ASX Announcement

10 March 2020
ASX:TEG

TriangleEnergy

HALF YEAR FINANCIAL REPORT

The Board of Triangle Energy (Global) Limited (**Triangle / the Company**) (ASX: **TEG**) is pleased to present the Company's Half Year Financial Report for the period ended 31 December 2019, as attached to this announcement.

Authorised for release by the Board of Directors.

ENDS

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About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX:TEG) oil 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. Triangle also has a 50% share of the Mt Horner L7 production licence and a 45% share of the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX:GAS), which has an 80% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

TRIANGLE ENERGY (GLOBAL) LIMITED

ABN 52 110 411 428

INTERIM FINANCIAL REPORT

For the six months ended 31 December 2019

CORPORATE DIRECTORY

DIRECTORS

Mr Timothy Monckton (Non-Executive Chairman)
Mr Robert Towner (Executive Director)
Mr Darren Bromley (Executive Director) (resigned 18 November 2019)
Mr Jason Peacock (Non-Executive Director)
Mr Wai-lid Wong (Non-Executive Director)
Mr Edward (Ted) Farrell (Non-Executive Director)

COMPANY SECRETARY

Lucy Rowe

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DIRECTORS' REPORT

The Directors present the interim financial report of Triangle Energy (Global) Limited (the **Company, Group, Consolidated Entity or TEG**) for the half-year ended 31 December 2019 and the Auditor's review report therein:

Directors

The Directors of the Company at any time during or since the end of the interim period and until the date of this report are noted below.

Mr Timothy Monckton (Non-Executive Chairman) – appointed Non-Executive Director on 17 July 2018 and as Chairman on 21 March 2019
Mr Edward (Ted) Farrell (Non-Executive Director) - appointed 26 May 2014
Mr Robert Towner (Executive Director) - appointed 9 July 2014
Mr Darren Bromley (Executive Director) - appointed 9 July 2014 – resigned 18 November 2019
Mr Jason Peacock (Non-Executive Director) - appointed 11 April 2018
Mr Wai-lid Wong (Non-Executive Director) - appointed 11 April 2018

REVIEW OF OPERATIONS

Company Overview

Triangle is an experienced and successful oil production and exploration company based in Perth, Western Australia. The Company currently has a 78.75% interest in, and is Registered Operator of, the producing Cliff Head Oil Field, which includes the onshore Arrowsmith Stabilisation Plant and offshore Cliff Head Alpha Platform, located in the Perth Basin. Triangle has a 45% joint venture interest in Licence TP-15 which includes the Xanadu-1 oil discovery and a 50% participating interest[1] in Production Licence L7(R1), both also in the Perth Basin.

The Company holds a substantial (32.71%) equity interest in Australian Securities Exchange listed State Gas Limited (**ASX:GAS**) which has an 80% operating interest in the Reid's Dome production Licence PL 231 in Queensland.

Triangle has ten years of operational experience in the oil and gas sector in Australia and Indonesia. The Company has a track record of performing ahead of industry averages in safety performance and will continue to pursue the highest standards in HSE.

Cliff Head, Perth Basin, Western Australia

The Cliff Head Oil Field (**Cliff Head**) is located approximately 300 kilometres north of Perth and 12 kilometres off the coast of Dongara in 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 and the development cost of the field was A$327m with first oil production commencing in May 2006.

Ownership/Operatorship

Triangle has a majority 78.75% interest in, and is Registered Operator of, the producing Cliff Head Oil Field.

The Company is committed to upgrading the Cliff Head onshore and offshore infrastructure and is working to finalise a reserves upgrade. The investment in infrastructure supports future anticipated increases in field production and enables the handling of regional oil through the Arrowsmith Stabilisation Plant (**Arrowsmith:ASP**).

[1] Subject to implementation of Farmin Programme

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Production

Production is from five electric submersible pump (**ESP**) production wells and produced water is reinjected into three injection wells. Produced crude oil is trucked to the BP refinery in Kwinana, 42kms south of Perth.

On 13 March 2019, the Company announced that the downhole electric submersible pump (**ESP)** had a technical issue which caused production well CH-13 to stop producing.

The Company had evaluated several alternate technologies to replace downhole ESPs. A Hydraulic Jacking Unit or Platform (HJU) had been selected being both technically superior and cost effective to the Coiled Tubing Unit retrieval and deployment method that had been historically used to workover the well ESPs.

The CH-13 well was returned to production on the evening of 13 December 2019 following the installation of an ESP replacement which was tested over the weekend 14-15 December. On 16 December, the Company announced that steady-state production rates for the field were 970bopd with the CH-13 well producing 150bopd.

The ESP was brought up to full speed over the following four days and the field total production optimised at over 1000bopd as announced on 20 December 2019.

The recently commissioned Hydraulic Jacking Unit (HJU) at Cliff Head Alpha

The Company has completed a program of works to review the methodology of ESP replacement. The successful resumption of production on the CH-13 well validates the Company's decision to move to an alternative system for workover operations, ESP design and replacement.

The Company believes, this change in methodology will deliver:

- a safe and more reliable operation under a revised Safety Case;
- an increase in the well uptime that arises from being positioned to maintain inventory and reduce turnaround time post an ESP failure; and
- a significant reduction in capital expenditure on future workovers of the Cliff Head wells.

The Company is well positioned to utilise the HJU method for future workovers and is finalising a strategy to significantly reduce the cost and downtime of any further well ESP workover.

As at 31 December 2019, the field produced 16.208 million barrels of oil (**mmbbls**) and continues to produce at above originally forecast rates.

Oil sales revenue 1 July 2019 – 31 December 2019 was $7.67 million (57.5%) at a production rate 794 bopd.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Facilities and Infrastructure

The Cliff Head Alpha Platform and Arrowsmith Stabilisation Plant is the only offshore and operational onshore infrastructure in the highly prospective and under-explored Perth Basin, and are therefore important for any exploration success or development in the surrounding area. An unmanned platform in 15m to 20m of water with a 14km pipeline, carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith with a production capacity of 15,000bopd. The crude oil is trucked 350km to the BP refinery in Kwinana. The Arrowsmith stabilisation processing plant has the capacity to process third party crude.

The remotely operated unmanned offshore platform has five production wells and three water injection wells. The two 14km, 250mm diameter pipelines connect the offshore platform to the onshore crude stabilisation plant. The facility operates on a closed loop water re-injection system.

Exploration Upside

Cliff Head GeoTechnical Work

Throughout 2019, work has been progressing to identify opportunities to transform production rates and economic life at Cliff Head (Cliff Head Renewal Project).

The Company has been progressing several opportunities within and near the Cliff Head field to enhance production, thereby extending the economic life of the offshore Cliff Head platform, and onshore Arrowsmith Oil Stabilisation Plant.

Several drilling and workover opportunities in the Cliff Head area have matured to Contingent Resources. Subject to positive investment decisions and development drilling success, these opportunities will provide new production streams and represents a step change to oil production rates at Cliff Head. Upon positive investment decisions and key stakeholder approvals, it is intended that the contingent resource will be classed as reserves for the Cliff Head field.

Contingent and Prospective Resources are tabulated below:

REVIEW OF OPERATIONS (continued)

Cliff Head							
Gross Contingent Resources				**Net TEG 78.75% Contingent Resources**			
(MMstb Oil)	1C	2C	3C	(MMstb Oil)	1C	2C	3C
CH11 Recompletion	0.13	0.28	0.85	CH11 Recompletion	0.10	0.22	0.67
SE Nose	0.86	1.43	2.4	SE Nose	0.68	1.13	1.89
West High	0	1.42	1.95	West High	0.00	1.12	1.54
West Flank	0	0.79	1.14	West Flank	0.00	0.62	0.90
CH13 Attic		0.51		CH13 Attic		0.40	
East Horst K Sand		0.36		East Horst K Sand		0.28	
				Total TEG Share		**3.77**	
Gross Prospective Resources**				**Net TEG 78.75% Prospective Resources****			
(MMstb Oil)	Low	Best	High	(MMstb Oil)	Low	Best	High
Cliff Head				**Cliff Head (78.75% TEG share)**			
Mentelle Updip	0.3	3.3	10	Mentelle Updip	0.24	2.60	7.88
South Cliff Head		3		South Cliff Head		2.36	
				Total TEG Share		**4.96**	

Table 1 Contingent and Prospective Resources

**The estimated quantities of petroleum that may potentially be recovered by the application of future development projects 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.

The Company previously announced initial results from static modelling and the geological interpretation of Cliff Head field that identified several opportunities (ASX announcement 2 July 2018) and Prospective Resources for several near field features in July 2018 (ASX announcement 10 July 2018).

Over 2019, these opportunities have been further refined. An update of the geological model for the field in advance of the final dynamic modelling is now complete and a dynamic model update is ongoing.

