



# Investor Presentation

## March 2017

Highly leveraged oil producer and  
explorer



**Triangle**Energy

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- NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Jim Tarlton of Tamarind Management, who is an Oil & Gas Engineer and has over 30 years experience in the sector. He consents to that information in the form and context in which it appears.

# COMPANY OVERVIEW

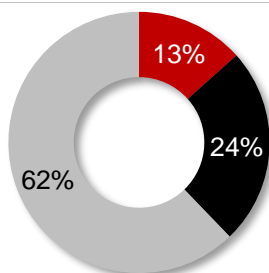
## Overview

- Australian focused oil producer and explorer
- Generating strong operating cash flows
- Established technical team and infrastructure
- Low-risk growth from enhanced oil recovery program
- Strong reserves and resource position
- Highly prospective JV partnered exploration program
- Discussions underway to realise value for QLD gas project

## Key Metrics

ASX Code	TEG
Shares on issue <sup>1</sup>	146.8 million
Unlisted options on issue <sup>1</sup>	6 million
Share price <sup>1</sup>	\$0.035
Market Capitalisation <sup>1</sup>	\$5.10 million
Cash <sup>2</sup>	\$1.8 million (at 31 December 2016)
Debt <sup>2</sup>	Nil

## Shareholder Composition



■ Directors
 ■ Institutional Investors
 ■ Market Float

## Operating Metrics

Daily Production	1,300 bopd (57.5% TEG 747 bopd)
Net Reserves <sup>3</sup>	2P Reserves - 2.0 MMstb

### Notes:

1. As at 27 February 2017. Undiluted market capitalisation.
2. Cash position and debt position at 31 December 2016. Cash includes \$1.4m. Held in trust pending SKK Migas change of control approval from the sale of TEG's Pase PSC interest in February 2016.
3. Reserves as at 1 January 2016 per ROC Oil year end 2015 reserves review. Since this date net production has been 0.17MMstb. The Company is not aware of any new information or data that materially effects the estimates and believes that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

## Experienced Board, aligned with shareholders

Edward  
Farrell  
Chairman

- Fellow of the National Institute of Accountants, member of the Australian Institute of Management
- Over 25 years experience in international financial markets, including broking and corporate finance
- Founder of a consultancy services business
- Held directorships with multiple public and private companies

Robert  
Towner  
Managing  
Director

- 20 years investment advisory encompassing foundation, capital raising and business development in the Energy and Healthcare Sectors.
- Non-Executive Director of ASX listed Botanix Pharmaceuticals Ltd, Telethon Type 1 Diabetes Family Centre and Flametree Wines Pty Ltd
- Founder and Former Executive Director of bioMD Limited which merged with Allied Medical Limited (now ASX listed Admedus Limited)

Darren  
Bromley  
Executive  
Director /  
CFO

- B.Bus, M.Bus
- Extensive corporate finance experience in capital raisings, business development, company administration and management
- Former CFO of ASX listed Prarie Downs Minerals Limited
- Former CFO of ASX listed QRSciences Holdings Limited

# CLEARLY DEFINED STRATEGY

## Australian proven oil basins, attractive project economics and partnerships

- Focus on Australian hydrocarbon basins with attractive economics
- Acquire and develop assets in proven oil plays utilising advanced drilling and completion technologies
- Leverage strong relationships with partners to expand portfolio in areas of interest



