

ASX Announcement

21 August 2020
ASX:TEG



Corporate Presentation

Triangle Energy (Global) Limited (**Triangle** or **the Company**) (ASX: **TEG**) attaches its Corporate Presentation for August 2020.

Authorised for Release by: Mr Robert E T Towner
Managing Director

ENDS

General Shareholder Enquiries: info@triangleenergy.com.au

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 100% 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

August 2020

Perth Basin Oil Producer & Explorer

Leveraging off our operating expertise and infrastructure to secure wider growth opportunities in the Western Australian, Perth Basin

CAPITAL STRUCTURE

| | |
|---------------------------|---|
| ASX Code | TEG |
| Shares on issue | 360.7 million |
| Other Securities on Issue | 72.1M Listed Options exc @ \$0.12 exp 30/09/20 1.8M Unlisted Options exc @ \$0.10, exp 6/11/21 29.1M Performance Rights |
| Share price | \$0.037 (as at 20 August 2020) |
| Market Capitalisation | \$13.3 million (as at 20 August 2020) |
| Cash | \$2.41 million which includes AUD 1.49 million in escrow (at 30 June 2020) |
| Debt ¹ | \$0.87 million |
| Investments | \$26.3 million (State Gas Shares ASX:GAS at \$0.55 per share 20 August 2020) |

OPERATING METRICS

| | Sep 19 Qtr. | Dec 19 Qtr. | Mar 20 Qtr. | June 20 Qtr. |
|---|----------------|----------------|----------------|-----------------|
| Cliff Head Daily Production (100%) ² | 778 bopd | 801 bopd | 707 bopd | 735 bopd |

Notes:

- Intercompany debt position at 30 June 2020, Triangle Energy (Operations) Pty Ltd Shareholder Loan
- Produced and sold during financial year ending 30 June 2020 is **276,452** barrels of crude oil.

EXPERIENCED BOARD



Tim Monckton
Non-Exec Chairman



Rob Towner
Managing Director



Malcolm King
Non-Exec Director



Wai-Lid Wong
Non-Exec Director

SHAREHOLDER COMPOSITION

| | |
|----------------------------|-------|
| Tamarind Resources & Assoc | 16.8% |
| Institutional | 14% |
| Directors | 4% |
| Whitebark Energy | 4% |
| Other Shareholders | 54% |

Cliff Head Project

Unlocking the potential in an underexplored energy province

■ Location and Tenure

- Approximately 270km north of Perth, Western Australia
- Production License WA-31-L covers 72km² including 6km² oil field

■ Infrastructure

- Cliff Head Alpha unmanned platform, approximately 12km offshore in 15m-20m water
- Onshore Arrowsmith Stabilisation Plant - production capacity of 15,000 BOPD and well placed to process third party crude

■ Operations

- Five production wells

■ Renewal Program Increases Production & Resources

- Cliff Head Joint Venture has invested \$6.2m CAPEX for the 12-month period ending June 2020
- Several drilling and workover opportunities in the Cliff Head area matured to Contingent Resources

