



**13 September 2018**

**Good Oil Conference**

**Increasing Reserves and Creating  
value in the Perth Basin**



**Triangle**Energy

# TRIANGLE ENERGY (GLOBAL) LTD (ASX:TEG)



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

- 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
- Growth strategy to expand acreage in the Perth Basin
- Reserve and Production upside at Cliff Head with “Asset Life Extension Program” including static and dynamic modelling
- 30% interest in TP/15 Xanadu-1 oil discovery
- 35.47% equity stake in State Gas Ltd (ASX:GAS)





## Capital Structure and Key Metrics

ASX Code	TEG
Shares on issue <sup>1</sup>	218,115,544
Unlisted options on issue	6.000M exc @ \$0.06, exp 29 Mar 2019 11.155M exc @ \$0.15, exp 19 Jan 2020 0.400M performance shares
Share price <sup>1</sup>	\$0.091
Market Capitalisation <sup>1</sup>	\$19.8 million
Attributable Cashflow (78.75%) <sup>2</sup>	\$21.9 million (830 bbl/day, USD 69.38/bbl, USD/AUD 0.7569)
Cash	\$3.246 million (at 31 August 2018);
Debt <sup>3</sup>	USD 1.259 million (Tamarind) AUD 0.633 million (TEO Related Party Loan)

## Operating Metrics

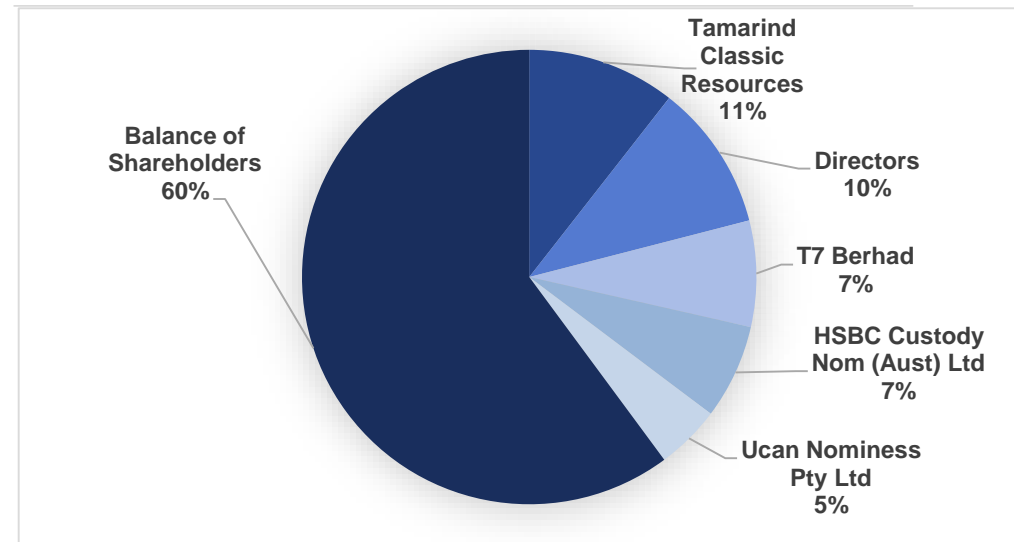
Daily Production	747 bopd (June Q average) (78.75% TEG 588 bopd)
Net Reserves <sup>4</sup>	2P Reserves - 2.7 MMstb

- Notes:
- As at 12 Sept 2018. Undiluted market capitalisation.
  - Based on forecast 830 bbl/day, June quarter 2018 average (Metrics: USD 69.28/bbl, USD/AUD 0.7569)
  - Debt position at 31 July 2018, Tamarind Loan repayable in full on or before 30 June 2019. Triangle Energy (Operations) Pty Ltd Shareholder Loan (excess cash flow from operations of 50/50% jointly controlled entity)
  - Reserves as at 1 January 2016 per ROC Oil year end 2015 reserves review. Since this date net production has been 0.7MMstb. 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.