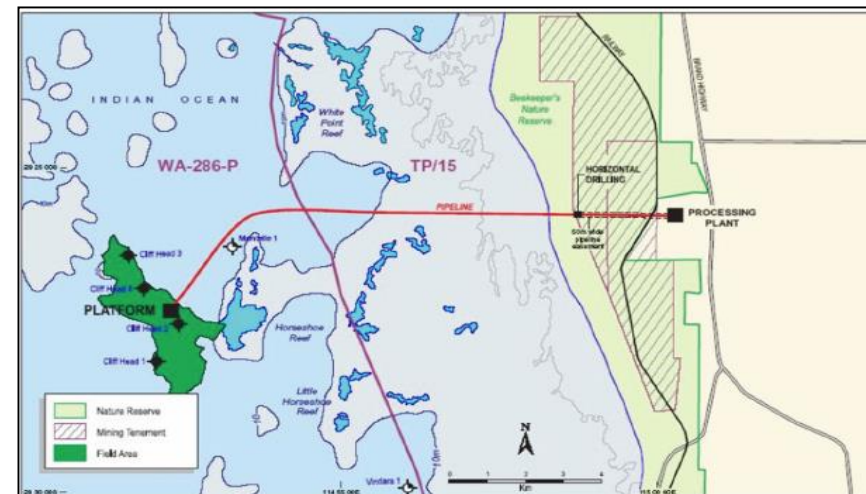
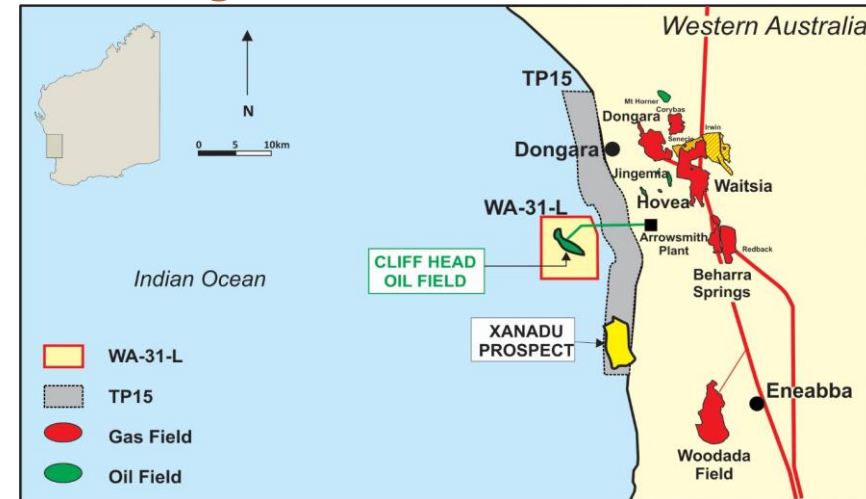
- Strategic alliance with Tamarind Management beginning March 2016
- Tamarind was instrumental in supporting the acquisition of the Cliff Head asset
- Alliance provides Triangle with world-class industry capability and depth strategically, commercially and technically
- Highly experienced oil and gas operating team with onshore and offshore capability including mature asset optimisation



# CLIFF HEAD OIL FIELD

## Predictable, strong production rates and cash flow generation

Location	<ul style="list-style-type: none"> <li>WA-31-L Offshore Perth Basin Western Australia</li> <li>10km offshore in 15-20m of water</li> </ul>
Facilities	<ul style="list-style-type: none"> <li>Unmanned offshore platform connected by 14km pipelines to the Arrowsmith onshore facility</li> </ul>
Working Interests	<ul style="list-style-type: none"> <li>TEG 57.5%</li> <li>ROC Oil 42.5% (Operator)</li> </ul>
Gross Production <sup>1</sup>	<ul style="list-style-type: none"> <li>1,300 bopd (5 producers, 3 injectors)</li> </ul>
Net Production <sup>1</sup>	<ul style="list-style-type: none"> <li>747 bopd</li> </ul>
Net Reserves <sup>2</sup>	<ul style="list-style-type: none"> <li>2P Reserves - 2.0 MMstb</li> </ul>
Planned 2017 Work Program	<ul style="list-style-type: none"> <li>Enhanced oil recovery study (EOR) underway</li> </ul>
Operating costs	<ul style="list-style-type: none"> <li>All operating contracts re-negotiated reflecting significant cost savings for the full year 2017</li> </ul>
Field life	<ul style="list-style-type: none"> <li>Cliff Head has reliably produced over 15MMstb since start up in May 2006</li> <li>Expected field life beyond 2025, with EOR and recovery of near field resources</li> <li>Cliff Head platform is the only infrastructure available for development of the offshore Perth Basin</li> </ul>
Abandonment	<ul style="list-style-type: none"> <li>After expected PRRT credits net field abandonment costs could be \$10m. - \$17m.</li> </ul>



Notes:

1. Average daily production in January 2017.
2. Reserves as at 1 January 2016 per ROC Oil year end 2015 reserves review. Since this date net production has been 0.17MMstb. The Company is not aware of any new information or data that materially affects the estimates and believes that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

