



# Oil Production in the Perth Basin

**CORPORATE PRESENTATION**

**Broker Roadshow**  
November 2017



**Triangle**Energy

# CLEARLY DEFINED GROWTH STRATEGY

- Australian based focus for future growth in oil and gas sector
- Majority interest (78.75%) in Cliff Head Oil Field with strong, predictable cash flows
- Offshore and onshore infrastructure essential for any exploration success in the region. Infrastructure has capacity to service third party crude
- Production upside at Cliff Head with development and workover programs
- Cost reduction strategy
- 30% interest in TP/15 Xanadu-1 oil discovery
- 35.47% equity stake in State Gas Ltd (PL231) Queensland

**Triangle is the only oil producer and a lead player in the highly prospective under explored Perth Basin**

# CORPORATE SNAPSHOT

## Capital Structure and Key Metrics

ASX Code	TEG
Shares on issue <sup>1</sup>	192.4 million
Unlisted options on issue	6 million <i>exc @ 0.06, exp 29 March 2019</i>
Share price <sup>1</sup>	\$0.16
Market Capitalisation <sup>1</sup>	\$30.8 million
Cash <sup>2</sup>	\$2.96 million ( <i>at 30 September 2017</i> )
Attributable Cashflow (78.75%) <sup>3</sup>	\$18.7 million (USD 48.93/bbl, USD/AUD 0.7894)
Debt <sup>4</sup>	USD 1.174m (Tamarind)

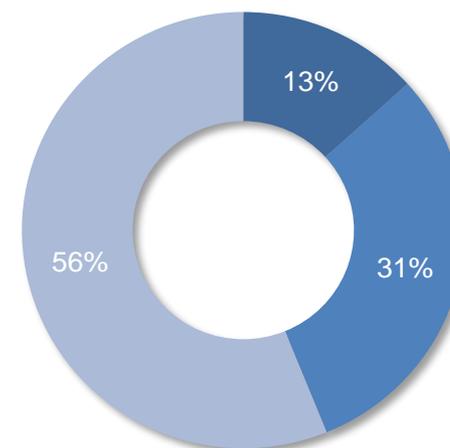
## Board

Edward Farrell	Non-Executive Chairman
Robert Towner	Managing Director
Darren Bromley	Executive Director/CFO

## Operating Metrics

Daily Production	1,166 bopd (YTD average) <i>(78.75% TEG 918 bopd)</i>
Net Reserves <sup>5</sup>	2P Reserves - 2.7 MMstb