From the geomodel update, previously identified Prospective Resources warrant progression to Contingent Resources at SE Nose (previously referred to as Area A3: NFE South East – ASX announcement 10 July 2018) and West High (previously referred to as Area A1: NFE West – see ASX announcement 10 July 2018). Both opportunities are attractive targets for new wells and will be thoroughly assessed with the dynamic model and evaluated for drilling

Cliff Head Renewal Project

The Company continues to be active in the Perth Basin with the cashflow arising from its equity in the CHJV being invested in wider Perth Basin geotechnical work and the Cliff Head Renewal Project. The importance of the efficient execution of the Cliff Head Renewal Project is paramount, requiring a strengthened team to finalise the project definition. Whilst this phase has taken slightly longer than planned, the Company remains confident in in-field and near field opportunities with WA-31-L being identified and justified for development.

Several workover, infill and satellite drilling opportunities that could be drilled from the Cliff Head platform, were identified in and around Cliff Head field following a company-wide review of the subsurface opportunities in the first half of 2019. Contingent Resources for these opportunities were previously reported on 30 August 2019. Success with these opportunities could extend the life of the Cliff Head platform and the onshore Arrowsmith Oil Stabilisation Plant resulting in deferral of abandonment.

REVIEW OF OPERATIONS (continued)

A project to undertake a detailed evaluation of these opportunities and mature them through appraisal/development concept selection to an investment decision, the Cliff Head Renewal Project (**CHRP**), commenced in mid-2019. Four opportunities within and near Cliff Head field were prioritised for evaluation:

- CH11 upward recompletion:
- West High;
- SE Nose; and
- Mentelle Updip Prospect.

The plan for the project was to:

- Review and update the seismic interpretation;
- Build a new static geological model for the field; and
- Undertake dynamic modelling of the Cliff Head reservoir to evaluate various drilling and development strategies.

The CH11 well was completed originally as a water disposal well. Analysis indicated that the water re-injection for reservoir management likely had minimal benefit. During the quarter ending 31 December 2019, water injection via CH-11 was ceased with reservoir and production observations confirming that the well had minimal benefit for reservoir/production management. The diversion of water injection from CH-11 to CH9 has resulted in increased production from CH6. Opportunity for an upward recompletion in the CH-11 oil zone is under evaluation.

Following the initial review of the seismic interpretation, the decision was made to reprocess the Cliff Head 3D seismic data, utilising the most up to date technologies, to generate a high-density stacking velocity model and to improve the subsurface imaging of the seismic data. The high-density stacking velocity model will constrain the depth conversion and structural mapping which is a key uncertainty for West High and SE Nose opportunities. The reprocessing of the 3D seismic data was completed at the end of December, with interpretation of the data to follow thereafter.

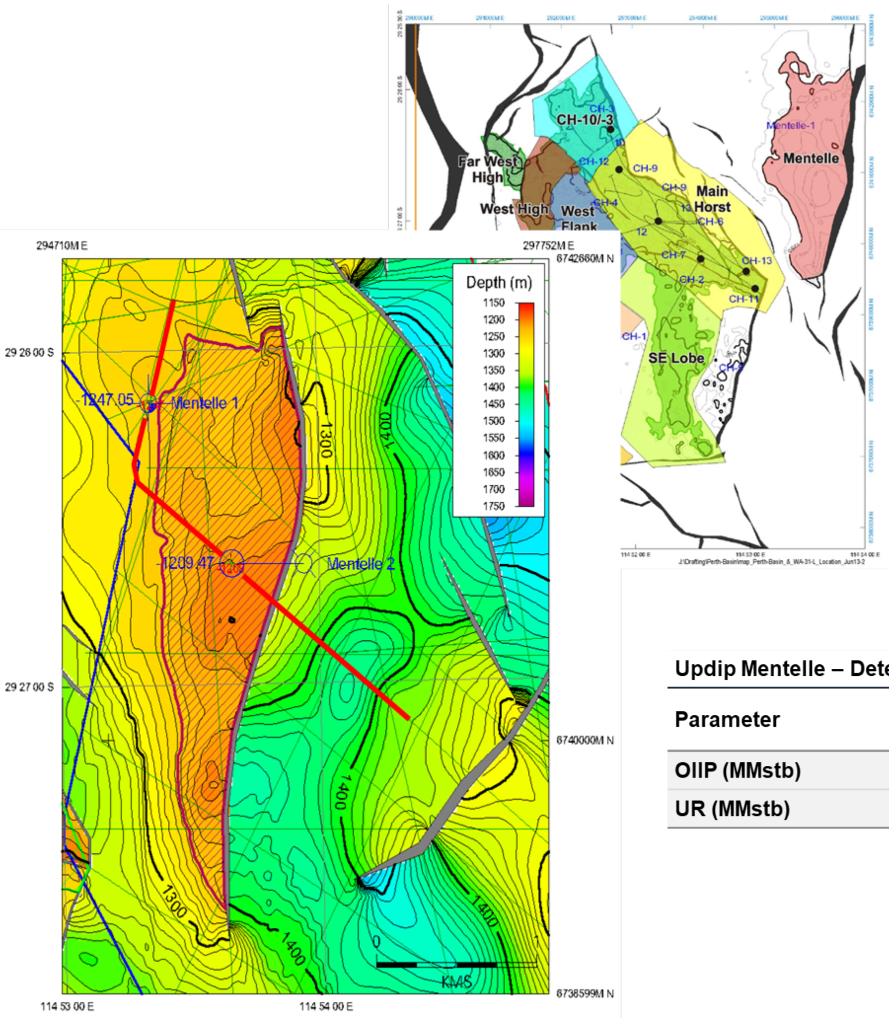
An initial phase of geological modelling and dynamic modelling for West High and SE Nose was undertaken based on the initial update to the structural mapping (in advance of the seismic reprocessing) to provide an evaluation and economic screening of the high-graded opportunities.

Based on this initial work, West High appears to be the most robust and an attractive opportunity. Evaluation of the opportunity will be finalised following interpretation of the reprocessed 3D seismic data which will address the remaining structural uncertainties of the feature.

SE Nose also appears to be a viable opportunity and the evaluation of the opportunity will be also finalised following the interpretation of the reprocessed 3D data.

Detailed review of the Mentelle Updip Prospect review has also commenced. Additional seismic acquisition over the prospect was evaluated with a feasibility study which found that additional acquisition was relatively high cost and not justified. The prospect is being evaluated in detail for drilling based on the existing seismic coverage as a result. It is expected to be an attractive opportunity based on previous evaluations and in comparison to the West High and SE Nose opportunities and has the strongest upside potential of the priority opportunities and material resource potential.

Mentelle can also be developed from Cliff Head platform.



Updip Mentelle – Deterministic Prospective Resource Estimation

Parameter	Low Estimate	Best Estimate	High Estimate
OIIP (MMstb)	2.6	18.4	43.5
UR (MMstb)	0.3	**3.3**	10.0

The seismic interpretation review also suggests that additional appraisal and exploration opportunities may emerge from the Cliff Head area, these will also be evaluated from the interpretation of the reprocessed data.

Ranking of the Cliff Head Renewal Project opportunities will be finalised during Q1 2020 along with selection of an optimal drilling strategy and a recommended workover and drilling program.

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Safety and Asset Integrity

The CHJV is dedicated to HSE and Asset Integrity Management. The facility at Cliff Head has been producing oil since May 2006 and the operation has been without significant safety or operational incident since start-up. Offshore Australian projects are subject to the OPGGSA safety case regime and all requirements are being 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 CHJV has established good relations with the regulators, fishing community, landholding sectors, tourism stakeholders and other operators in the area.

TP/15 Joint Venture, Perth Basin, Western Australia

As at the date of this report, Triangle has a 45% interest in the TP/15 Joint Venture which is located in the Perth Basin approximately 300 kms north of Perth. The permit occupies the three nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covering an area of 645km^2. Norwest Energy NL (**Norwest**; ASX:**NWE**) is the Operator of the Joint Venture.

Xanadu-1 was spudded on 4 September 2017, and the well reached a total depth of 2035 mMDRT on 17 September 2017, when it was confirmed that the Xanadu-1 well intersected hydrocarbon bearing reservoirs demonstrated by elevated gas readings, oil shows, fluorescence and cut-fluorescence whilst drilling.

A suite of wireline logs over a 330m section of the well was run by service provider Schlumberger due to the highly encouraging results encountered while drilling.

On 25 September 2017 Triangle announced confirmation of an oil discovery at Xanadu-1. The wireline logs confirmed reservoir quality sand intervals throughout the Irwin River Coal Measures (**IRCM**) with porosities ranging from 15-16%. Three discrete sand intervals (A, B, C) at the top of the IRCM reported log-derived hydrocarbon saturations of between 41-66% with 4.6m of net pay in sand "A".

The top section down to 971mMDRT has been cased and cemented in place (approximately 250m vertically above the zone of interest) providing for future evaluation of this well.

On 23 February 2018, Norwest announced a contract for the acquisition of a 40-square-kilometre 3D seismic survey had been awarded to Synterra Technologies Pty Ltd, a leading global provider of geophysical and technical services.

The extensive 40 km^2 area is designed to fully map the northern up-dip region, and the southern down-dip region extending out to the western flank of the Xanadu structure.