# CLIFF HEAD – ARROWSMITH FACILITY

## The only operational oil processing facility in the highly active and underexplored Perth Basin

### ▪ Route to market

- Cliff Head crude is pumped to the Arrowsmith facility which has processing capacity for up to 15,000 bopd
- Produced water is treated and re-injected back into the Cliff Head reservoir to enhance field recoveries
- Crude is trucked 350kms south to BP refinery in Kwinana

### ▪ Vital infrastructure

- Arrowsmith is the largest processing facility in the Perth Basin
- Arrowsmith is currently the only operational facility in the Perth Basin
- Arrowsmith has capacity to process third party crude

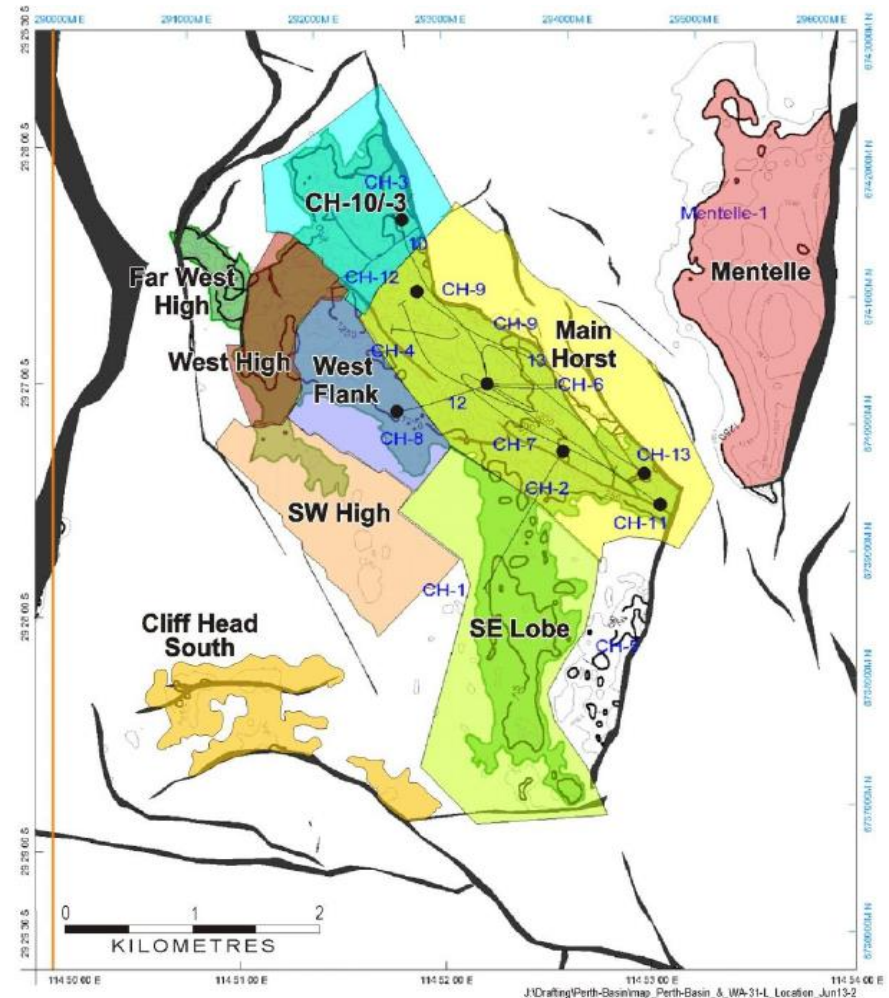


*Cliff Head/Arrowsmith ~\$350M oil processing facility*

# CLIFF HEAD – EOR & APPRAISAL GROWTH

## EOR and near-field resources could materially enhance the value of the Cliff Head

- **Enhanced Oil Recovery (EOR)**
  - 0.6MMstb of P50 recoverable resources (net)
  - EOR holds potential for greater flow rates, field recoveries for relatively modest capital expenditure
- **Mentelle prospect**
  - 1.9MMstb of P50 recoverable resources (net)
  - 1 successful exploration well was drilled on the flank of the Mentelle prospect
  - Further exploration proposed to drill up-dip to evaluate to reservoir volumetrics and characteristics
- **West High prospect**
  - 0.8MMstb of P50 recoverable resources (net)
  - Reservoir unit separated from the main Cliff Head reservoir by a saddle



Notes:

1.