## Shareholder Composition



■ Directors   ■ Institutional Investors   ■ Market Float

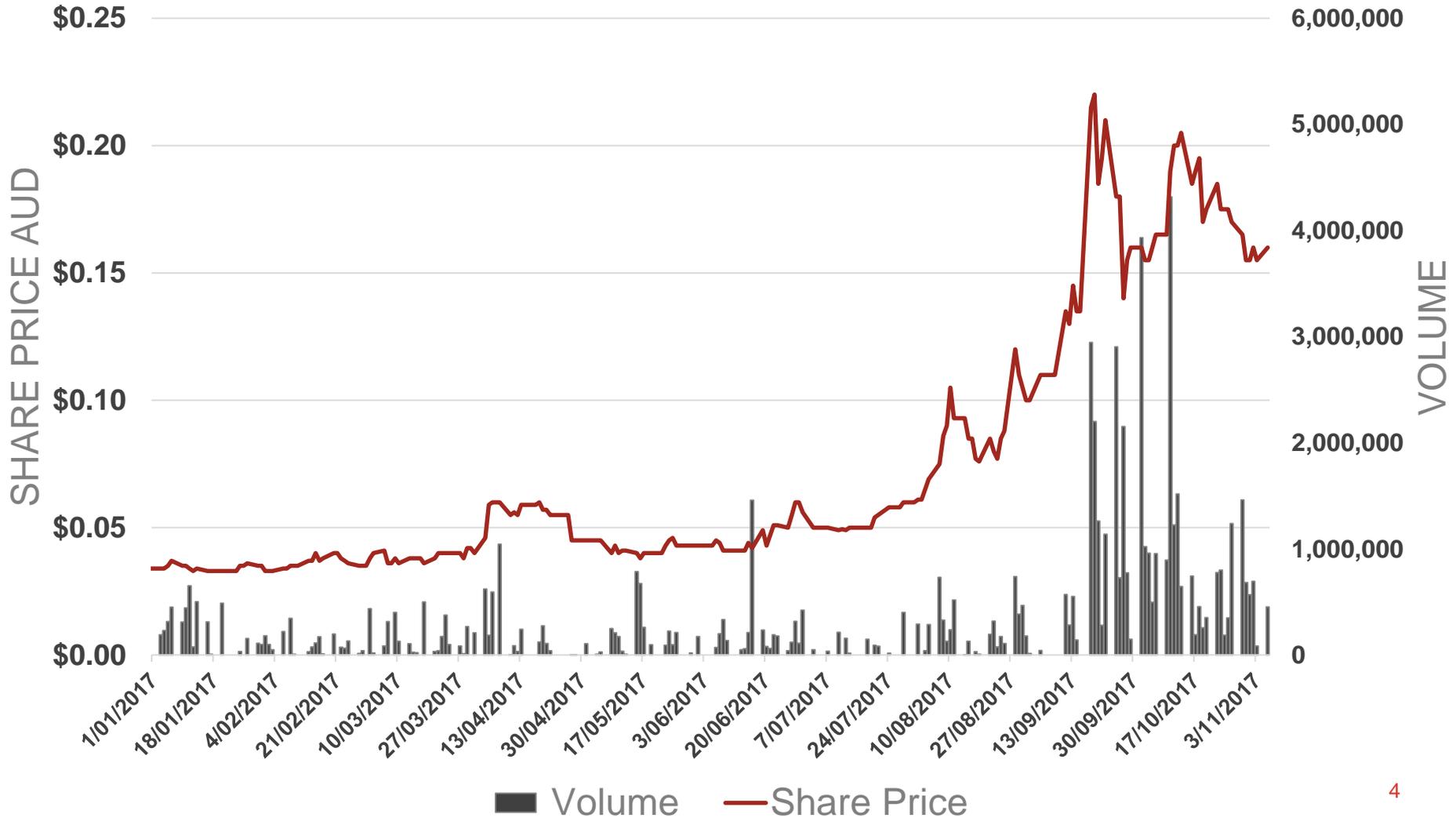
### Notes:

- As at 6 November 2017. Undiluted market capitalisation.
- Cash position at 30 September 2017. Cash includes \$2.36m in Triangle Group and \$0.602m in Triangle Energy (Operations) Pty Ltd. Additionally is \$1.2m held in trust pending SKK Migas change of control approval from the sale of TEG's Pase PSC interest in February 2016.
- Based on September quarter average production, USD 48.93 barrel (Sept quarter average) and USD/AUD Exchange Rate of 0.7894 (Sept quarter average)
- Loan USD 398k, Convertible Loan USD 776 convertible at AUD \$0.04)
- Reserves as at 1 January 2016 per ROC Oil year end 2015 reserves review. Since this date net production has been 0.5MMstb. 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.