The objective of the seismic survey is to be able to map the structure at Xanadu, and to assist with designing well locations and trajectories. The approval for a side-track well at Xanadu-1 location is already in place.

The joint venture received the final PreSTM volume in early October 2019 with the Operator, Norwest Energy NL (ASX:NWE) completing preliminary interpretation and integration of the data into the Xanadu subsurface model. On 24 October 2019 NWE announced the Xanadu 3D Seismic Results.

The 3D seismic survey demonstrated that the Xanadu structure is large but has less than optimal reservoir. The discovery of oil in the Xanadu-1 well is positive in so far as it was the first demonstration of moveable oil within TP/15.

Further prospective resource potential lies within and adjacent to the 3D seismic area, to the north of the Xanadu horst and in a structural culmination situated to the west of the downdip area (West Xanadu), on the edge of the 3D survey area and to the south of Xanadu beyond the 3D seismic survey. The Company expects reservoir quality to improve west of the Xanadu structure.

REVIEW OF OPERATIONS (continued)

During the December quarter the Company also continued its detailed review of the forward work plan in Exploration Permit TP-15. The Company is encouraged by the additional prospectivity in the permit and is working with our joint venture partners to agree a budget and programme of work to further define this additional prospectivity. Acquisition of low cost 2D seismic data to mature the West Xanadu area for drilling will be considered by the Joint Venture.

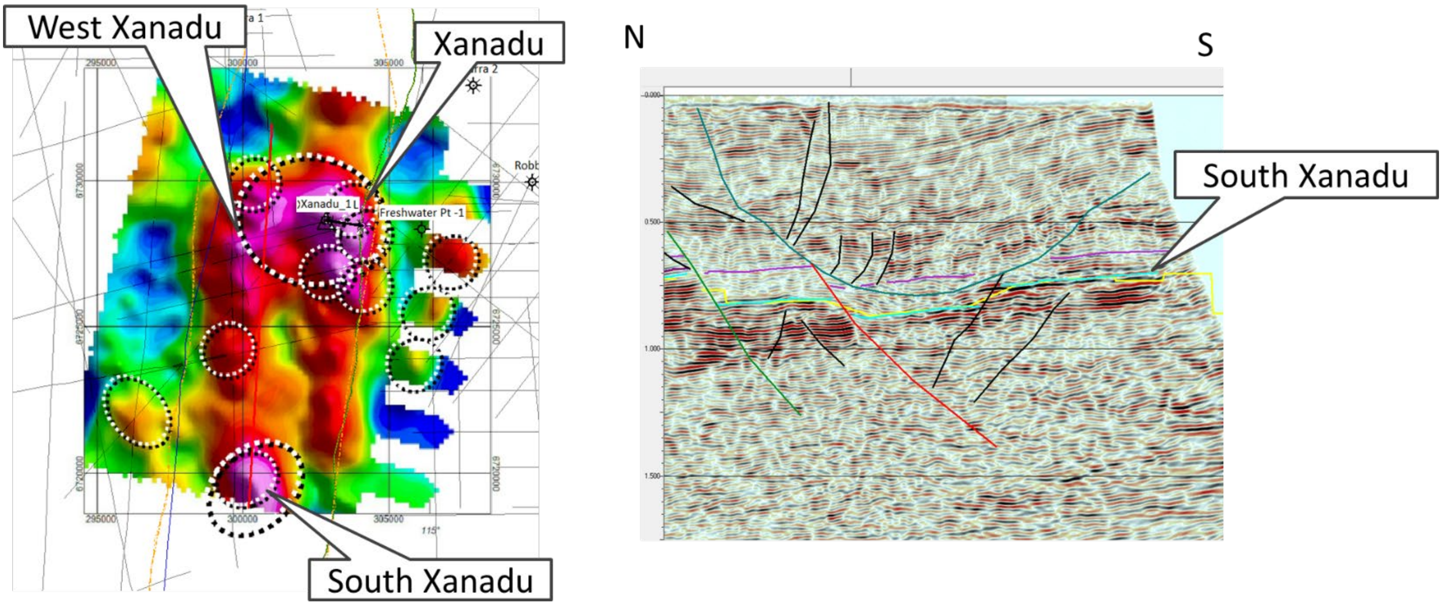


Figure: Possible structure on Full Tensor Gravity and single seismic line

Joint Venture interests

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

Mt Horner Production Licence L7(R1) Joint Venture, Perth Basin, Western Australia

On 31 October 2018, the Board of Triangle was pleased to announce that it had entered into a Farmout Agreement with Key Petroleum Limited (ASX:KEY) to acquire a 50% participating interest in Production Licence L7(R1) (Acquisition). A wholly owned subsidiary of Triangle will hold the relevant interest earned under the Farmout Agreement.

On 2 October 2019, the Company announced that the Farmout Agreement had completed with all approvals received.

Upon completion and earning a 50% stake in the Mount Horner Production Licence, the Company will have the right to assume Operatorship of L7. The JV is working to finalise the farmout work programme and budget and commence 3D seismic planning activities.

Joint Venture interests

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

DIRECTORS' REPORT (continued)

REVIEW OF OPERATIONS (continued)

Investments

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (**ASX:GAS**) with an interest of 32.71% The investment is equivalent to $33.96million in value at a $0.71 price (as at 31 December 2019) per State Gas share. On 9 October 2019, 47,062,500 of the Company's 47,830,148 shares held in State Gas were released from escrow. There are no further restrictions on the shares.

For further information on State Gas Limited, please refer to that company's website www.stategas.com.au.

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

CORPORATE

<u>Shareholder Meetings:</u>

General Meeting

On 25 October 2019 a General Meeting of the Company was held and shareholders ratified the issue of the above tranches of shares, as well as the further tranche issued in November 2018 in order that its placement capacity under ASX Listing Rules 7.1 and 7.1A be restored to 15% and 10% respectively.

Annual General Meeting

Triangle held its Annual General Meeting of shareholders on 19 November 2019. All resolutions were passed unanimously by a show of hands.

Capital Raising

Private Placement of Shares

On 5 September 2019, the Company announced it had received irrevocable commitments to raise AU$3.6 million (before costs) from both professional and sophisticated investors who subscribed for 48,000,000 new ordinary shares at AU$0.075 per new share (**Placement**).

On 11 September 2019, 10,064,476 of the Placement shares were issued under the Company's placement capacity under ASX Listing Rule 7.1A, and the remaining 37,935,524 Placement shares were issued under the Company's placement capacity under ASX Listing Rule 7.1.

Upon completion of the Placement, the 48,000,000 new shares represented approximately 13.3% of the share capital of the Company, which now has 360,753,682 ordinary shares on issue.

The proceeds from the Placement are being used:

a) to replenish funds following the completion of the acquisition of long-lead items required to return CH-13 to production;
b) to provide working capital to allow the Company to progress the Cliff Head Renewal Project to FID; and
c) for ongoing general working capital to allow the Company to progress its wider Perth Basin Strategy.

DIRECTORS' REPORT (continued)

CORPORATE (continued)

Pro Rata Non – Renounceable Entitlement Offer

On 8 November 2019, the Company was 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 5 shares held on the record date. Each New Option has an exercise price of $0.12 and an expiry date of 30 September 2020.

Pursuant to the Entitlement Offer, the Company announced it would issue up to 72,150,736 New Options to raise up to approximately $72,150 (before costs).

The Entitlement Offer was available to all shareholders (**Shareholders**) registered on the record date on 13 November 2019 (**Record Date**) whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

On 2 December 2019 the Company was pleased to announce that it had received valid applications under the Entitlement Offer for 47,576,398 Options pursuant to eligible shareholders' entitlements, raising a total of $47,576.92 and leaving a shortfall of 24,574,182 Options.

The Directors reserved the right to issue Options pursuant to the shortfall at their absolute discretion within three months of the closing date, being 27 February 2020, subject to any restrictions imposed by the Corporations Act and the Listing Rules.

Allotment of the New Options occurred in accordance with the timetable on 4 December 2019.

Subsequent to the end of the half – year, the 24,574,182 shortfall options were issued on 29 January 2020.

Funds raised from the issue of the New Options will be used towards the costs of the Entitlement Offer and for general working capital. Funds raised from the exercise of the New Options (if any) will be used towards continued development of the Company's existing projects, evaluation of new opportunities and for general working capital.

Pase PSC – PT Enso Asia

Triangle is owed US$1.02 million, held in escrow, in relation to the Sale and Purchase Agreement of the Pase Production Sharing Contract by PT Enso Asia which completed in February 2016. The US$1.02 million (AU$1.46 million) held under contract, is to be released to Triangle after the Indonesian Ministry of Energy and Resources (ESDM) or Special Unit for Upstream Oil and Gas Operations (SKKMIGAS) provides written approval of the Change of Control of the Pase PSC. The Company will provide further updates as and when they are available.