■ Opportunities to Increase Reserves at Cliff Head

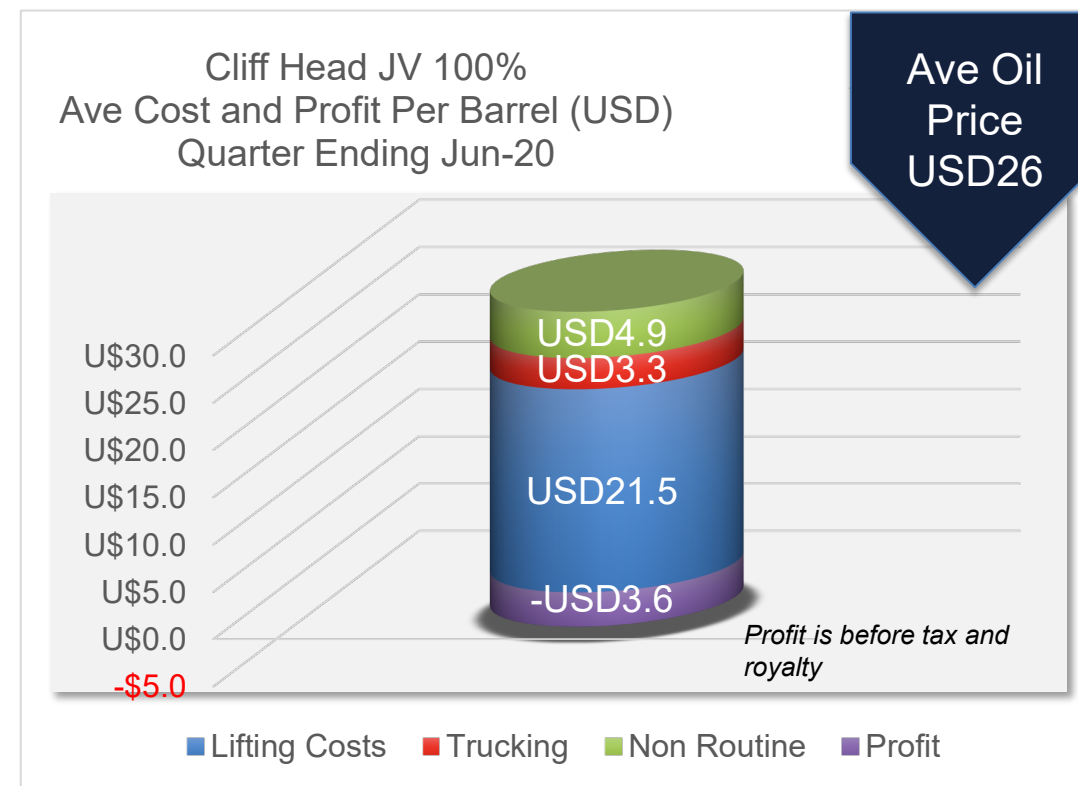
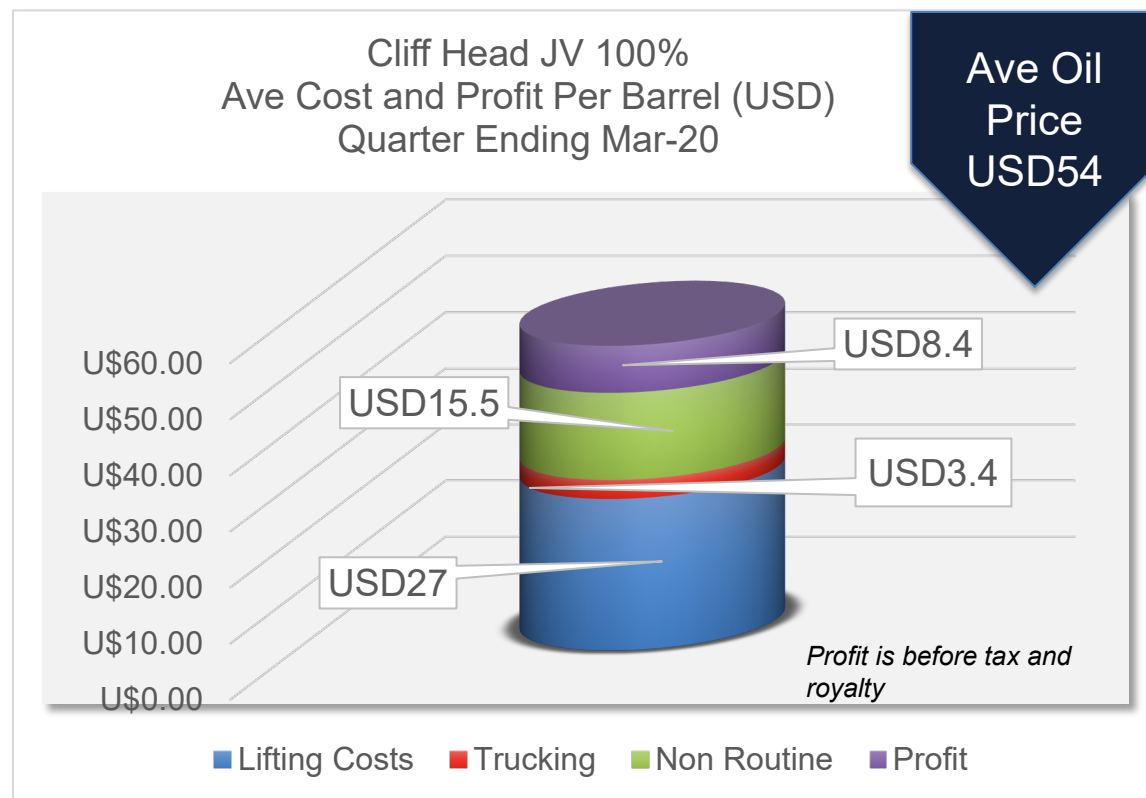
- **THREE** priority drilling targets advanced and can be drilled and developed from the Cliff Head platform following the CH Renewal Project
- **TWO** new features were also identified
- Detailed well planning, targeting a drilling campaign to commence when appropriate