## Board

Edward Farrell	Non Executive Chairman
Robert Towner	Managing Director
Darren Bromley	Executive Director – CFO / COO
Wai-Lid Wong	Non-Executive Director
Jason Peacock	Non Executive Director
Tim Monckton	Non-Executive Director

## Shareholder Composition



# CLIFF HEAD OIL FIELD

## Building a strong presence in the Perth Basin

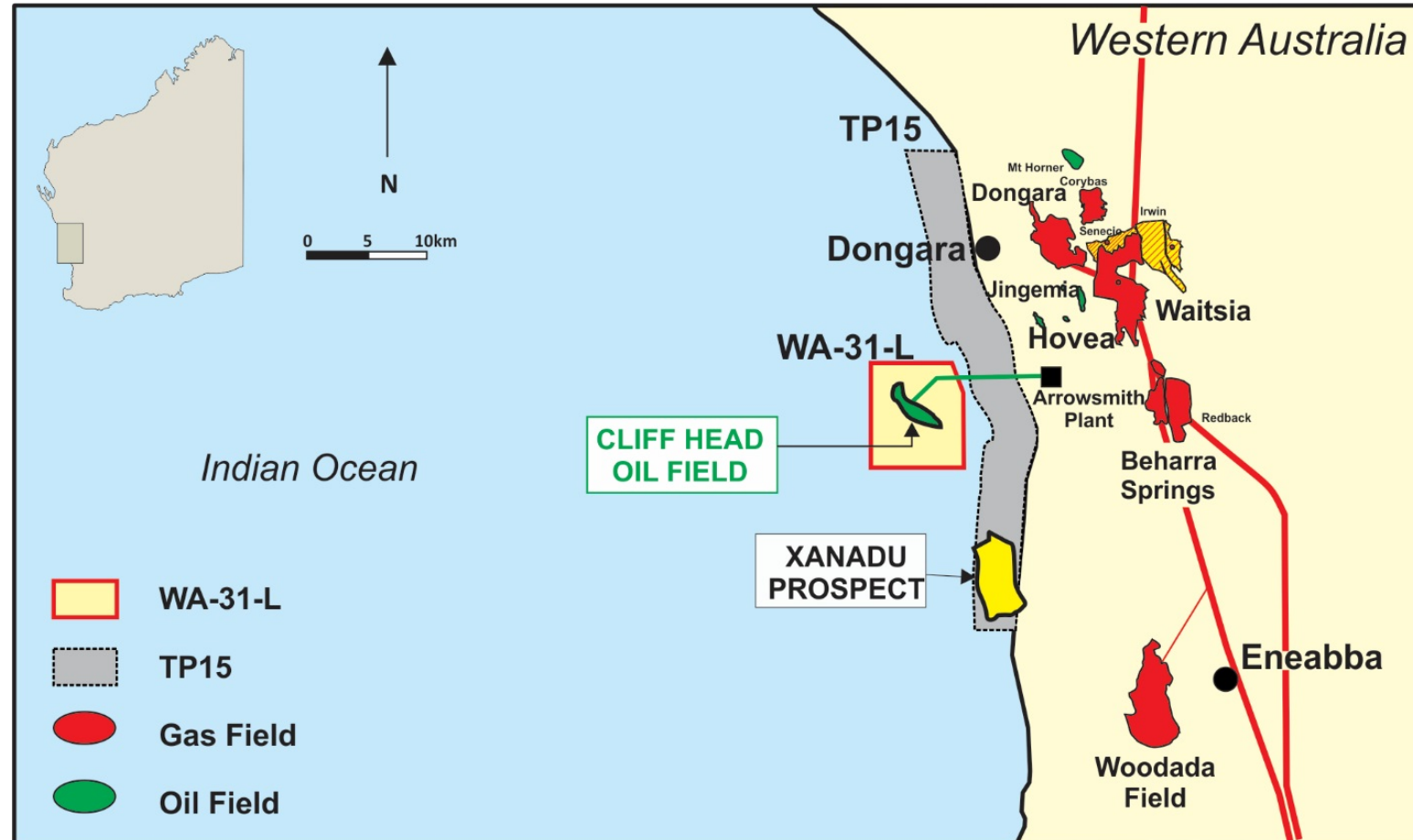
- Triangle 78.75% interest and Operator; Royal Energy Pty Ltd 21.25%
- Production with cash flow (forecast ~830 bopd)
- Operator of the only onshore & offshore Infrastructure (cost \$327 million) - essential for any other exploration success in the region
- Capacity to service third party crude (15,000 bopd)
- Production upside – “Asset Life Extension Program”
  - Static Modelling confirms prospective oil initially-in-place (OIIP) volumes in near field exploration prospects at Cliff Head
  - Potentially additional resources and reserves in the already discovered reservoirs pending Dynamic Modelling