Request for Arbitration from PDPA

On 6 March 2019, the Company advised shareholders that it had received a request for arbitration from former joint venture partner Perusahaan Daerah Pembangunan Aceh (PDPA), an Acehnese government-owned company, with PDPA filing an application for arbitration with the BANI Arbitration Centre located in Jakarta.

The claim relates to the Production Sharing Contract for the Pase Concession (in which the Company sold its interest in February 2016). PDPA is alleging Triangle Energy (Global) Limited owe:

a) Contribution for CSR: US$ 0.781 million; and
b) Building Road: US$ 3.35 million.

On 9 December 2019, Triangle attended an evidentiary hearing followed by a closing hearing on 20 December 2019 at the BANI Arbitration Centre in Jakarta. The Company is expecting to hear the outcome of the tribunal award in the near future and will update the market when the decision is rendered.

Upon Triangle successfully defending the allegation, the claimant (PDPA) is obliged to bear all the arbitration cost and costs incurred or borne by the respondent (TEG) in order to defend its interest.

DIRECTORS' REPORT (continued)

CORPORATE (continued)

Capital and Management Expenditure

As at 31 December 2019, Triangle had a cash balance of $3.68 million of which $1.46 million is held in escrow.

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

Triangle continues to implement initiatives to reduce operating expenditure and has achieved significant cost reductions across all aspects of the Cliff Head joint venture.

Salaries and wages and Superannuation have increased for the period primarily due to the cost associated with the resignation of a long-time employee and the transfer of two employees from the payroll of Triangle Energy (Operations) Pty Ltd to that of the Company.

Loan and borrowings

The Company considers loans to be part of its capital management. The Company has a loan with its 50% jointly controlled subsidiary, Triangle Energy (Operations) Pty Ltd which stands at $870,967 as at 31 December 2019. The loan is interest free, unsecured and repayable on demand.

Shareholder Analysis

As at 31 December 2019 the Company had 1024 shareholders and 360,753,682 ordinary fully paid shares on issue with the top 20 shareholders holding 50.8% of the total issued capital.

RESULTS

The net loss of the Consolidated Entity after income tax for the half-year was $0.216 million (2017 net loss: $1.629 million) which mostly consists of non-cash expenditure. The key reasons for the result for the half-year ended 31 December 2019 are set out below:

- The Company also changed its deferred taxes by $1.35million as a consequence of significant movements in PRRT deferred taxes and the use of its deferred tax asset from project pool expenditure.

Financial Position

Triangle holds a 50% shareholding of Cliff Head's operating company, Triangle Energy (Operations) Pty Ltd (formerly ROC Oil (WA) Pty Ltd) with Royal Energy Pty Ltd holding the other 50%. The Company currently accounts for this investment as an associate on the basis that it is jointly controlled by both shareholders.

The Company continues to hold an investment in State Gas Limited of 32.71%. The investment is considered to be an associate, for accounting purposes given the Company's significant shareholding and one director on the board.

The Company financial statements show the following key movements in the Group's assets and liabilities over the period:

- Increase in cash assets by $1.195 million to $3.685 million (2019: $2,490 million);
- Increase in trade receivables by $0.363 million to $1.50 million (2019: $1.137 million);
- Increase in trade and other payables by $0.389 million to $4.202 million (2019: $3.813 million);
- Increase in other receivables by $0.184 million to $0.654 million (2019: $0.470);
- Non-current assets $26.274 million (2019: $24.232 million); and
- Non-current liabilities $21.2 million (2019: $21.1).

Events Subsequent to Reporting Date

On 17 February 2020 the Company announced the issue of 29,086,757 Performance Rights to employees of the Company under the Employee Incentive Scheme approved at the Company's AGM on 19 November 2019.

On 24 February 2020, the Company announced that production at Cliff Head Alpha Platform has been suspended as a result of an electrical fault. The Company's on-site management who observed the electrical fault during the routine maintenance immediately shut down production and initiated the emergency management plan in accordance with standard procedures. The Company immediately reported this event to the National Offshore Petroleum Safety Management Authority. Triangle confirmed in the announcement that there was no risk to safety and has initiated work to remedy the fault and return to production as soon as possible, the timeframe of which is anticipated to be between two to four weeks.

TriangleEnergy

DIRECTORS' REPORT (continued)

CORPORATE (continued)

Significant Changes in The State of Affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the interim period not otherwise disclosed in this report and the interim financial statements.

Notes Regarding Contingent and Prospective Resources

The Contingent Resources for the Cliff Head asset are held under the Production Licence WA-31-L in which Triangle holds a net equity share of 78.75%. Some of these Contingent Resources were previously reported as Prospective Resources (Triangle Energy ASX announcement of 18 July 2018). West High was previously reported as A1(a):NFE West and SE Nose as A3(b): NFE South East. West High and West Flank are interpreted to be a western extension of the main Cliff Head field and nearby the Cliff Head 8 oil column. SE Nose is updip of the Cliff Head-1 oil recovery. The Contingent Resources are based on detailed interpretation of the Cliff Head 3D seismic survey and geological interpretation based on the Cliff Head exploration, appraisal and development wells that were undertaken as part of the 2019 geological modelling update. The CH11, West High, West Flank and SE Nose Contingent Resources were prepared using the probabilistic method and those for CH13 attic and East Horst K sand were prepared using the deterministic method. These Contingent Resources are contingent on further field development studies and economic evaluation.

The Prospective Resources are also held under the Production Licence WA-31-L in which Triangle holds a net equity share of 78.75%. The Mentelle and Cliff Head South Prospects are based on the interpretation of 2D seismic data and Cliff Head area wells. The Mentelle Prospective Resources were prepared using the probabilistic method and the South Cliff Head Prospective Resources using the deterministic method. The South Cliff Head prospect was previously referred to as A2(a) NFE South. The acquisition of additional seismic data is planned for 2020 and exploration drilling in 2021. They are considered to have a moderate chance of discovery and a high chance of development if exploration drilling is successful development and can be developed through the Cliff Head infra-structure.

Summations of resources, where present, are arithmetic.

The evaluation date for the Contingent Resources and Prospective Resources reported here is 23 August 2019.The Petroleum Resources were prepared in accordance with the SPE-PRMS (2018).

Qualified Petroleum Reserves and Resources Evaluator Statement

In accordance with ASX Listing Rules, Information in this report that relates to all Petroleum Resources and Prospective Resources and proved, and probable reserves has been reviewed and signed off by Mr Matt Fittall, a full-time employee of Triangle Energy (Global) Limited. Information that relates to reserves is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has consented 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 Australian (PESA).

Auditor Independence and Non-Audit Services

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd (WA) Partnership to provide the directors of the Company with an Independence Declaration in relation to the audit of the interim financial report. This Independence Declaration is set out on page 15 and forms part of this Directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3) of the Corporations Act 2001.

Timothy Monckton
Chairman
Date: 10 March 2020

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Triangle Energy (Global) Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
10 March 2020

B G McVeigh
Partner

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TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
(INCOME STATEMENT)
HALF YEAR ENDED 31 DECEMBER 2019

	Notes	31 DECEMBER 2019 $	31 DECEMBER 2018 $
Revenue	1.1	7,672,084	5,690,604
Cost of sales	1.2	(3,897,491)	(4,709,972)
Gross profit		3,774,593	980,632
Other income	1.1	201,713	63,822
Employment expenses	1.2	(1,517,571)	(599,960)
General and administration expenses	1.2	(762,375)	(556,625)
Occupancy costs		-	(5,996)
Finance costs		-	(222,960)
Amortisation and depreciation expense		(474,683)	(238,426)
Share of associate's profit / (loss)		345,522	(321,110)
Interest – unwind of discounts for provision for restoration	4.6	(155,012)	(152,356)
Profit / (Loss) before income tax expense		1,412,187	(1,052,979)
Income tax (expense)	1.3	(1,628,639)	(576,180)
(Loss) after tax from continuing operations		(216,452)	(1,629,159)
Other comprehensive income			
Items that may be realised through profit and loss			
Movement in reserves (net of tax)		-	-
Other comprehensive income for the half year net of tax		-	-
Total comprehensive (loss) for the half year, net of tax			
Owners of Triangle Energy (Global) Limited		(216,452)	(1,629,159)
Loss per share attributed to the owners of the Company	1.4		
Basic (loss) per share –cents per share		(0.063)	(0. 700)
Diluted (loss) per share – cents per share		(0.063)	(0. 700)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(BALANCE SHEET)
AS AT 31 DECEMBER 2019