Cliff Head Oil Field

Generating value through reliable and efficient operations

Before and After Oil Price Decrease



- Average lifting cost for the 12-month period ending June 2020 is USD24 per barrel
- Based on June 2020 quarter, normal operation at Cliff Head (excluding non-routine works) remains profitable at US\$26 per barrel. Any surplus is invested in non-routine activities and capital expenditures
- Revenue received in US dollars from BP on a monthly basis

Cost Management

Strong and supportive relationships with local suppliers



Measures adopted:

- Secure savings on routine costs while maintaining full staff
- Defer non-essential non-routine activities
- Continued commitment to CAPEX maintaining regulatory compliance
- Proceed with grouting works and secure long lead items for future ESP workovers
- Vendor Contract variations:
 - Office lease
 - Marine services
 - Air services
 - Transport and
 - Ongoing parts and supply contracts
- Lifting costs currently below US\$25 per barrel

Arrowsmith Stabilisation Plant

Vital onshore infrastructure servicing the Perth Basin

- Production capacity of 15,000 BOPD well placed to service an increase in Reserves as well as process third party crude
- Crude oil is delivered daily by road train tankers from Arrowsmith to the BP refinery in Kwinana, south of Perth



A Growing Footprint in the Perth Basin Asset Portfolio



WA-31-L Cliff Head Producing Asset

- 2P reserves 1.71* MMstb as at 30 June 19
- Cliff Head Renewal Project
 - 2C Contingent Resource 3.52* MMstb
 - SE Nose development well
 - West High appraisal/development well
- Mentelle prospect Best Estimate Prospective Resource 5.2** MMstb
- Planning for Cliff Head Renewal Project development drilling