# TEG SHARE PRICE PERFORMANCE



## January 2017 - November 2017



# CLIFF HEAD OIL FIELD

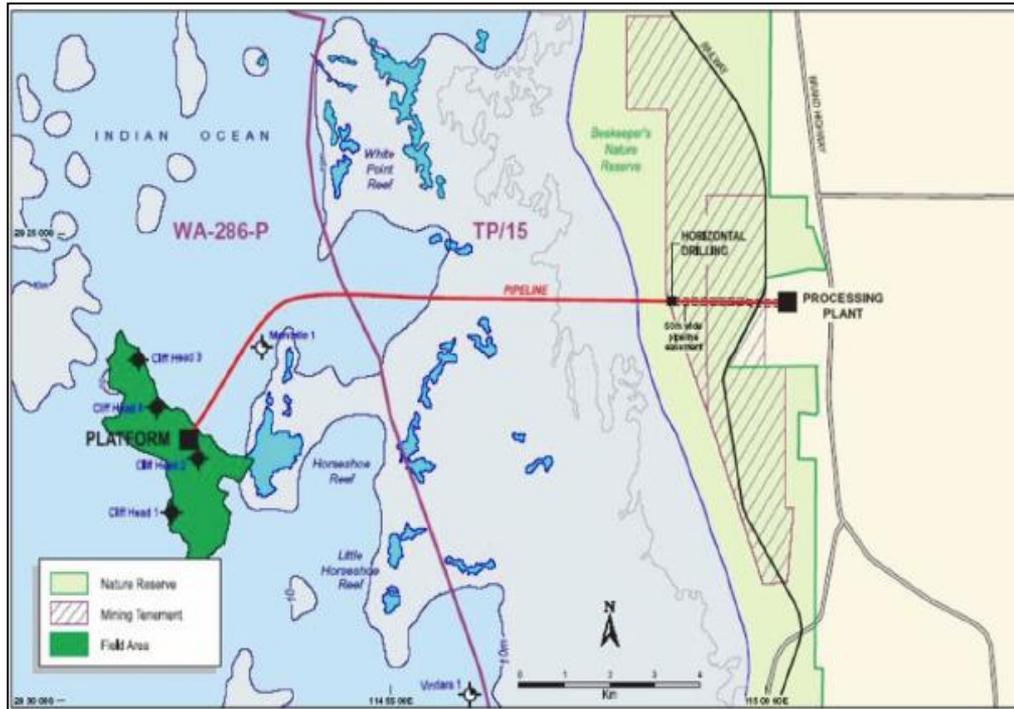
## Building a strong presence in the Perth Basin

- Triangle 78.75% interest and Operator; Royal 21.25%
- Located in Perth Basin ~ 300km north of Perth, 10km offshore in 15-20 m of water
- Predictable, strong production rates and cash flow
- Operator of onshore & offshore Infrastructure - essential for any exploration success in the region
- Only operational onshore processing plant in Perth Basin with capacity to service third party crude
- Only offshore platform in Perth Basin
- Production 1166 bopd (YTD average)
- Production upside – workover programs



