 nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covers an area of 645km². The Xanadu-1 oil recovery lies within TP/15.

The Xanadu-1 well was spudded on 4 September 2017 and on 25 September 2017, Triangle announced that an oil discovery at Xanadu-1 was confirmed. This was the first oil discovery in the offshore Perth Basin since Cliff Head in 2001. Analysis of the oil recovered from Xanadu-1 samples show a yield of 34.7° API crude oil with no H₂S and extremely low levels of CO₂ (0.02%). The Xanadu crude is similar to that produced at Cliff Head Oil Field.

The Xanadu 3D seismic survey was acquired during June and July 2019 to evaluate the extent and resource potential of the Xanadu structure and evaluate appraisal well locations. The results of the Xanadu 3D seismic data, along with the well data, suggests that commercial potential of the Xanadu discovery may be limited.

The recovery of moveable oil in the Xanadu-1 well is very encouraging for TP/15. It indicates that an oil charge is present south of the Cliff Head field however. Both Cliff Head field and Xanadu lie on Beagle Ridge, east of the major Geraldton fault. The Xanadu area is interpreted to lie on the oil migration pathway from the Abrolhos subbasin to the west, like Cliff Head.

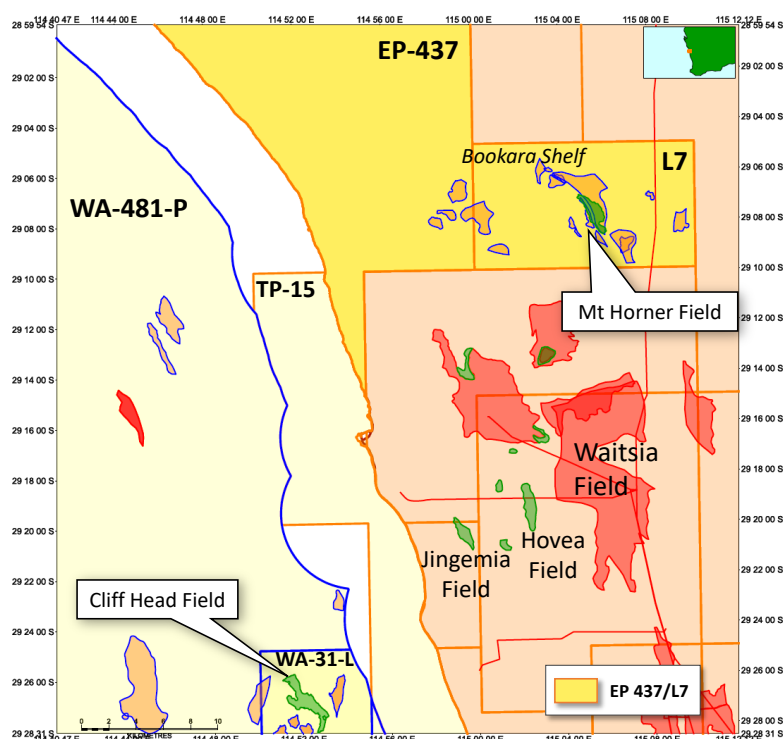
Significant exploration potential remains in TP/15 with the West Xanadu, South Xanadu and the Texel leads, located some 10km to the southwest of Xanadu-1, where reservoir quality is expected to improve. Texel is a Permian oil play, targeting the High Cliff Sandstone which hosts the prolific gas discoveries onshore. Additional oil potential exists in the Irwin River Coal Measures, being the reservoir at the Cliff Head oil field. The acquisition of low cost 2D seismic is being considered to mature these leads for drilling.

Any discoveries in the near shore TP/15 licence are potentially valuable because of the low cost to develop through the Cliff Head and Arrowsmith infra-structure.

TP/15 Joint Venture Participants:

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	NWE	25%
Triangle (Global) Energy Ltd (via subsidiary Triangle Xanadu Pty Ltd)	TEG	45%
3C Group IC Limited (via subsidiaries)		30%