# CLIFF HEAD OIL FIELD - LOCATION

## Under-explored Perth Basin

- 300km north of Perth, WA
- 40km south of Dongara
- Two x 14km pipelines CHA to ASP
- Water depth of 15-20 metres
- Crude trucked to BP refinery in Kwinana
- 12km north of Xanadu Prospect



## Strong Operating Margins

- Routine operating costs significantly reduced
- On 17 July 2018, Triangle Energy (Operations) Pty Ltd became Registered Operator of Cliff Head
- Further cost rationalisation strategies, ongoing operational efficiencies

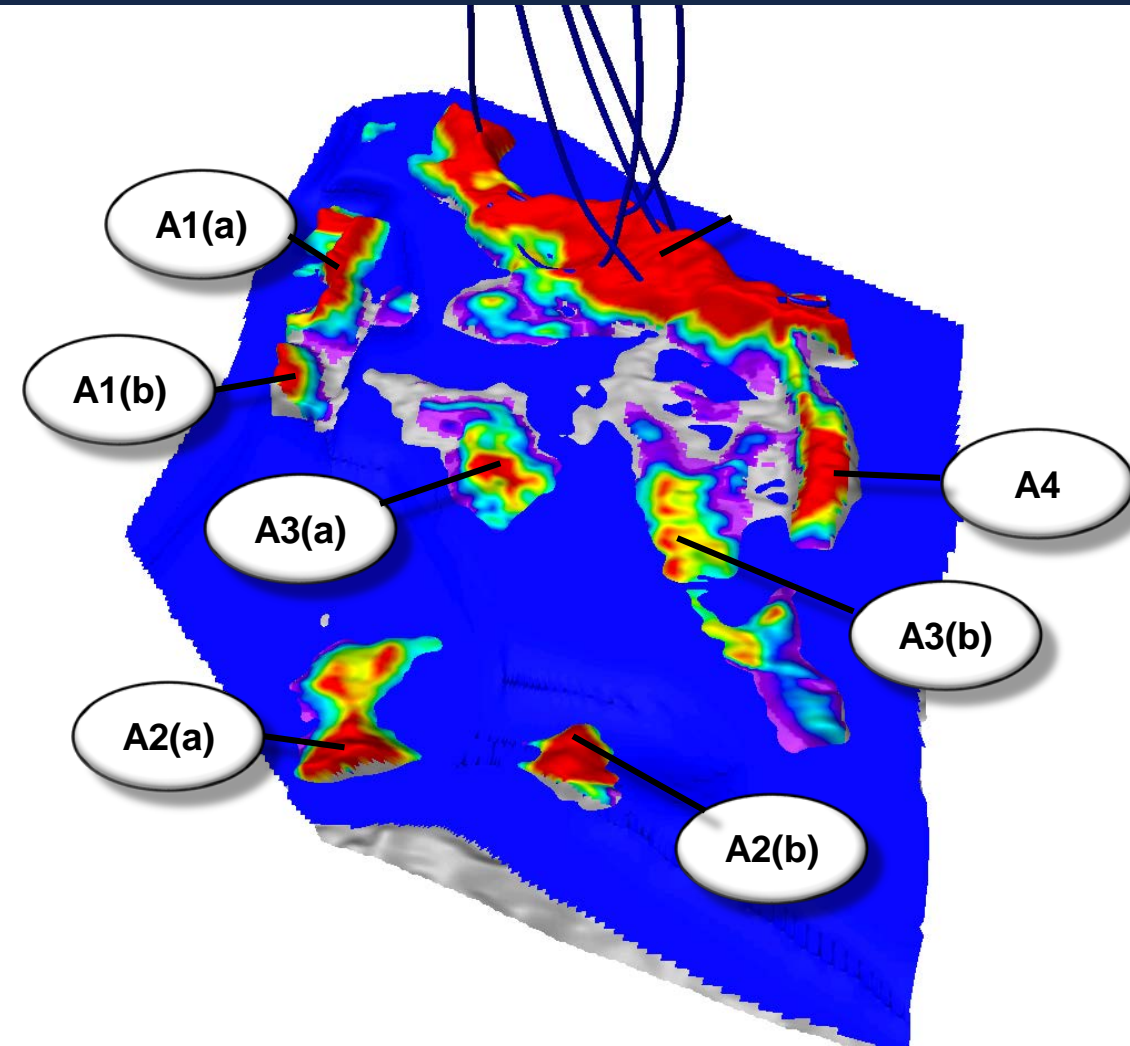
	CHJV Total (100%)	Forecast USD Per Barrel
Forecast sales	USD 21.0 million	USD 69 per bbl
Forecast lifting costs	(USD 9.1 million)	(USD 30 per bbl)
Operating margin	USD 11.9 million	USD 39 per bbl