* 100% basis



25%
Operator

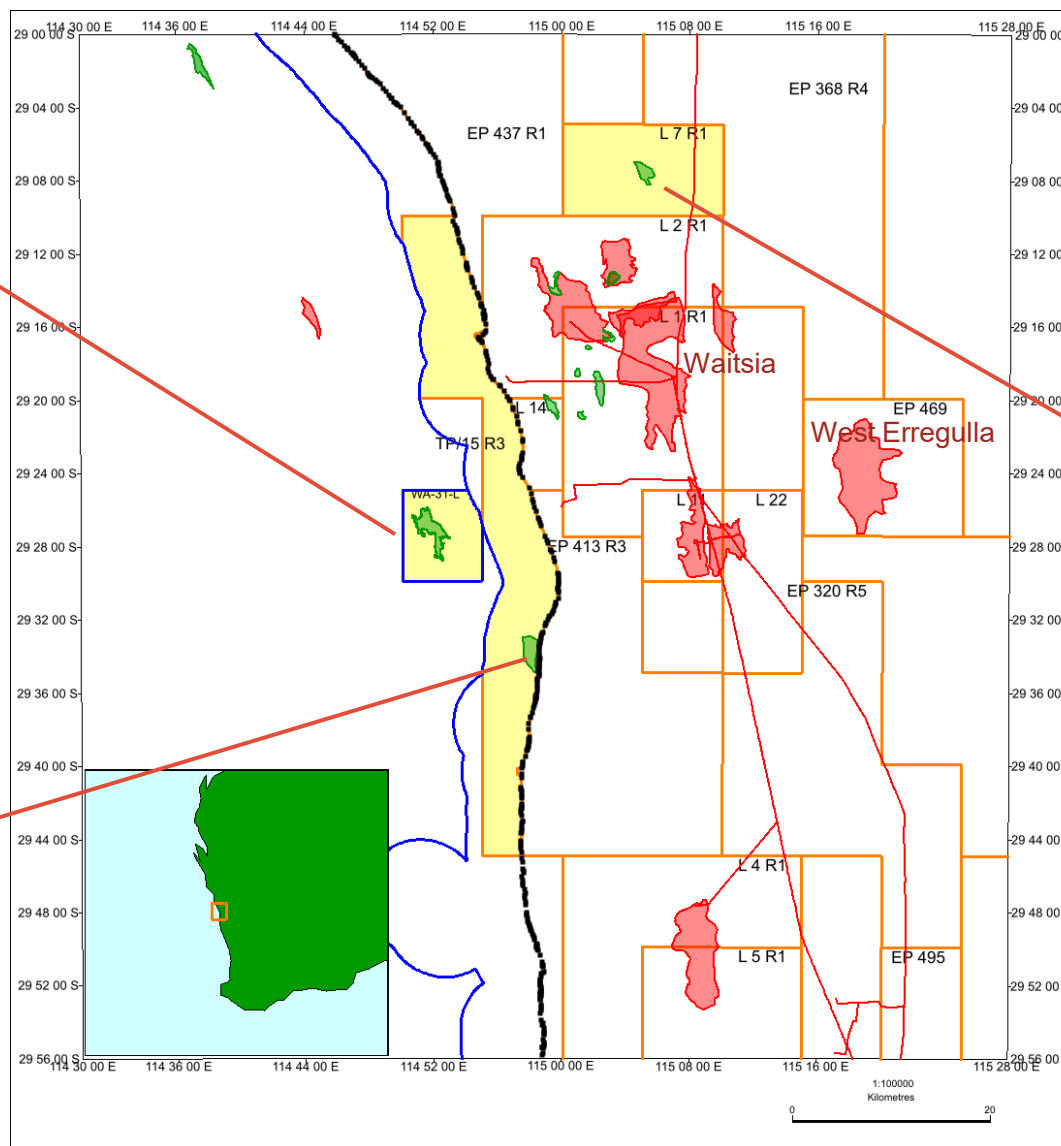


45%

3C Group
IC Limited
30%

TP/15 – Xanadu Discovery

- 45% equity holder
- 3D seismic acquisition completed 14 July 19
- Updated Xanadu discovery resource definition and potential appraisal well location in Q4 19
- Substantial additional prospectivity in TP15
 - **West Xanadu leads**
- Infill 2D seismic program being evaluated for mid 2020 to define these lead for drilling