EOR resources calculated by RISC (2016). Mentelle and West high resources calculated by RISC (2013). The Company is not aware of any new information or data that materially effects the estimates and believes that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.



# CLIFF HEAD – OPERATING MODEL

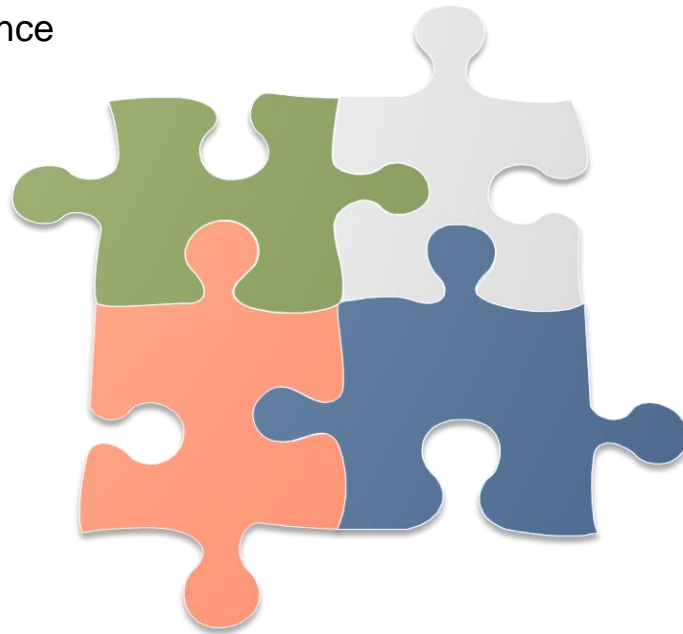
## Triangle 2017 OPEX costs of US\$35/bbl

### Key supplier cost reductions

- Operations & maintenance
- Trucking
- Chemicals

### Better human resources

- World class human resources available at affordable rates



### Lower gas prices

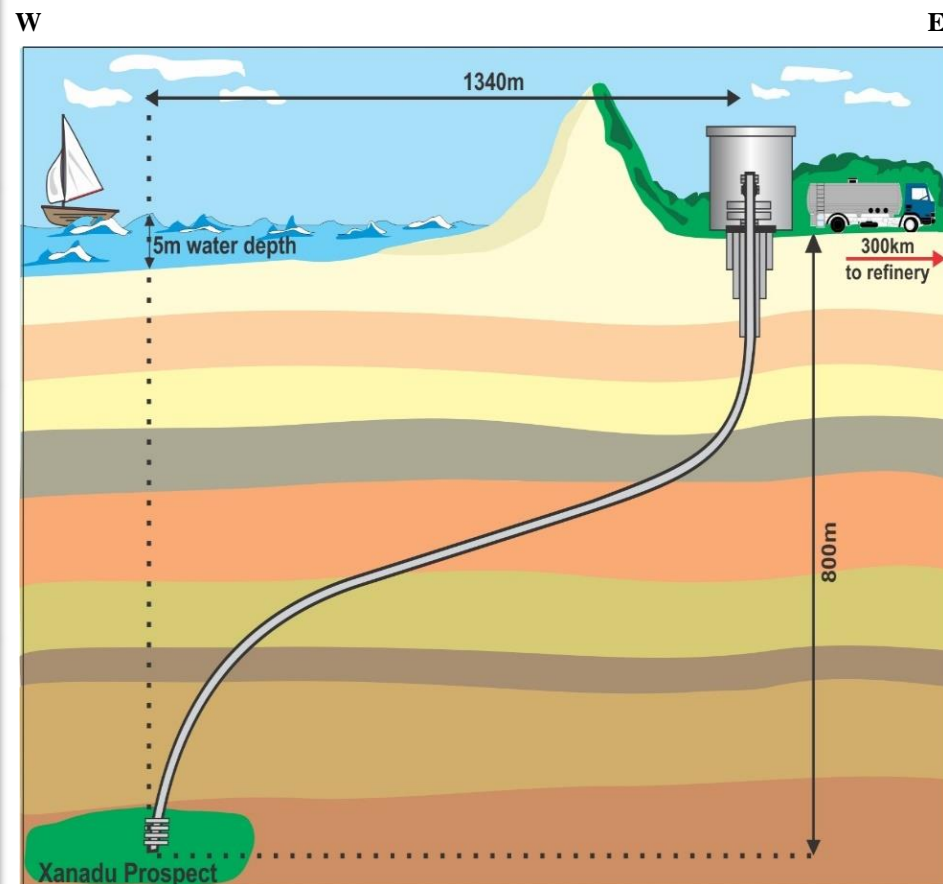
- Preparation for gas supply/review

### Asset efficiency

- Maximise uptime
- Judicious expenditure to optimise production and field recoveries