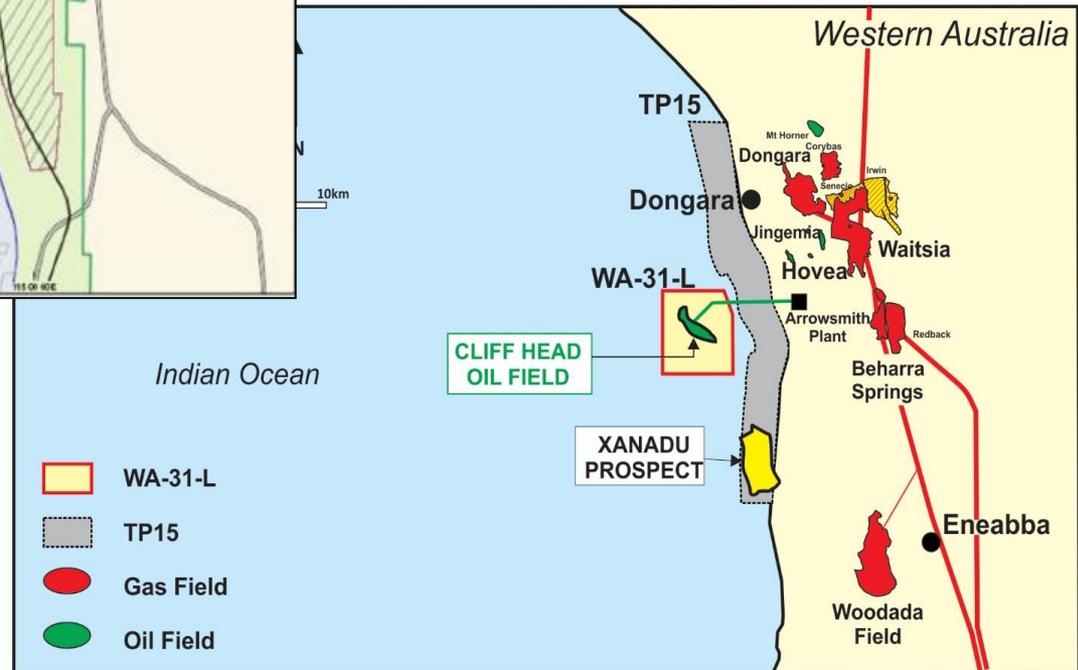
Arrowsmith Stabilisation Plant

# CLIFF HEAD OIL FIELD - LOCATION



- Two x 14km pipelines CHA to ASP
- Water depth of 15-20 metres

- Underexplored Perth Basin
- 300km north of Perth, WA.
- 40km south of Dongara



## Significant savings achieved

- Routine operating costs significantly reduced
- Further cost rationalisation strategies
- Operational efficiencies
- Competitive environment

	Sept 2017 Quarter (78.75% of JV)	AUD/ Bbl	USD/ Bbl
Sales	\$4.679M	\$61.98	\$48.93
Routine Operating Costs	\$2.537M	\$33.60	\$26.52
Non-Routine Operating Costs	\$0.931M	\$12.33	\$9.73
Total Production Costs	\$3.468M	\$45.94	\$36.27

1. Based on USD 48.93 barrel (Sept quarter average) and USD/AUD Exchange Rate of 0.7894

2. Figures based on 78.57% of JV. TEG only consolidates 57.5% into the Company Group and the 21.25% interest in Triangle Energy (Operations) Pty Ltd is equity accounted

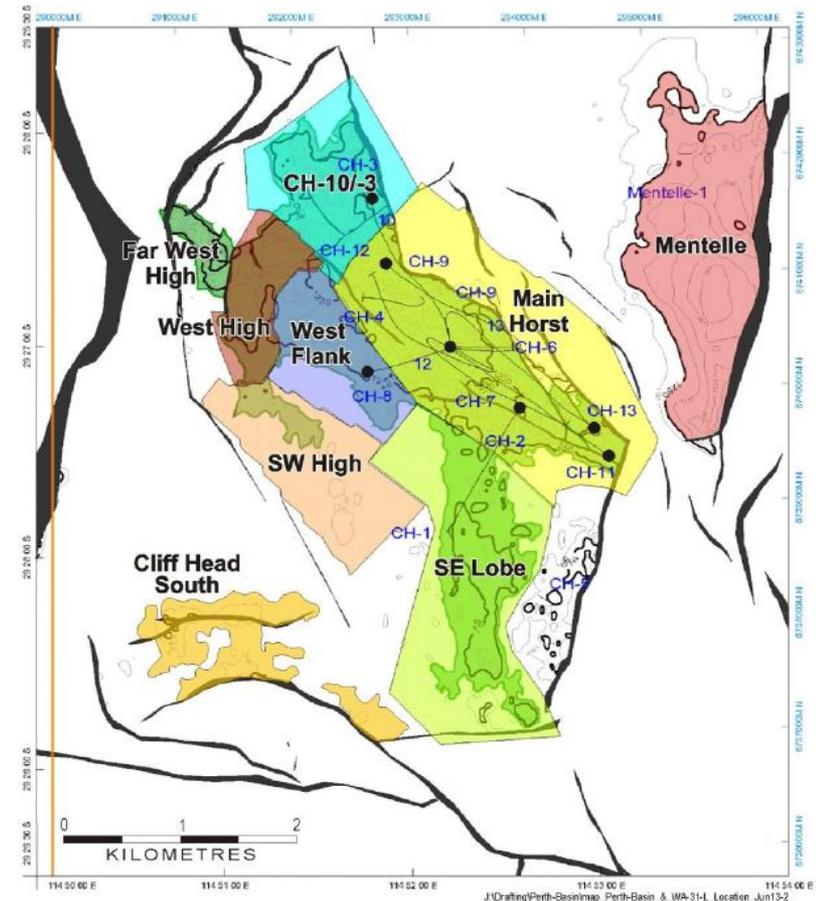
# CLIFF HEAD – PRODUCTION UPSIDE

## Workover Program

- Preparing work program and budgets
- Targeting doubling production
- 9 slots, 5 production wells, 3 water injection wells