III. Mt Horner – L7 and EP437

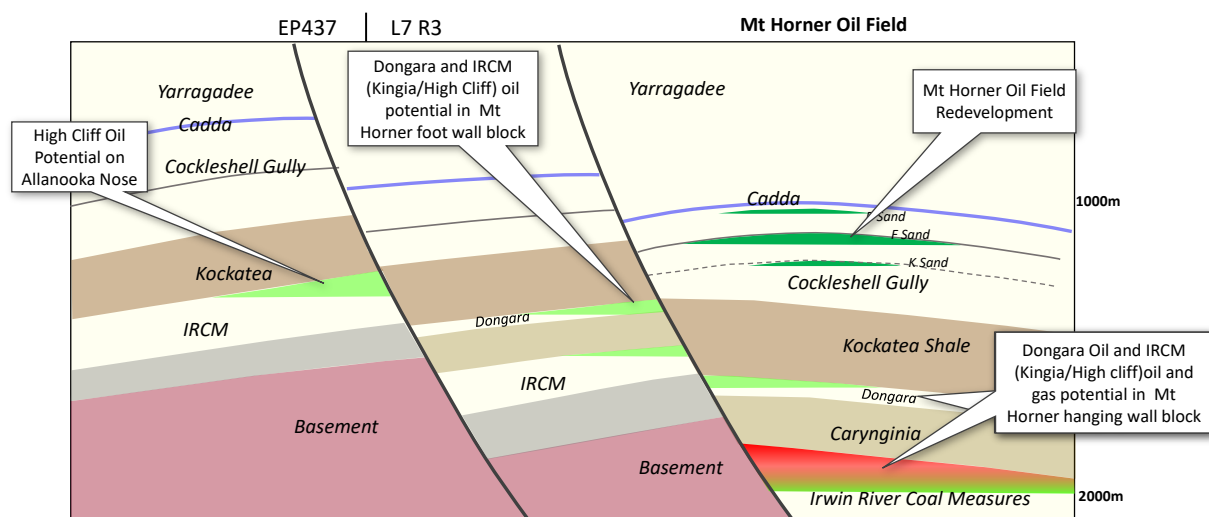


Triangle Energy agreed to farm-in to the Mt Horner Oil Field Production Licence, L7, in late 2018 and the company subsequently revised the farm-in agreement with Key Petroleum in late 2020 to include the adjacent EP437 enabling the company to take a dominant acreage position on the Bookara Shelf oil fairway of the North Perth Basin.

The Bookara Shelf contains the historical Mt Horner Oil field and is fallow ground with little activity having been undertaken in the last 20 years. The area contains numerous wells with oil shows and DST oil recoveries that have never been followed up. Modern industry technology, such as 3D seismic, has never been applied to the area and appraisal and exploration has not had the benefit of a systematic approach.

The company is targeting 4 key plays in the acreage:

1. Jurassic oil: Targeting Mt Horner field attic/infill opportunities at two levels, the F sand, historically the main producing Interval and the productive K sand. Mt Horner B sand is also a secondary objective.
2. The Upper Permian Dongara sandstone for oil in both the Mt Horner hanging wall and foot wall fault blocks.
3. The Permian Kingia and High Cliff sandstone (IRCM) for oil on the Mt Horner foot wall/Allanooka Nose.
4. The Permian Kingia and High Cliff Sandstone for gas in the Mt Horner hanging wall block



The company is reviewing the subsurface mapping and opportunity portfolio in L7 and EP437. The acquisition of the Bookara 3D seismic survey, to cover the Bookara Shelf, is planned for the summer of 2021/22. It is expected that multiple drilling opportunities will be matured from the Bookara 3D.

Mt Horner – L7 Joint Venture Participants:

JV Participant	ASX Code	Percentage Interest
Key Petroleum (via subsidiary) (Operator)	KEY	50% (0%)
Triangle (Global) Energy Ltd (via subsidiary)	TEG	50% (100%) ⁴

IV. WA-481-P

On 9 November 2020, the Company entered into an agreement with Pilot Energy Limited (**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.

On 11 May 2021, Triangle and Pilot announced that they had entered into the WA-481-P joint venture agreement, the Cliff Head Wind and Solar joint venture agreement, Cliff Head access deed and Cliff Head Wind and Solar access deed, with the remaining conditions to be satisfied before the transaction completes relating to the regulatory approval, including in relation to the transfer of Key Petroleum's interest in WA-481-P to Pilot, and Murphy Oil's consent to the transfer (holder of a Net Profit Interest over WA-481-P).

As consideration for the acquisition, Triangle will:

- (i) Pay Pilot \$300,000 at completion; and
- (ii) 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. On 25 September 2020, Pilot 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 (TEO), the operator and owner of 42.5% joint venture interest in the Cliff Head Oil Field.

Upon completion of the sale of the majority 78.75% 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 acquired an effective 21.25% interest upon the completion of the Royal Energy Acquisition on 1 June 2021).

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.

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 the area south of Cliff Head which require further definition with 3D seismic acquisition. Any discovery that could arise from these leads could be developed through the Cliff Head infrastructure.

⁴ On 29 January 2021 the Company entered into an agreement with Key Petroleum Limited to acquire the 50% interest in L7 permit. This transaction is subject to Completion.

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 Abrolhos Sub-basin, a proven source kitchen. Development of the Dunsborough oil and gas discovery will also be further investigated.

During the quarter Triangle Energy commenced a detailed review of the prospectivity of WA-481-P and completed a Seismic Acquisition Feasibility Study as part of the early planning for 3D seismic surveying in the permit.

WA-481-P Joint Venture Participants:

JV Participant	ASX Code	Percentage Interest
Triangle (Global) Energy Ltd (via a subsidiary) (Operator) ⁵	TEG	78.75%
Pilot Energy Limited	PGY	21.25% ⁵

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 access 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.

Authorised for Release by: Robert E T Towner
Managing Director

ENDS

General Shareholder Enquiries: info@triangleenergy.com.au

Notes Regarding Reserves, Contingent and Prospective Resources

1. The Company prepares its Petroleum Reserves, Contingent Resources and Prospective Resources in accordance with the definitions and guidelines in the Society of Petroleum Engineers (SPE) 2018 Petroleum Resources Management System (PRMS).