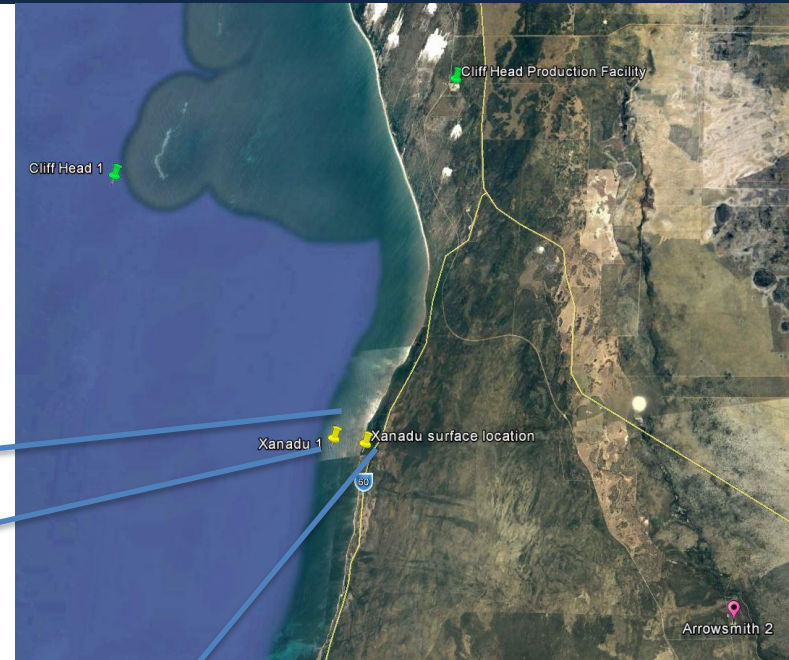
# XANADU-1 JV - OVERVIEW

Location	<ul style="list-style-type: none"> <li>TP/15 Offshore Perth Basin Western Australia (10kms SSE of Cliff Head Oil Field)</li> </ul>
Joint Venture Interest	<ul style="list-style-type: none"> <li>Norwest Energy NL 0% to earn 25% (Operator)</li> <li>TEG 40% to earn 30%</li> <li>3C Group 40% to earn 30%</li> <li>Transerv 20% to earn 15%</li> </ul>
Asset stage	<ul style="list-style-type: none"> <li>Confirmed prospect to drill</li> <li>Conventional oil play</li> <li>Three intervals to be tested</li> <li>Un-risked best estimate prospective recoverable resource of 160MMbbls</li> <li>Estimated cost to drill AUD\$7million</li> </ul>
Planned 2017 Work Program	<ul style="list-style-type: none"> <li>Well Management Plan and Environmental Plan submitted</li> <li>Complete rig cost/benefit analysis and go to contract</li> <li>Receive all regulatory approvals</li> <li><b>Spud well August/September 2017</b></li> </ul>
Comments	<ul style="list-style-type: none"> <li>Unique opportunity to drill a relatively low cost offshore play from onshore with a high equity position</li> <li>Synergies with Arrowsmith oil processing facility 12kms to the north (TEG)</li> </ul>