Cliff Head Alpha Platform



Development opportunities

## Oil Discovery

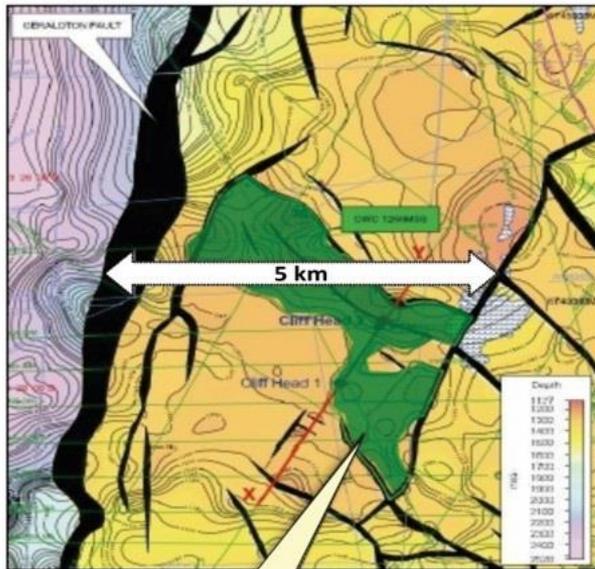
- 30% participating interest
- Cost to drill AUD\$7.0m (Triangle ~AUD\$2.8m)
- Conventional oil play, 3 zones encountered
- Discovery notice lodged with the Department of Mines, Industry Regulation and Safety
- Oil discovery structurally similar to Cliff Head
- Ability to process oil at Triangle's Arrowsmith processing facility



