

19 September 2017

Ms Hayley Pratt
Adviser
ASX Compliance Pty Ltd
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

Dear Hayley

RESPONSE TO ASX QUERY

The Company refers to your letter dated 15 September 2017 to which it responds below.

1. Does TEG consider the information contained in the Initial Public Offering announcement, in particular State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

No.

2. If the answer to question 1 is "no", please advise the basis for that view.

The Company did not view its interest in PL 231 (or State Gas Limited) as a material asset and PL231 has not been a primary focus of the Company for many years. As stated in its July 2017 Quarterly Report "The PL 231 investment is carried for nil value on TEG's balance sheet and historically all capital expenditure in relation to PL231 has been impaired annually. It has not been considered material to Triangle's operations."

This immateriality is further evidenced by the fact that as at 31 December 2016, TEG's total consolidated assets were \$29,848,560 and the consideration it received for the disposal of PL 231 represents less than 1% of TEG's consolidated net asset position.

3. When did TEG first become aware of State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders on the terms set out in the Initial Public Offering? In answering this question, please specify the date and time that TEG first became aware of this information.

TEG first became aware of State Gas Limited's intention to seek admission to the ASX when it signed a subscription and shareholders' agreement in relation to State Gas Limited on or around 15 March 2017; this intention was foreshadowed in its March 2017 Quarterly Report as

set out further in its response to question 4 below.

TEG became aware of the proposed intention to provide TEG shareholders with a priority offer in early August 2017.

4. If TEG first became aware of State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders before the Trading Halt Request, did TEG make any announcement prior to Trading Halt Request which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe TEG was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps TEG took to ensure that the information was released promptly and without delay.

In TEG's March 2017 quarterly report it foreshadowed its intention to realise value for PL 231, stating: "Queensland gas prices have increased dramatically in recent years... Triangle is working with a partner to expedite the realisation of value from the Reid's Dome asset."

Those comments were reiterated in TEG's investor presentation (at the Noosa Mining Conference) announced on 19 July 2017 and its July 2017 quarterly.

Even if the Company had considered the intention to undertake an IPO as price sensitive, it would not have been obliged to make an announcement until the IPO prospectus was lodged with ASIC, therefore becoming a public document, as TEG viewed it as a confidential and incomplete transaction until this point.

5. Please confirm that TEG is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Confirmed.

6. Please confirm that TEG's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of TEG with delegated authority from the board to respond to ASX on disclosure matters.

Confirmed.

Yours sincerely

[Signed electronically without signature]

Darren Bromley
Director / Company Secretary
Triangle Energy (Global) Limited



15 September 2017

Mr Darren Bromley
Company Secretary
Triangle Energy (Global) Limited
Unit 7
589 Stirling Highway
COTTESLOE WA 6011

By email: darrenbromley@triangleenergy.com.au

Dear Mr Bromley

Triangle Energy (Global) Limited ("TEG"): aware query

ASX Limited ("ASX") refers to the following:

1. The price query letter from ASX dated 28 August 2017 ("Price Query") in which ASX queried the increase in price and volume in TEG's securities.
2. TEG's response in answer to ASX's questions 1 and 3 in ASX's Price Query as follows:

"1. Is TEG aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?"

"Triangle Energy (Global) Ltd (Triangle, or Company) is not aware of any unannounced information concerning it which could explain the recent trading in the Company's securities."

"3. If the answer to question 1 is "no", is there any other explanation that TEG may have for the recent trading in its securities?"

"On 25 August 2017, the Company released an Appendix 3Y that a director had bought shares on market. It is the first instance in many years that a Triangle director has bought Triangle shares on market. The purchase was in compliance with the Company's Share Trading Policy.

In the Company's latest Quarterly Report, Triangle announced that the Xanadu Well (TP/15 Joint Venture), which the Company has an interest in, was expecting to spud on 13 September 2017. On 28 August 2017 at 11.48 am (AEST), the Company's joint venture partner, Norwest Energy NL announced that the spud date has been brought forward to 5 September 2017. The Company is of the view that the information is not materially different to what has been previously announced to ASX.

Aside from the information already released by the Company and this response to question 3, the Company is not aware of any other explanation for the price change in the Company's securities."

3. TEG's request for a trading halt released on the ASX Market Announcements Platform at 2:21 pm AEST on Monday, 4 September 2017, pending *"an announcement in relation to the Company's interest in State Gas Limited that holds a 60% interest in PL 231 (Reids Dome) in the Bowen Basin, south-east Queensland"* ("Trading Halt Request").
4. TEG's announcement entitled "Initial Public Offering of State Gas Limited" lodged on the ASX Market Announcements Platform and released at 5:33 pm on Friday, 8 September 2017 (the "Initial Public Offering"), disclosing, amongst other things, the following:
 - 3.1. "State Gas Limited, until recently a wholly-owned subsidiary of Triangle and the holder of a 60% interest in PL 231, has today lodged a prospectus to raise \$5.25 million and seek admission to the official list of the ASX."
 - 3.2. "State Gas will, on completion of the Offer and admission to the ASX, have a market capitalisation of \$27 million (at the issue price). Triangle will hold the largest stake in State Gas with an interest of 35.47% on its admission to the ASX, equivalent to \$9.577 million in value at the completion of a successful IPO. Mr Rob Towner (Managing Director of Triangle) will represent Triangle's interests on the board of State Gas."
 - 3.3. "Triangle has secured a priority allocation of \$1 million of the \$5.25 million to be raised under the State Gas IPO for eligible Triangle shareholders. The priority offer will be open to all Triangle shareholders on the register as at 4 September 2017, who will receive a letter providing more detail on how to apply for shares under the priority offer."
4. Trading in TEG's securities during the period Wednesday, 23 August 2017 to Monday, 11 September 2017, where TEG's share price increased from a closing price of \$0.077 on Wednesday, 23 August 2017, reaching an intraday high of \$0.17 on Monday, 11 September 2017 on higher than usual volumes.

Listing Rules and Guidance

5. Listing Rule 3.1, which requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
6. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity"

Additionally, you should refer to section 4.4 in Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information"*.

7. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

8. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular, the Guidance Note states that:

"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."

ASX Queries

Having regard to the above, ASX asks TEG to respond separately to each of the following questions and requests for information:

1. Does TEG consider the information contained in the Initial Public Offering announcement, in particular State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders, to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is "no", please advise the basis for that view.
3. When did TEG first become aware of State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders on the terms set out in the Initial Public Offering? In answering this question, please specify the date and time that TEG first became aware of this information.
4. If TEG first became aware of State Gas Limited's intention to undertake an initial public offer, to seek admission to the official list of the ASX and the priority allocation to TEG shareholders before the Trading Halt Request, did TEG make any announcement prior to Trading Halt Request which disclosed this information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe TEG was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps TEG took to ensure that the information was released promptly and without delay.
5. Please confirm that TEG is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

6. Please confirm that TEG's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of TEG with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **7.00 a.m. AWST on Wednesday, 20 September 2017**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in TEG's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, TEG's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at Hayley.Pratt@asx.com.au and to tradinghaltspert@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to TEG's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that TEG's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in TEG's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically without signature]

Hayley Pratt
Adviser, Listings Compliance (Perth)