160MMBBL\* unrisked recoverable resource

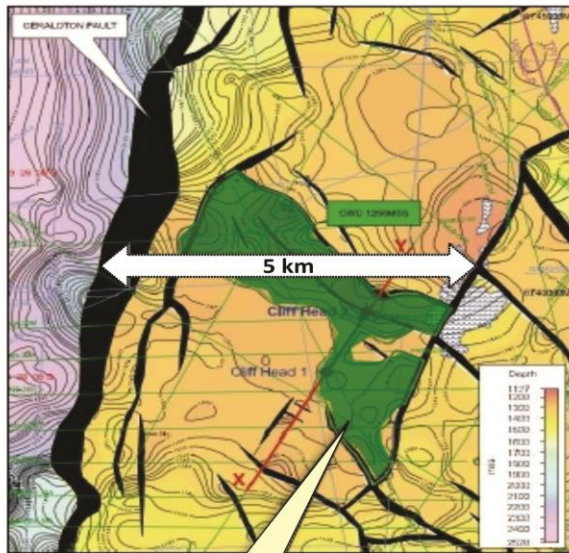
# XANADU-1 JV - LOCATION



Xanadu-1 Well Location – Zoom View

# XANADU-1 JV – STRUCTURAL COMPARISON

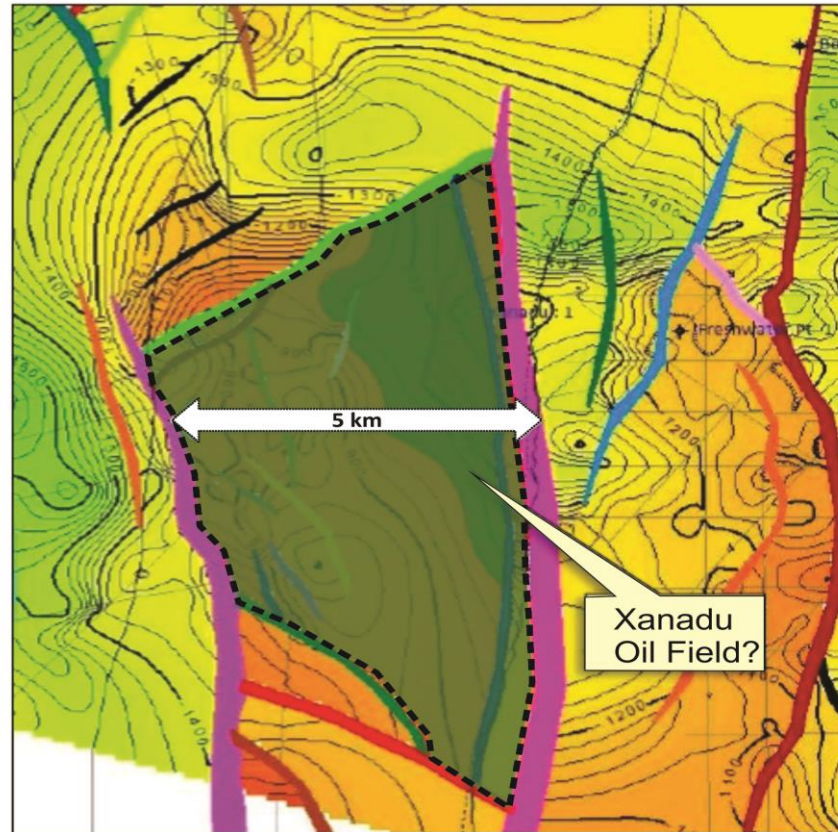
## Cliff Head



Cliff Head  
Oil Field

Produced 16MMBL over 10 years  
10 years remaining production

## Xanadu



Xanadu  
Oil Field?