	Notes	31 DECEMBER 2019 $	30 JUNE 2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3.1	3,685,407	2,490,036
Trade receivables	4.1	1,499,721	1,136,967
Other receivables and assets	4.2	654,479	470,443
Total current assets		5,839,607	4,097,446
NON-CURRENT ASSETS			
Plant and equipment	4.4	72,257	76,347
Exploration and evaluation expenditure	2.2	12,072,125	10,784,264
Fair value through other comprehensive income	4.3	110,000	110,000
Investment in associates	2.3	838,548	493,026
Oil and gas properties	2.1	6,712,247	4,950,760
Deferred tax assets	1.3	6,469,231	7,817,951
Total non-current assets		26,274,408	24,232,348
TOTAL ASSETS		32,114,015	28,329,794
LIABLITIES			
CURRENT LIABILITIES			
Trade and other payables	4.5	4,201,687	3,813,010
Borrowings	3.3	870,967	870,967
Total current liabilities		5,072,654	4,683,977
NON-CURRENT LIABILITIES			
Provisions	4.6	21,281,611	21,126,599
Deferred tax liabilities	1.3	-	-
Total non-current liabilities		21,281,611	21,126,599
TOTAL LIABILITIES		26,354,265	25,810,576
NET ASSETS		5,759,750	2,519,218
EQUITY			
Issued capital	3.2	36,715,029	33,357,938
Reserves	3.5	677,183	577,290
Accumulated losses	3.6	(31,632,462)	(31,416,010)
TOTAL EQUITY		5,759,750	2,519,218

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
HALF YEAR ENDED 31 DECEMBER 2019

	Notes	31 DECEMBER 2019 $	31 DECEMBER 2018 $
Cash flows from operating activities			
Receipts from customers		7,902,530	5,904,205
Payments to suppliers and employees		(7,438,177)	(5,843,962)
Interest paid		-	(32,615)
Income tax (paid)/received including PRRT		(279,920)	1,027,871
interest received		4,370	7,384
Net cash inflows/(outflows) from operating activities		188,803	1,062,883
Cash flows from investing activities			
Payment for plant and equipment		(1,113,328)	(1,142,194)
Payments for exploration expenditure		(1,287,861)	(2,034,800)
Net cash outflows from investing activities		(2,401,189)	(3,176,994)
Cash flows from financing activities			
Proceeds from issue of shares		3,600,000	4,854,554
Payment for share issue costs		(242,909)	(325,310)
Proceeds from the issue of options		47,577	-
Repayment of borrowings		-	(300,000)
Net cash inflows from financing activities		3,404,668	4,229,244
Cash and cash equivalents at the beginning of the period		2,490,036	2,959,183
Net increase/(decrease) in cash and cash equivalents		1,192,282	2,115,133
Effect of exchange rate fluctuations on cash held		3,089	74,141
Cash and cash equivalents at end of half year	**3.1**	3,685,407	5,148,547

The above Consolidated Statement of Cash Flow should be read in conjunction with the accompanying notes.

TRIANGLE ENERGY (GLOBAL) LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
HALF YEAR ENDED 31 DECEMBER 2019

	Consolidated					
	Issued capital	**Accumulated losses**	**Share based payment reserve**	**Convertible note reserve**	**Option Reserve**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2019	33,357,938	(31,416,010)	570,287	7,003	-	2,519,218
Transactions with shareholders in their capacity as shareholders						
Issue of shares (cash)	3,600,000	-	-	-	-	3,600,000
Cost of share issue	(242,909)	-	-	-	-	(242,909)
Issue of options	-	-	-	-	47,577	47,577
Issue of Performance Rights	-	-	52,316	-	-	52,316
Comprehensive Income						
Profit / (Loss) for the period	-	(216,452)	-	-	-	(216,452)
Movement in available for sale reserves	-	-	-	-	-	-
Total comprehensive income/(loss) for the half year	-	(216,452)	-	-	-	(216,452)
Balance at 31 December 2019	36,715,029	(31,632,462)	622,603	7,003	47,577	5,759,750

	Issued capital	**Accumulated losses**	**Share based payment reserve**	**Convertible note reserve**	**Option Reserve**	**Total equity**
	$	**$**	**$**	**$**	**$**	**$**
Balance at 1 July 2018	27,486,714	(29,651,440)	565,004	7,003	-	(1,592,719)
Transaction with shareholders in their capacity as shareholders						
Issue of shares (cash)	5,034,061	-	-	-	-	5,034,061
Cost of share issue	(325,310)	-	-	-	-	(325,310)
Issue of shares (acquisition)	805,756	-	-	-	-	805,756
Comprehensive Income						
Profit / (Loss) for the period	-	(1,629,159)	-	-	-	(1,629,159)
Movement in available for sale investments reserve	-	-	-	-	-	-
Total comprehensive income/(loss) for the half year	-	(1,629,159)	-	-	-	(1,629,159)
		-		-	-	
Balance at 31 December 2018	33,001,221	(31,280,599)	565,004	7,003	-	2,292,629

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

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A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half year report of Triangle Energy (Global) Limited (the **Company, Group or Triangle Energy**) for the period ended 31 December 2019 was authorised for issue in accordance with a resolution of directors on 10 March 2020.

The Company is a public company limited by shares incorporated and domiciled in Australia whose securities are traded on the Australian Securities Exchange Limited (ASX Limited).

The nature of the operations and principal activities of the Company are described in the directors' report above.

(a) Basis of Preparation

The principle accounting policies adopted for the preparation of interim financial report are set out below. These accounting policies have been applied consistently to all periods presented unless otherwise stated.

(i) Statement of compliance

This interim financial report for the half-year reporting period ended 31 December 2019 has been prepared in accordance with accounting standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

This interim financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this interim financial report be read in conjunction with the any public announcements made by Triangle Energy (Global) Limited up to the date of this report in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

(ii) Basis of measurement and reporting convention

This interim financial report has been prepared on an accruals basis and is based on historical cost except for assessing the fair value of the Group's investments. The interim financial report is presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

(b) Segment Information

Operating Segments – AASB 8 requires a management approach under which segment information is presented on the same basis as that used for internal reporting purposes. This is consistent to the approach used for the comparative period. Operating segments are reported in a uniform manner to which is internally provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors.

An operating segment is a component of the group that engages in business activity from which it earns revenue or incur expenditure, including those that relate to transactions with other group components. Each operating segment's results are reviewed regularly by the Board to make decisions about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

The Board monitors the operations of the Company based on two segments, operational and corporate. The financial results of each segments are reported to the board to assess the performance of the Group.

The Board has determined that strategic decision making is facilitated by evaluation of the operations of the legal parent and the consolidation of the oil producing subsidiaries which represent the finance, treasury, compliance and funding elements of the Group (legal parent and Triangle (Qld)) and Triangle Perth Basin Pty Ltd, T Offshore and T Oil are the operational performance of the Group's revenues and costs of production and sale.

(c) Revenue recognition (AASB 15)

The Company currently has one contract for the delivery of hydrocarbons to a local refinery. The Company has assessed the performance obligations under the contract and these relates specifically to the delivery of all product produced by the Cliff Head joint venture to this refinery. The customer takes delivery of this product at the refinery gate and at this point the Company's obligations end.

(i) Sale of oil

Revenue is recognised when the Company completes its obligations to deliver its produced hydrocarbons to its customer at a local refinery.

(d) Financial Instruments (AASB 9)

The Company has a number of receivables in the statement of financial position which are subject to the requirements of AASB 9. As at 30 June 2019 and 31 December 2019, the Company has made an assessment using the requirements of the standard, to identify possible credit losses within these balances. A review of each category has not identified any requirement to record a provision for expected credit losses on consolidation as there is no history of debtor defaulting and amounts outstanding have been collected or are fully recoverable. The Company also holds an equity investment in a listed (but suspended) company. This asset has been market to the latest share issue price used to raise capital for the company (arm's length third party value). This is considered to be a level 2 observable price for the equity investment.

(e) Foreign Currency Translation

Both the functional and presentation currency of Triangle Energy (Global) Limited and its Australian subsidiaries is Australian dollars.

Transactions in foreign currencies are initially recorded in the functional currency by applying the average exchange rates for the month. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All exchange differences in the consolidated financial report are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

(f) Leases

The Company has adopted the new accounting pronouncements which came into effect from 1 July 2019 this year. AASB 16 Leases replaces the previous lease standard, AASB 117 along with three Interpretations, IFRIC 4, SIC 15 and SIC 27.

The Company does not have any leases in its own right but has a 50% interest in a jointly controlled entity which operates the Cliff Head Asset. The Company has reviewed the position of its Associate and has identified a number of leases that give rise to a right to use asset as at the transition date.

The Company has used the modified retrospective #1 method which does not result in the opening retained earnings being adjusted or any adjustments to the comparative period. The Company has elected to measure the right to use assets at an amount equal to the lease liability.

On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for low value assets the Company has applied the optional exemptions to not recognise the right to use asset but to account for the lease expense on a straight line basis over the remaining lease term.

On transition to AASB 16 the weighted average incremental borrowing rate applied to lease liabilities recognised under AASB 16 was 4.6%.

(f) Leases (continued)

For any new contracts entered into on or after 1 July 2019, the Company must consider whether a contract is, or contains a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. To apply this definition, the Company must assess whether the contract meets three key evaluation which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- The Company has the right to obtain substantially all of the economic benefits from the use of the identified asset through the period of use, considering its rights within the defined scope of the contract;
- The Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct "how and for what purpose' the asset is used throughout the period of use.