⁵ On 9 November 2020 the Company entered into agreements with Pilot Energy Limited. This transaction is subject to Completion.

2. *The Reserve and, Contingent Resources reported for Cliff Head lie within the Cliff Head Production Licence WA-31-L, operated by Triangle Energy (Operations).*
3. *The Company's net Reserves and Contingent Resources are attributed to Triangle Energy's 78.75% net interest in WA-31-L.*
4. *The evaluation date for the WA-31-L Reserves and Contingent Resources is 30 June 2021.*
5. *The Company's Reserves and Contingent Resources for WA-31-L were reported to the ASX on 28 October 2021.*
6. *The Company's Prospective Resources in Mt Horner lie within the onshore Perth Basin production licence L7, operated by Key Petroleum (Australia) Pty Ltd.*
7. *The Company's Prospective Resources for L7 are attributed to Triangle Energy's 50.00% net interest.*
8. *The evaluation date for the company's Prospective Resources in L7 is 18 August 2021.*
9. *The Company's Prospective Resources for L7 were reported to the ASX on 20 August 2021.*
10. *The Company is not aware of any new information or data that materially affects the information the Reserves, Contingent Resources or Prospective Resources referenced in this quarterly report.*

Qualified Petroleum Reserves and Resources Evaluator Statement

The Reserves, Contingent Resources and Prospective Resources are based on and fairly represent information and supporting documentation prepared by, or under the supervision of, the Company's Sub-Surface Manager Mr Matt Fittall, who is a full-time employee of Triangle Energy (Global) Limited. Mr Fittall has provided his prior written consent to the form and context in which the information that relates to the reserves is presented. Mr Fittall is a Geologist BSc(hons)Geology with more than 30 years' experience, practising in Petroleum Geology. Mr Fittall is a member of the Petroleum Exploration Society of Australia (PESA).

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX: TEG) oil and gas 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, and a 45% share of the Xanadu-1 Joint Venture and has executed a Farmout Agreement with Key Petroleum Limited for its Production Licence L7(R1), all located in the Perth Basin. The Company also has a 27.67% interest in State Gas Limited, a company with an 100% operating interest in the Reid's Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Triangle Energy (Global) Limited

ABN

52 110 411 428

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	1,318	1,318
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	0	0
	(b) development	0	0
	(c) production	(1,092)	(1,092)
	(d) staff costs	(654)	(654)
	(e) administration and corporate costs	(676)	(676)
1.3	Dividends received (see note 3)		
1.4	Interest received	0	0
1.5	Interest and other costs of finance paid	(10)	(10)
1.6	Income taxes / PRRT (paid) / received	0	0
1.7	Government grants and tax incentives	0	0
1.8	Other (provide details if material)	0	0
1.9	Net cash from / (used in) operating activities	(1,114)	(1,114)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	0	0
	(b) tenements	0	0
	(c) property, plant and equipment	(417)	(417)
	(d) exploration & evaluation (if capitalised)	(444)	(444)
	(e) investments	0	(0)
	(f) other non-current assets	0	0

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	0	0
	(b) tenements	0	0
	(c) property, plant and equipment	0	0
	(d) investments	0	0
	(e) other non-current assets	0	0
2.3	Cash flows from loans to other entities	(889)	(889)
2.4	Dividends received (see note 3)	0	0
2.5	Other (provide details if material)	0	0
2.6	Net cash from / (used in) investing activities	(1,750)	(1,750)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,226	8,226
3.2	Proceeds from issue of convertible debt securities	0	0
3.3	Proceeds from exercise of options	312	312
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(512)	(512)
3.5	Proceeds from borrowings	0	0
3.6	Repayment of borrowings	(351)	(351)
3.7	Transaction costs related to loans and borrowings	0	0
3.8	Dividends paid	0	0
3.9	Other (provide details if material)	0	0
3.10	Net cash from / (used in) financing activities	7,675	7,675

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	598	598
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,114)	(1,114)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,750)	(1,750)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,675	7,675

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	32	32
4.6	Cash and cash equivalents at end of period	5,441	5,441

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,267	520
5.2	Call deposits	0	0
5.3	Bank overdrafts	0	0
5.4	Other (provide details) Escrow and Joint Venture Cash	174	78
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,441	598

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$A'000
(145)
0

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	0	0
7.2 Credit standby arrangements	0	0
7.3 Other (please specify)	0	0
7.4 Total financing facilities	0	0
7.5 Unused financing facilities available at quarter end		0
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Lender: Pentin Pty Ltd Facility: \$500,000 Unsecured Loan Interest: 8% per annum Facility fee: \$50,000 Term: Earlier of 6 months after first drawdown date and 5 business days after the Issue Date		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,114)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(444)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,558)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	5,441
8.5 Unused finance facilities available at quarter end (Item 7.5)	0
8.6 Total available funding (Item 8.4 + Item 8.5)	5,441
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.50

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: Robert E T Towner on behalf of the Board of Directors

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.