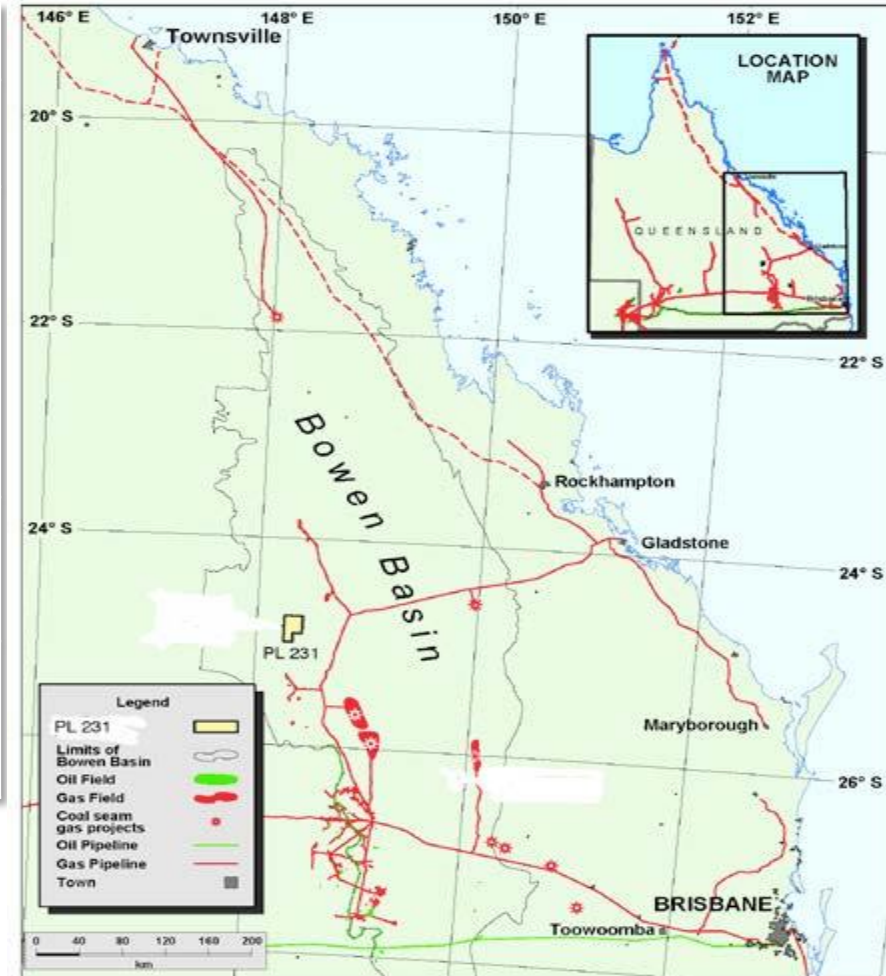
160MMBBL\* unrisks recoverable resource

\* Refer NWE announcement 29 October 2014

# REIDS DOME – QLD CONVENTIONAL GAS

## An appraisal asset with multiple hydrocarbon bearing horizons

Location	<ul style="list-style-type: none"> <li>PL 231, Bowen Basin, Queensland</li> </ul>
Working Interest	<ul style="list-style-type: none"> <li>TEG 60% (Operator)</li> <li>Dome Petroleum Plc. (40%)</li> </ul>
Asset stage	<ul style="list-style-type: none"> <li>Appraisal                             <ul style="list-style-type: none"> <li>13 wells have been drilled on Reids Dome (2 deep, 11 shallow)</li> <li>Shallow sands have been tested with flow rates up to 2.8MMcf/gpd</li> <li>Oil and gas show have been present while drilling the deeper wells</li> </ul> </li> </ul>
Planned 2017 Work Program	<ul style="list-style-type: none"> <li>Technical assessment of the project is underway</li> </ul>
Comments	<ul style="list-style-type: none"> <li>Triangle is working with its partner to expedite the realisation of value from the Reids Dome asset</li> </ul>



Reids Dome tenements cover 181 square kms of the highly prospective Bowen Basin

# SUMMARY

- ✓ Cliff Head provides Triangle with strong, predictable cash flows and solid foundation for growth
- ✓ Triangle will pursue opportunities to enhance value of the Cliff Head asset through EOR and targeting near-field resources
- ✓ Cliff Head offshore and onshore infrastructure is valuable in the highly active and prospective Perth Basin
- ✓ Triangle will leverage its strong relationships with partners to expand its portfolio in areas of interest
- ✓ Exposure to strengthening Queensland gas sector



# DEFINED TERMS

- “\$” means Australian dollars, unless otherwise stated
- “B” or “b” prefix means billion
- “bbl/s” means barrel/s
- “bopd” or “boepd” means barrels of oil per day and barrels of oil equivalent per day, respectively
- “boe” means barrels of oil equivalent. Triangle reports boe using a gas to oil conversion based on equivalent thermal energy , i.e. 6000 cubic feet of gas = 1 barrel of oil
- “IRR” is the internal rate of return
- “EUR” means estimated ultimate recovery – the recoverable hydrocarbons over a well’s producing life
- “M” or “m” prefix means thousand
- “mcfcpd” means thousand cubic feet of gas per day
- “MM” or “mm” prefix means million
- “NGL” means natural gas liquids
- “pd” or “/d” suffix means per day
- “PV10” or “NPV10” means, unless otherwise stated, the net present value of future net revenue, after deductions for operating and capital expenses, production taxes but before corporate income tax and corporate overheads, using a real, pre-tax discount rate of 10%
- “scf” means standard cubic feet
- “stb” means stock tank barrels of oil
- “WI” means working interest within leases



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