Measurement and recognisition of lease as a lease

At the commencement of the lease, the Company recognises a right to use asset and a lease liability on the balance sheet. The right to use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial costs incurred by the Group, an estimate of any cost to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The Group depreciates the right-of-use-assets on a straight line basis from the lease commencement date to the earlier of the end of the useful like of the right-of-use-asset or the end of the lease term. The Group also assesses the right-of-use assets for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of the fixed payments, variable payments based on an index and amounts expected to be payable under a residual value guarantee. Payments which are subject to an option will only be included if there is strong objective evidence to suggest that option will be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset has been reduced to zero.

The Group has elected to account for short term leases and leases of low value asset using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in the profit and loss on a straight line basis over the lease term.

On the statement of financial position, the right -of-use asset has been included in property, plant and equipment and the lease liability has been classified in trade and other payables.

(g) New accounting standards and interpretations that are not yet mandatory

The new standards and amendments to standards are applicable to the Company and are mandatory for the first time for the financial year beginning 1 January 2020 and beyond. None of the standards and interpretations have affected any of the amounts recognised in the current period or any prior period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The Company has made an assessment and there are no standards which would effect the future periods.

TRIANGLE ENERGY (GLOBAL) LIMITED

CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT

HALF YEAR ENDED 31 DECEMBER 2019

1 Profit and loss items

	31 December 2019 $	31 December 2018 $
1.1 Revenue		
At a point in time:		
Sales of oil	7,672,084	5,690,604
Other Income		
Interest income	4,370	7,995
Other revenue	197,343	55,827
	201,713	63,822

Total number of barrels sold by the Company was 83,502 at an average sales price of AUD$91.88.

1.2 Expenses

	31 December 2019 $	31 December 2018 $
(a) Employment expenses		
Salaries and wages	1,245,332	500,133
Other personnel costs	68,232	47,855
Superannuation	123,135	42,074
Increase in leave liabilities	28,556	9,898
	1,465,255	599,960
Share based payment expenses	52,316	-
Total	1,517,571	599,960
(b) General and administration costs		
Accounting expenses	23,634	36,837
Audit fees	14,825	19,785
Consulting expenses	268,020	136,148
Legal expenses	143,253	56,428
Arbitration expenses	11,094	-
Foreign exchange (gains) losses	(6,614)	(10,407)
Other administration expenses	308,163	317,834
	762,375	556,625
(c) Cost of sales		
Significant one - off costs included in cost of sales		
Repairs and maintenance	-	413,532
Operating and restructure costs	-	280,204
	-	693,736

1 Profit and loss items

1.3 Taxation

	31 December 2019 $	31 December 2018 $
Income tax recognised in profit or loss		
The components of tax expense comprise:		
Statement of profit or loss and comprehensive income		
Current income		
Current income tax	-	-
Deferred tax		
Decrease / (increase) in deferred tax assets	575,072	181,014
(Decrease) / increase in deferred tax liabilities	-	-
Income tax expense / (benefit) reported in statement of comprehensive income	575,072	181,014
Petroleum resource rent tax		
Current income		
Current income tax	279,920	-
Deferred tax		
Decrease / (increase) in deferred tax assets	773,647	395,166
(Decrease) / increase in deferred tax liabilities	-	-
PRRT Income tax expense (benefit) reported in statement of profit or loss	1,053,567	395,166
Total Income tax expense for the period	1,628,639	576,180
Numerical reconciliation between tax expense and pre-tax net loss		
Loss before income tax expense	1,412,187	(1,052,979)
Income tax expense / (benefit) calculated at 27.5%. (2018: 27.5%)	388,351	(289,569)
effect of non-deductible item		
Total non-deductible items	(76,065)	92,553
Movements in unrecognised temporary differences	(312,286)	378,030
Movement in PRRT deferred tax assets	773,647	395,166
Payment of PRRT	279,920	-
Income tax expense reported in profit or loss and other comprehensive income	1,628,639	576,180

The balance comprises temporary difference attributable to:

PRRT (credit on decommissioning) (DTA)	5,696,688	6,470,335
Project Pool costs (DTA) (a)	3,499,558	4,251,343
Assessable receipts PRRT (DTL) (a)	(1,602,630)	(1,779,342)
Tax losses recognised (DTA)	1,423,866	1,061,891
Exploration assets (DTL) (a)	(2,548,251)	(2,186,276)
Total deferred taxes	6,469,231	7,817,951

(a) Part of the Project Pool DTA has been off-set against the Exploration asset DTL and the assessable receipts for PRRT.

	31 December 2019 $	30 June 2019 $

1.3 Taxation

Set-off deferred tax liabilities pursuant to off-set provisions

Deferred tax asset on project pool costs (oil and gas properties)	2,727,015	2,903,727
Assessable receipts PRRT	(1,602,630)	(1,779,342)
Deferred tax asset on carry forward tax losses	1,423,866	1,061,891
Deferred tax liability on exploration asset	(2,548,251)	(2,186,276)
	-	-

Estimates and judgements - Assumptions used to carry forward deferred taxes

Deferred tax assets are recognised for deductible temporary differences, taxation losses and PRRT decommissioning credits when the directors consider that it is probable that sufficient future tax profits or costs will be available to utilise those temporary differences, losses and credits. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over the next few years together with future tax planning strategies. There are significant variables relating to generating taxable profits in the future and while the directors take care in assessing the current available information, by its nature any forecast may be materially different to the final actual outcome.

1.4 Earnings per share

	2019 ($) / Cents	2018 ($) / Cents
Continued Operations		
Basic Earnings Per Share		
Loss from continuing operations attributable to the ordinary equity holders	(216,452)	(1,629,159)
Cents per share	(0.063)	(0.700)
	2019 Number	**2018 Number**
Weighted Average Number of Shares Used as the Denominator		
Weighted average number of ordinary shares used as the denominator	344,579,769	225,050,742
Calculation of weighted average number of shares		
Number of shares at the beginning of the period	312,753,682	218,115,544
Shares issued but adjusted (pro-rata) for the period of issue	31,826,087	6,935,198
Number of shares used to calculate the loss / profit per shares for the year	344,579,769	225,050,742

2 Significant assets

	31 December 2019 $	30 June 2019 $

2.1 Oil and gas properties

Oil and gas properties carried forward – Cliff Head	6,712,247	4,950,760
Reconciliation – Cliff Head		
Carrying amount at the beginning of the period	4,950,760	3,697,689
Additions to the oil and gas properties	2,232,081	1,890,442
Less: Amortisation	(470,594)	(637,371)
Carrying amount at end of the period	6,712,247	4,950,760

2 Significant assets

2.1 Oil and gas properties (continued)

Estimates and judgements
Assumptions used to carry forward the oil and gas properties

The write-off or impairment of oil and gas properties is based on a periodic assessment of pre-determined impairment indicators relevant to the operating asset and with the information available at the time of preparing this report. The directors assess whether there are any clear indicators of impairment and if they exist a value in use calculation is prepared to assess the carrying value of the operating assets. The assessment of impairment indicators requires the directors to make judgements in relation to internal and external factors that impact the assets, however, information may come to light in subsequent periods which the directors were unable to predict at the time of making the assessment of indicators. The recoupment of costs carried forward in respect of each area of interest is dependent on the successful development and/or commercial exploitation or sale of the respective areas of interest.

The estimation of reserves requires significant management judgement and interpretation of complex geological and geophysical models in order to make as assessment of the size, share, depth and quality of reservoirs and their anticipated recoveries. Estimates have been used to determine the fair value of the oil and gas properties for the purpose of the business combination and the assessment of depletion and amortisation charges.

	31 December 2019 $	30 June 2019 $
2.2 Exploration and evaluation assets		
Exploration, evaluation and development costs carried forward in respect of areas of interest	12,072,125	10,784,264
Reconciliation – Mentelle & West High prospects		
Carrying amount at the beginning of the period	3,776,364	3,747,951
Additions to the exploration and evaluation asset	327,644	28,413
Carrying amount at end of the period	4,104,008	3,776,364
Reconciliation – Xanadu-1 TP/15 Joint Venture		
Carrying amount at the beginning of the period	7,007,900	3,001,315
Additions to the exploration and evaluation asset	893,832	1,200,830
Acquisition of 15% interest (i)	-	2,805,755
Carrying amount at end of the period	7,901,732	7,007,900
Reconciliation – Mt Horner (L7) Joint Venture		
Carrying amount at the beginning of the period	-	-
Additions to the exploration and evaluation asset	66,385	-
Carrying amount at end of the period	66,385	-

(i) Xanadu – 1 TP/15 Joint Venture

During the prior period the Joint Venture acquired an additional 15% interest in the Xanadu prospect from Whitebark Energy Limited in consideration for cash and shares with final regulatory approvals now complete.

2 Significant assets

2.2 Exploration and evaluation assets (cont)

<u>Estimates and judgements</u>
Assumptions used to carry forward the exploration assets

The write-off, impairment or carrying forward of exploration expenditure is based on a periodic assessment of the viability of an area of interest and/or the existence of economically recoverable reserves. This assessment is based on pre-determined impairment indicators, taking into account the requirements of the accounting standard, and with the information available at the time of preparing this report. Information may come to light in subsequent periods which requires the asset to be impaired or written down for which the directors were unable to predict the outcome.