Xanadu-1 Drilling

# XANADU-1 JV – STRUCTURAL COMPARISON

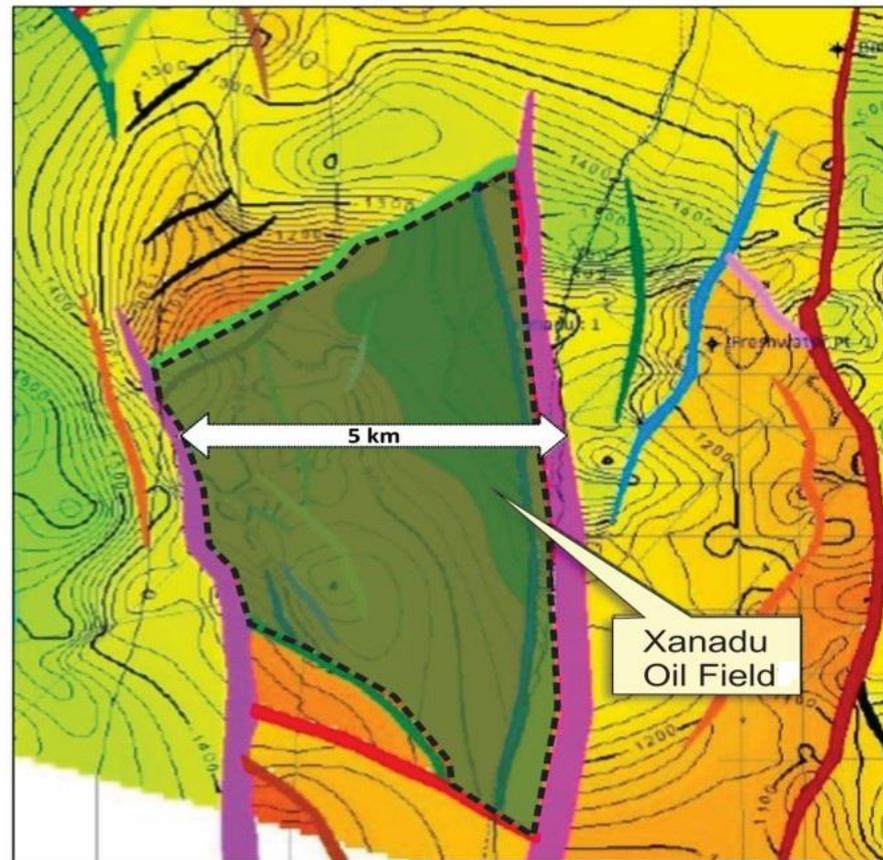
Cliff Head



Cliff Head Oil Field

Produced 16MMBL over 10 years  
10 years remaining production

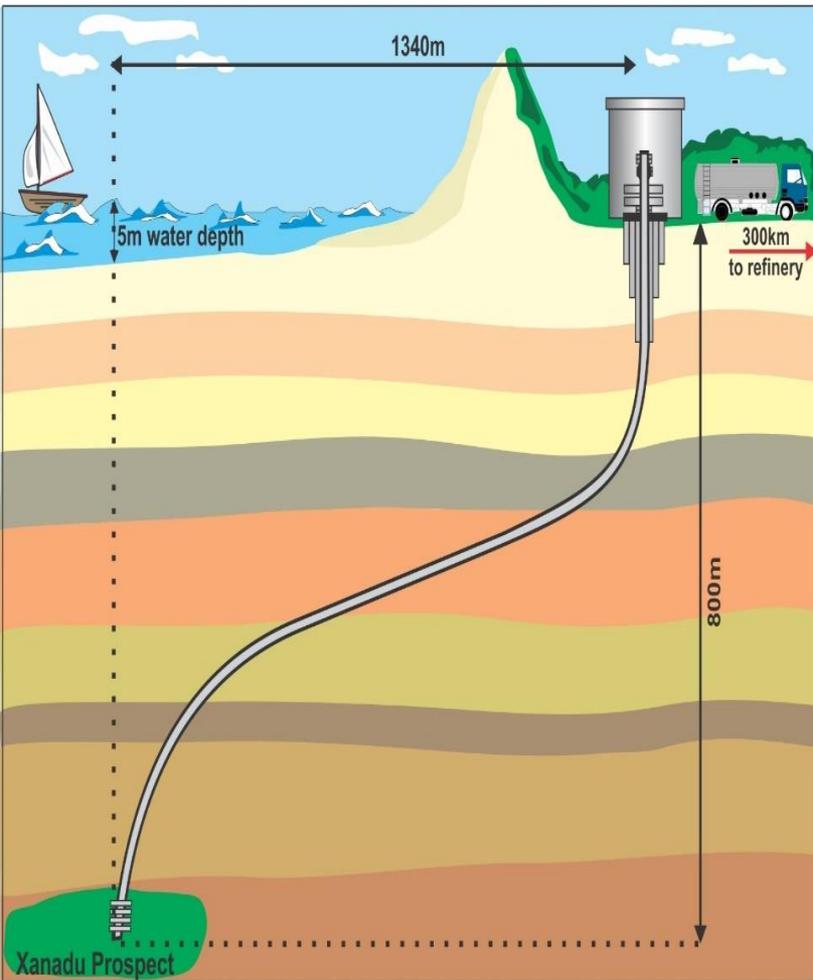
Xanadu



Xanadu Oil Field

160MMBBL\* unrisks recoverable resource

# XANADU-1 / ARROWSMITH PROXIMITY



Drilling onshore to offshore



Proximity to ASP

# STATE GAS LIMITED (PL 231)

- Triangle holds largest stake in State Gas with 35.47% equity interest worth ~\$16.73 million at 6 November 2017
- Queensland conventional gas appraisal asset with multiple hydrocarbon bearing horizons in Bowen Basin
- 60% interest in PL231(Reids Dome)
- State Gas market capitalisation \$47 million at 6 November 2017
- Activities include:
  - Appraise shallow Cattle Creek reservoir (130m depth)
  - Pipeline to market (PSL submitted)
  - Test the deeper Reids Dome beds