- Based on forecast 830 bbl/day.
- June quarter 2018 average crude sales price USD 69.28/bbl



## Asset Life Extension Program

- Targeting doubling production 2020
- **Static Model defines up to 29 mmbls** (unrisked, best estimate) prospective OIIP in the near field exploration areas\*
- **This represents 10.2 mmbls** of prospective resource in near field exploration targets within the licence area, potentially **extending field life into the 2030's and beyond\***
- **Dynamic modelling** to be completed in Q4 2018 to redefine reserves and contingent resource values
- Mature field development program
- Reserve upgrade expected
- \$4.0m upgrade of Arrowsmith underway



**\*Refer to TEG ASX announcement released on 10 July 2018**

Triangle Energy (Global) Ltd confirms that it is not aware of any new information or data that materially affects the information included in this presentation. All the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed

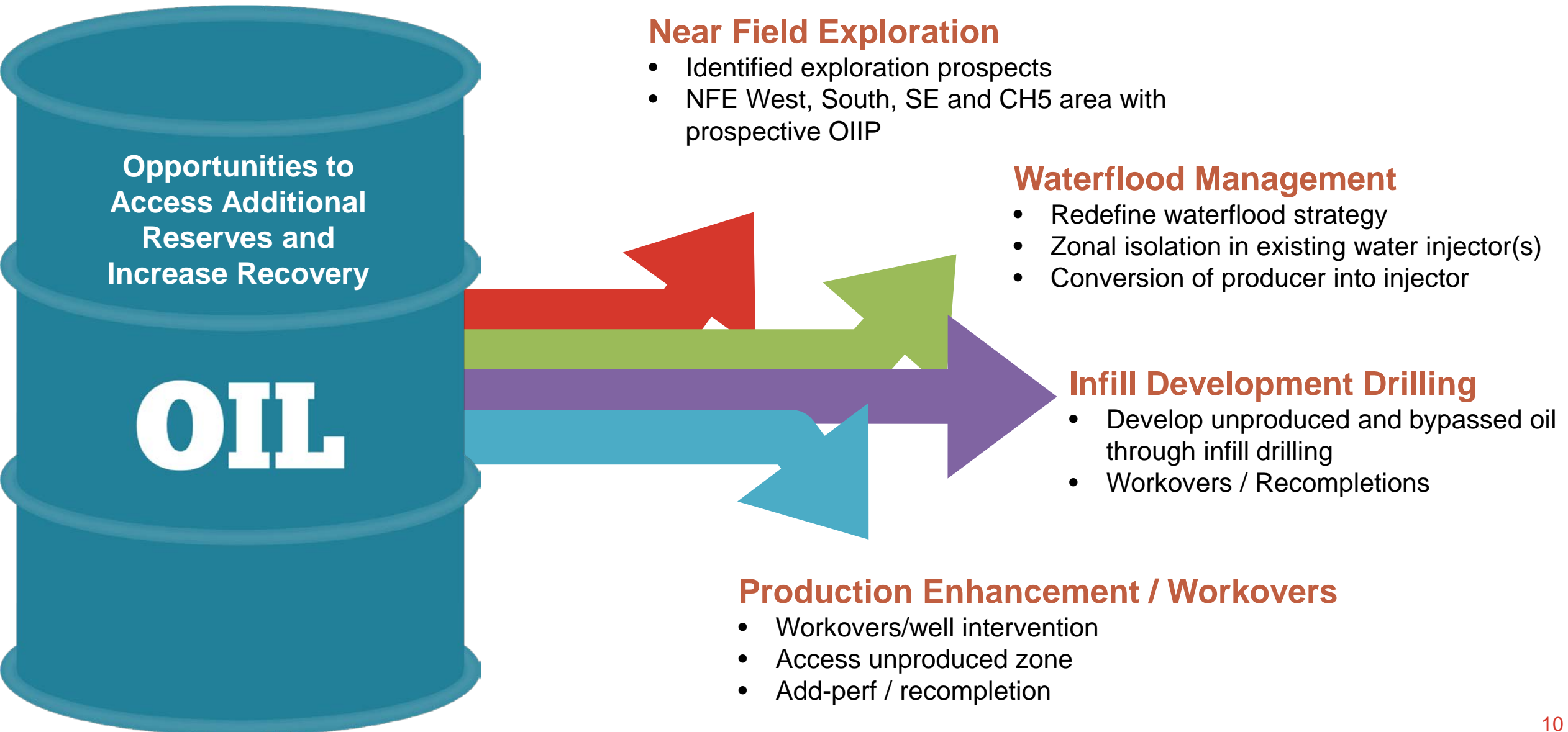
## Cautionary Statement

The disclosure of prospective oil initially-in-place in this announcement is solely based on the Company's prospective resource estimate detailed below. It is not based on any estimate of petroleum reserves or contingent resources. The prospective resources have not been adjusted for risk.

Reservoir	Area	Low Estimate mmbls	Best Estimate mmbls	High Estimate mmbls
<b>Dongara Sandstone</b>	A1: NFE West	0.5	0.6	0.7
<b>Irwin River Coal Measures</b>	A1: NFE West	1.1	1.6	2.2
	A2: NFE South	1.6	2.2	2.9
	A3: NFE South East	3.2	4.2	5.8
	A4: NFE CH5	1.2	1.6	1.9
	<b>TOTAL</b>	<b>7.6</b>	<b>10.2</b>	<b>13.5</b>

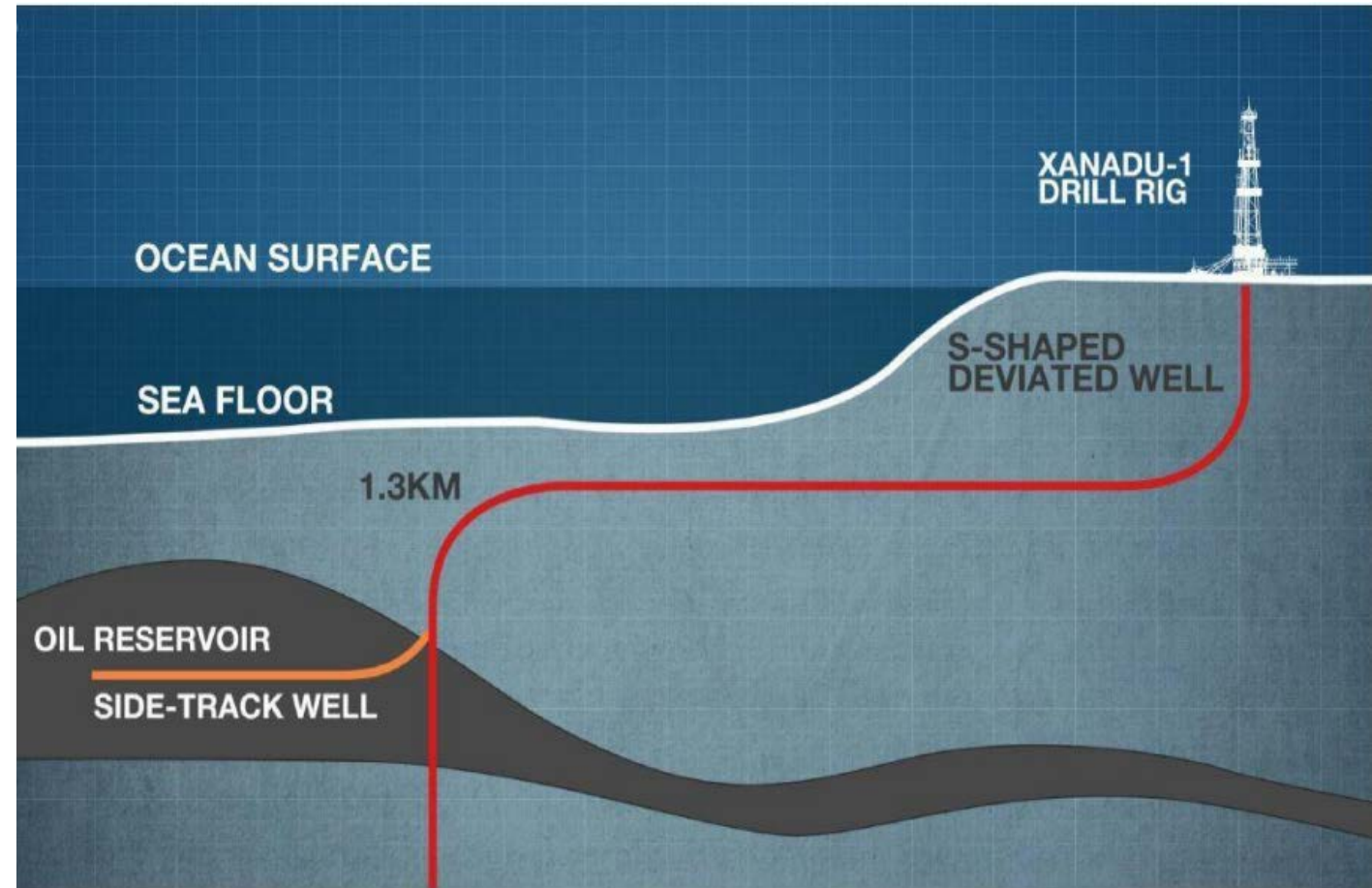
The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required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