2.3 Investment in Associate

	31 December 2019 $	30 June 2019 $
Triangle Energy (Operations) Pty Ltd (i)	838,548	493,026
State Gas Ltd (ii)	-	-
	838,548	493,026

(i) Triangle Energy (Operations) Pty Ltd

The entity name is Triangle Energy (Operations) Pty Ltd in which the Company has a 50% shareholding as at 31 December 2019 and one of two directors. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method. The carrying value is listed above.

(ii) State Gas Limited

The Company holds an interest of 32.71% as at 31 December 2019. The place of incorporation is Australia, the investment is an associate which the Company measures using the equity method as a consequence of its holding and one common director. The carrying value is listed above.

Reconciliation - Triangle Energy (Operations) Pty Ltd (i)		
Carrying amount at beginning of the period	493,026	300,373
Profit for the period	345,522	192,653
Carrying amount at end of the period	838,548	493,026
Reconciliation - State Gas Ltd (ii)		
Carrying amount at beginning of the period	-	585,622
Loss for the period	-	(600,622)
Investment in associate	-	15,000
Carrying amount at end of the period	-	-

(a) As at balance date, the Company held 47,812,500 fully ordinary shares representing 32.71% of the issued capital of State Gas Limited (ASX:GAS). The fair value of the Company's holding as at 31 December 2019 was $33,959,405 (at $0.71 per share).
(b) The Company's holding is no longer subject to an escrow agreement and are able to be sold.

3 Financing – Capital, debt and risk management

3.1 Cash

	31 December 2019 $	30 June 2019 $
Cash at bank and in hand	2,220,139	918,958
Joint Venture cash	8,087	119,020
Restricted cash (i)	1,457,181	1,452,058
Balances per statement of cash flows	3,685,407	2,490,036

(i) As part of the disposal of the Pase PSC assets the Company agreed to place in an escrow (trust) account an amount of US$1.02 million which will be released after the governmental administration processes. As at reporting date, the funds remain in the escrow account.

Non-cash items
There were no non-cash transaction during the period.

3.2 Equity (number of shares on issue and the amount paid (or value attributed) for the shares)

360,753,682 fully paid ordinary shares (30 June 2019: 312,753,682).

The following changes to the shares on issue and the attributed value during the periods:

	31 December 2019 Number	30 June 2019 Number	31 December 2019 $	30 June 2019 $
Balance at the beginning of the year	312,753,682	218,115,544	33,357,938	27,486,714
Issue of shares (placement) 1	-	19,282,629	-	1,253,371
Issue of Share Rights Issue 2	-	58,164,457	-	3,780,690
Issue of Share Whitebark Energy 3	-	11,191,052	-	805,756
Issue of share on conversion of options 4	-	6,000,000	-	360,000
Issue of share placement 5	48,000,000	-	3,600,000	-
Share issue costs	-	-	(242,909)	(328,593)
Balance as at 31 December 2019	360,753,682	312,753,682	36,715,029	33,357,938

1. On 20 November 2018 the Company issued 19,282,629 at an issue price of $0.065 per share to sophisticated investors.

2. On 24 December 2018 the Company issued 58,164,457 at an issue price of $0.065 per share to existing shareholders under a rights issue.

3. On 24 December 2018 the Company issued the consideration share of 11,191,052 for the purchase of 15% of exploration licence TP/15. The fair value of the shares at the date of issue was $0.072 per share

4. On 1 April 2019 the Company issued 6,000,000 fully paid ordinary shares following the exercise of options at $0.06.

5. On 11 September 2019 the Company issued 48,000,000 at an issue price of $0.075 per share to investors.

3 Financing – Capital, debt and risk management

3.2 Equity (continued)

(b) Options – share based payments

	31 December 2019 Number	30 June 2019 Number	31 December 2019 $	30 June 2019 $
Balance at the beginning of the year	11,155,908	17,155,908	532,337	532,337
Conversion of options to shares 1	-	(6,000,000)	-	-
Balance as at period end	11,155,908	11,155,908	532,337	532,337

1. On 1 April 2019 the Company issued 6,000,000 fully paid ordinary shares following the exercise of options at $0.06.

(c) Performance Rights – share based payments

	31 December 2019 Number	30 June 2019 Number	31 December 2019 $	30 June 2019 $
Balance at the beginning of the year 1	400,000	400,000	37,950	32,667
Amortisation of previously issued Rights 1	-	-	2,642	5,283
Rights granted during the year 2	24,292,238	-	49,674	-
Balance as at 30 June	24,292,238	400,000	90,266	37,950

1. Rights issued (after obtaining shareholder approval) based on the performance hurdle of a share price greater than $0.15 for an average of 30 days in a prior period. The Rights expire 5 years after the date of issue which was 29 November 2017. The cost of amortising the fair value of the rights for this half year was $2,642 which are amortised over the vesting period of 5 years.

2. At the Company's annual general meeting, shareholders approved the issue of 24,292,237 Performance Rights to Mr Robert Towner on the following terms:

Period:	3 years from 1 July 2019
Grant Date	19 November 2019
Fair value:	$0.01637
Number of rights	ATSR 12,146,119 (max)
Hurdles	
- Absolute Total Shareholder Return (ATSR)	100% of the rights vest if the compound annual growth rate (CGAR) of the ATSR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 15%-24.99%; 50% of the rights vest if the CAGR of the ATSR increases by 15%; 0%-50% of the rights vest (on a pro-rata basis) if the CAGR of the ATSR increases by 10%-14.99%;

3 Financing – Capital, debt and risk management

(c) Performance Rights (continued)

Period:	3 years from 1 July 2019
Grant Date	19 November 2019
Fair value:	$0.054
Number of rights	RRR: 12,146,119 (max)
Hurdles	
- Reserves replacement ratio (RRR)	100% of the rights vest if the RRR increases by 25% or more; 50%-100% of the rights vest (on a pro-rata basis) if the RRR increases by 15%-24.99% 50% of the rights vest if the RRR increases by 15% 0%-50% of the rights vest (on a pro-rata basis) if the RRR increases by 10%-14.99%
Probability	30%

3.3 Borrowings

	31 December 2019 $	30 June 2019 $
Borrowings	870,967	870,967
	870,967	870,967
Reconciliation of movements in the balance		
Opening balance	870,967	2,319,510
Amounts borrowed	-	500,000
Amount repaid (i)	-	(2,103,933)
Movement in Foreign currency	-	155,390
Closing balance at end of period (ii)	870,967	870,967

(i) Terms of the borrowings

The Company repaid the entire loan to Tamarind Resources Limited during the prior period.

(ii) Related party loan

The Company has a loan from its Joint Venture, Triangle Energy (Operations) Pty Ltd of $870,967 which is interest free, unsecured and repayable on demand.

3 Financing – Capital, debt and risk management

3.4 Going concern

The going concern concept relates to the assessment of the Company's ability to continue its operations (and pay its debts when they fall due) for the next 12 months from the date when the directors sign the half year report without the need to raise money from issuing shares or obtaining additional borrowing facilities.

The directors have prepared an estimated cash flow forecast for the period to March 2021 to determine if the Company may require additional funding during the period. Where this cash flow forecast includes the likelihood that additional amounts will be required, and these funds have not yet been secured, it creates uncertainty as to whether the Company will continue to operate in the manner it has planned over the next 12 months.

Where the cash flow forecast includes these uncertainties, the directors will make an assessment of whether it is reasonable to assume that the Company will be able to continue its normal operations based on the following factors and judgements:

• The Company has access to the use of cash reserves of $2,220,139 as at 31 December 2019 (30 June 2019: $1,307,978)

• The Company has the ability to adjust its non-routine expenditure subject to operating activities and regulatory requirements.

• The Group's oil production is anticipated to generate positive operating cash flows to fund business activities.

• The Company has successfully obtained additional sources of funding through the issue of equity over the last twelve months.

• The Company is able to liquidate some of its investment in State Gas Limited.

The directors also anticipate the support of its major shareholders and are confident in the Company's ability to raise an appropriate level of funding to execute its plans and continue its activities.

Current assessment of going concern

The cash flow forecast includes a number of assumptions regarding settlement of its obligations, continued profitability from its operating assets and obtaining additional funding. As the Company has not yet confirmed a number of its assumptions or secured its additional funding, this results in a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business at amounts stated in the half year report.