Primero-1 Wellhead in PL 231

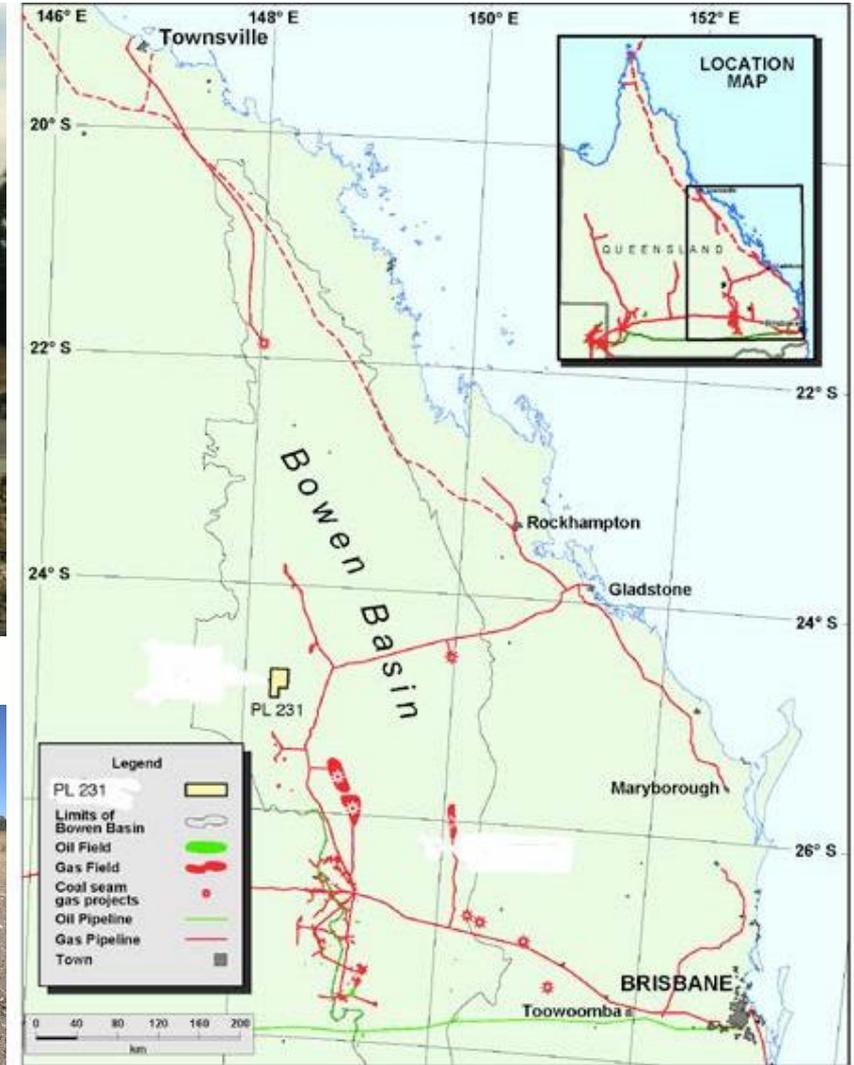
# STATE GAS LIMITED (PL 231)



Image 1: Flaring of Aldinga East-1 drilled in November 1993



Image 2: PL231 May 2017



Map: PL231 regional map

# KEY CATALYSTS & SUMMARY

- ✓ Majority 78.75% interest and Operator of Cliff Head
- ✓ Production upside with workovers and cost reductions
- ✓ Cliff Head Platform and the Arrowsmith Stabilisation Plant are the only offshore and onshore infrastructure operating in the Perth Basin
- ✓ ASP has the capacity to service third party crude
- ✓ Oil discovery at Xanadu-1 well in September 2017
- ✓ 35.47% equity interest in State Gas Ltd
- ✓ Leveraged to oil and gas price with diversification
- ✓ Management and operating team with onshore and offshore expertise
- ✓ Significantly undervalued compared to Peers



Arrowsmith Stabilisation Plant



Cliff Head Alpha Platform



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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. Mr Tarlton is an Oil & Gas Engineer with over 30 years experience in the sector. He is a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), and holds a BA Science (Honours) in Chemical Engineering from Queen’s University, Canada. He consents to that information in the form and context in which it appears.