## Oil Discovery

- 30% participating interest
- Operator Norwest Energy NL (ASX:NWE)
- Conventional oil play, 3 zones encountered – **Oil Discovery Notice lodged**
- Oil assays confirm Cliff Head Analogue
- Ability to process oil at Triangle's Arrowsmith processing facility
- Planning commenced for 42km<sup>2</sup> seismic (contractor engaged)
- Extend / side-track well post 3D seismic interpretation



Onshore drill to offshore target

## 35.47% equity interest worth \$8.6 million at 11 Sept 2018

- Triangle holds largest stake in State Gas Ltd - Production Licence (PL 231)
- Queensland conventional gas appraisal asset with multiple hydrocarbon bearing horizons in the Bowen Basin, Qld
- Seismic data reprocessing expected to be completed during Q3 2018
- Drilling planned for 2018 to test gas target identified from seismic reprocessing



Flaring of Aldinga East-1



# INVESTMENT PROPOSITION

## Significantly Undervalued Compared to Peers

- ✓ Majority 78.75% interest and Operator of Cliff Head
- ✓ Strong production rates and cash flow generation
- ✓ Offshore and onshore infrastructure with capacity to service third party crude
- ✓ Field life extension potential - dynamic modelling underway to confirm additional reserves in already producing reservoirs and near field prospects
- ✓ **Up to 29 mmbls prospective** oil initially-in-place (unrisked, best estimate) across seven near-field exploration targets
- ✓ **10.2 mmbls prospective** recoverable oil (unrisked, best estimate) potentially extending field life into the 2030's and beyond
- ✓ 3D Seismic program at Xanadu-1 oil discovery - further drilling
- ✓ 35.47% equity interest in State Gas Ltd (ASX:GAS)
- ✓ Experienced Management and operating and technical team

The only offshore and onshore infrastructure operating in the Perth Basin



Arrowsmith Stabilisation Plant (ASP)



Cliff Head Alpha Platform



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- In accordance with ASX Listing Rules, information in this report that relates to prospective resources has been reviewed and signed off by Mr James Tarlton (Tamarind Management Sdn. Bhd. Director). Information that relates to the prospective resources is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Tarlton. He has provided his written consent to the form and context in which the information that relates to the reserves presented. Mr Tarlton's qualifications include: Bachelor of Applied Science (Honours) from Queen's University at Kingston Ontario Canada. He has 34 years of operating company experience developed through drilling, production and reservoir engineering before transitioning to asset management in Canada, the North Sea and South East Asia. He is a member of the Society of Petroleum Engineers in Malaysia and he is also a registered professional engineer with the Association of Professional Engineers and Geoscientists of Alberta (APEGA). He consents to that information in the form and context in which it appears.