The half year report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

3 Financing – Capital, debt and risk management

3.5 Reserves

	31 December 2019 $	30 June 2019 $
Convertible note reserve	7,003	7,003
Share based payments reserves	622,603	570,287
Option reserve (iii)	47,577	-
	677,183	577,290
Convertible Note reserve		
Reconciliation of movements in the balance		
Opening balance	7,003	7,003
Convertible note equity portion	-	-
Closing balance at end of period	7,003	7,003
Share based payments reserves		
Reconciliation of movements in the balance		
Opening balance	570,287	565,004
Prior period rights (i)	2,642	5,283
Additional rights (ii)	49,674	-
Closing balance at end of period	622,603	570,287

(i) During a prior period the Company issues performance rights to its Chairman, Mr E Farrell. The rights were issued after the Company received approval at its Annual General Meeting of shareholders on 29 November 2017. The share price at the grant date was $0.14 per share valuing the rights at $56,000. The rights are subject to a hurdle being the share price must be above a VWAP of $0.15 for 30 consecutive days.

(ii) During this period the Company agreed to issue a maximum of 24,292,239 Performance Rights based on staff reaching hurdles (refer note 3.2(b)). The fair value of the Rights has been determined based on the outcomes of a statistical monte carlo simulation of an anticipated share price after 3 years using historical data (TSR) and the share price as at grant date (RRR). The fair values were $0.01637 and $0.054 respectively.

(iii) On 4 December 2019 the Company issued 47,576,398 options under a non-renounceable entitlement issue with an exercise price of $0.12 per option at an issue price of $0.001 per option to raise $47,576.

3.6 Accumulated losses

	31 December 2019 $	30 June 2019 $
Accumulated losses at the beginning of the year	31,416,010	29,651,440
Net loss for the period	216,452	1,764,570
Accumulated losses at the end of the period	31,632,462	31,416,010

3.7 Commitments

There are no additional commitments for the period.

4 Other assets and liabilities

4.1 Trade and other receivables

	31 December 2019 $	30 June 2019 $
Trade receivables	1,499,721	1,136,967
	1,499,721	1,136,967

Estimates and judgement
Recoverability of the assets

The directors have assessed the likelihood that the asset will be received in cash after the reporting date (assessment of the recovery of the assets and impairment (write-off)) and have determined that the assets are expected to be recovered after period end.

Due to the short-term nature of the current receivables, their carrying amounts approximate their fair value.

4.2 Other receivable and assets

	31 December 2019 $	30 June 2019 $
GST receivable	15,944	19,369
Prepayments	47,741	-
JV GST receivable	178,866	76,260
JV other receivables	118,483	122,117
Deposits and guarantees	193,262	206,562
Other assets	100,183	46,135
	654,479	470,443

4.3 Fair Value through Other Comprehensive income

	31 December 2019 $	30 June 2019 $
Non-current assets		
Equity Securities		
Investments	110,000	110,000
	110,000	110,000

Fair value has been determined based on the latest market value of the shares issued.

4 Other assets and liabilities

	31 December 2019 $	30 June 2019 $
4.4 Plant and equipment		
Administration office – Plant and Equipment		
Office equipment	7,625	7,625
Accumulated depreciation	(4,572)	(4,135)
	3,053	3,490
Furniture and fittings	78,747	78,747
Accumulated depreciation	(9,543)	(5,890)
	69,204	72,857
Total administration assets	72,257	76,347

A reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and at the end of the current period.

	Furniture & Fittings $	Office Equipment $	Total $
Opening net book value at 1 July 2019	72,857	3,490	76,347
Additions during the half year			
Disposals during the half year			
Depreciation expenses	(3,653)	(437)	(4,090)
Closing net book value at 31 December 2019	69,204	3,053	72,257

4.5 Trade and other payables (debts)

	31 December 2019 $	30 June 2019 $
Current liabilities (debts payable within 12 months)		
Trade payables	551,138	448,443
JV trade payables	1,217,438	1,593,458
Accrued expenses	504,588	654,323
JV accruals	1,652,193	532,866
Payroll liabilities	69,339	135,346
Dividend payable in trust	7,044	7,044
Share buy-back funds in trust	6,796	6,796
GST liabilities	140,003	155,408
Employee entitlements	53,148	200,197
Customer payable	-	79,129
	4,201,687	3,813,010

Due to the short- term nature of current payables, the carrying amount of trade and other payables approximates their fair value. Trade payables are non-interest bearing and are normally settled on 30-day terms.

4 Other assets and liabilities

4.6 Provisions

	31 December 2019 $	30 June 2019 $
Current Provisions	-	-
Restoration provision (Cliff Head) – non-current	21,281,611	21,126,599
	21,281,611	21,126,599
Reconciliation		
Balance brought forward	21,126,599	20,821,888
Additions for the year / period	-	-
Unwind of discount (Cliff Head)	155,012	304,711
Balance carried forward	21,281,611	21,126,599

The non-current provision relates to the Cliff Head production licence WA-31-L (located in the Perth Basin, WA).

Under the terms within the Joint Venture agreement relating to WA-31-L, Triangle Energy (Global) subsidiaries are liable to pay rehabilitation cost of 57.5% relating to the licence. Triangle Energy (Operations) Pty Ltd is liable to pay the remaining 42.5% of which Triangle owns 50% of this jointly controlled entity.

Estimates and judgement
Assumptions used to assess the rehabilitation provision

The updated study has a substantial number of assumptions embedded in the cost estimate all of which could change and result in the actual amount paid to restore the site being materially different to the carrying value of the liability.

The provision for future restoration costs is the best estimate of the present value (including an appropriate discount rate relevant to the time value of money plus any risk premium associated with the liability) of the expenditure required to settle the restoration obligation at the balance date.

5 Additional disclosures

5.1 Subsequent events

On 17 February 2020 the Company announced the issue of 29,086,757 Performance Rights to employees of the Company under the Employee Incentive Scheme approved at the Company's AGM on 19 November 2019.

On 24 February 2020, the Company announced that production at Cliff Head Alpha Platform has been suspended as a result of an electrical fault. The Company's on-site management who observed the electrical fault during the routine maintenance immediately shut down production and initiated the emergency management plan in accordance with standard procedures. The Company immediately reported this event to the National Offshore Petroleum Safety Management Authority. Triangle confirmed in the announcement that there was no risk to safety and has initiated work to remedy the fault and return to production as soon as possible, the timeframe of which is anticipated to be between two to four weeks.

5.2 Contingent liabilities

Royalty
As part of the acquisition of the Cliff's Head production licence the Company agreed to pay a royalty of US$5 per barrel to the seller of the asset when the oil price reaches US$70 per barrel. At the date of the acquisition, the short to medium term forecast oil price has not reached US$70/bbl and the Company has not recognised a potential liability for this contingency.

Contingent payable
During the period the Group completed the acquisition of a 15% interest in TP/15 from Whitebark Energy Limited (subject to regulatory procedural approvals). The sale and purchase agreement include clauses for the payment of two amounts which are contingent on the milestones below:

- $1 million payable on a successful appraisal outcome which is to be settled either 100% in cash or 50% in cash and shares in the Company (at the election of the seller); and
- $1 million on the delivery of first oil from the prospect.

Indonesian arbitration
The Company received notification from a former overseas joint venture partner alleging that the Company had failed to comply with certain obligations related to corporate social responsibility contributions and an infrastructure requirement. The former joint venture partner is claiming approximately $5.9 million in relation to this matter. The Company intends to vigorously defend the claim.

5 Additional disclosures

5.3 Segment reporting

	Oil Production $	Australian Corporate $	Consolidated $
Half Year ended 31 December 2019			
Segment Revenue	7,672,084	-	7,672,084
Expenses			
Interest income	3,518	852	4,370
Finance expenses	-	-	-
Depreciation and amortisation	(470,594)	(4,089)	(474,683)
Share of associates loss	345,522	-	345,522
Deferred taxes and PRRT	(1,628,639)	-	(1,628,639)
Segment net operating profit/(loss) after tax	921,214	(1,137,666)	(216,452)
Half Year ended 31 December 2018			
Segment Revenue	5,690,604	68,822	5,754,426
Expenses			
Interest income	7,403	592	7,995
Interest expenses	-	(222,960)	(222,960)
Depreciation and amortisation	(235,604)	(2,822)	(238,426)
Share of associates profit/(loss)	52,982	(374,092)	(321,110)
Deferred taxes and PRRT	(576,180)	-	(576180
Segment net operating profit/(loss) after tax	(224,955)	(1,404,204)	(1,629,159)
Segment assets			
At 31 December 2019	24,441,055	7,672,960	32,114,015
At 30 June 2019	22,433,836	5,895,958	28,329,794
Segment liabilities			
At 31 December 2019	(26,000,315)	(353,950)	(26,354,265)
At 30 June 2019	(24,966,625)	(843,951)	(25,810,576)

DIRECTORS' DECLARATION

In the opinion of the directors of Triangle Energy (Global) Limited:

(a) the financial statements and notes set out on pages 16 to 37 are in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

  (ii) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors.

Tim Monckton

Chairman

Dated at Perth, Western Australia this 10th day of March 2020.

INDEPENDENT AUDITOR'S REVIEW REPORT
To the members of Triangle Energy (Global) Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Triangle Energy (Global) Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Triangle Energy (Global) Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter - material uncertainty related to going concern

We draw attention to Note 3.4 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations*

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2001. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

B G McVeigh
Partner

Perth, Western Australia
10 March 2020