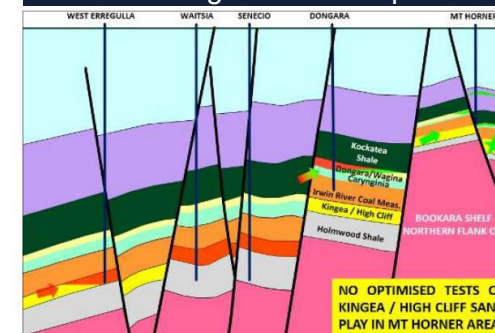


50/50%
JV



L7(R1) Mt Horner

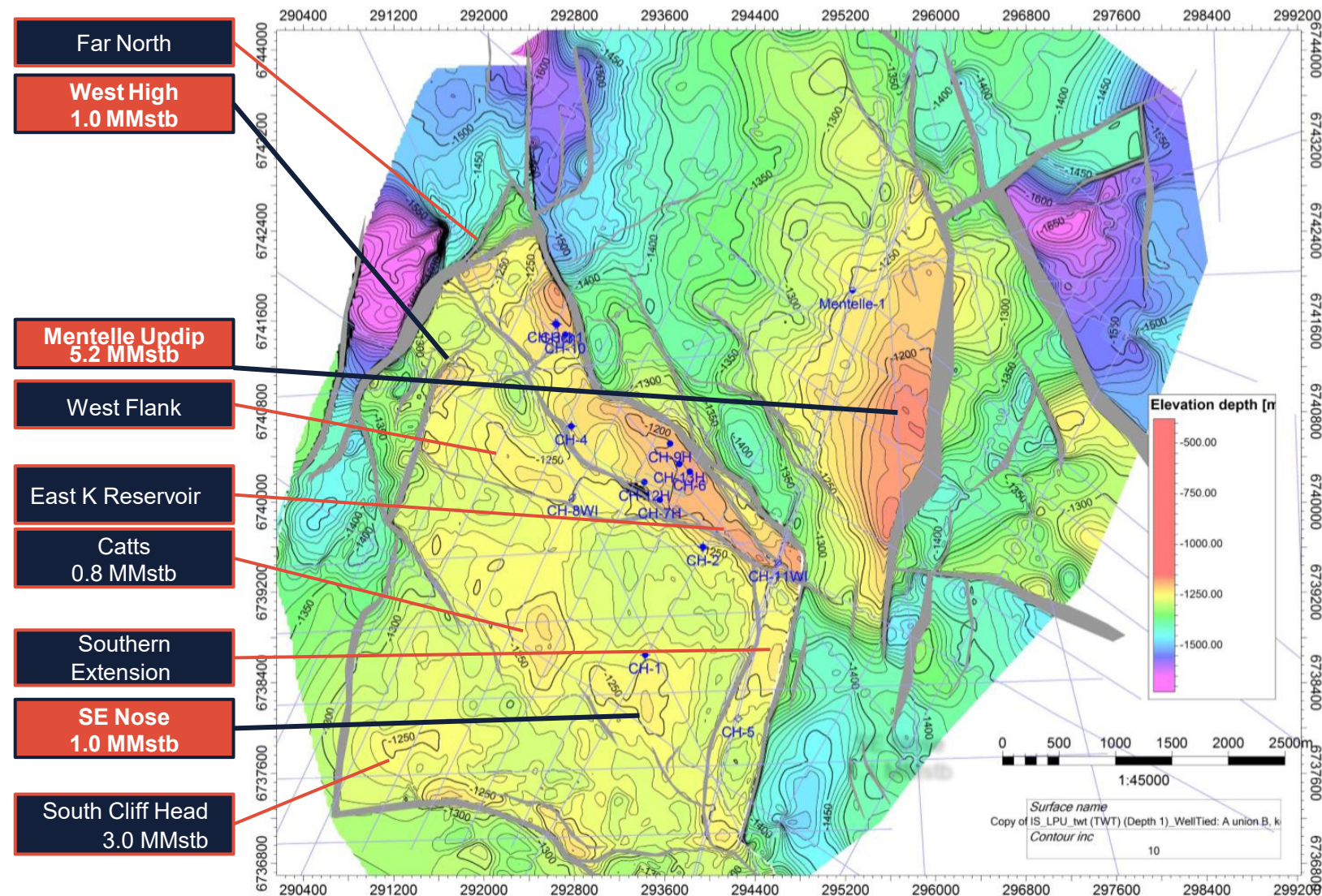
- 50% equity holder
- Farm-out Agreement completed



**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.

Cliff Head Renewal Project

Three Priority Drilling Candidates Advanced



- Important potential remaining in undrilled satellite features

1. Mentelle Updip Prospect
5.2 Mmstb
2. West High appraisal/development
1.0 MMstb
3. SE Nose development
1.0 MMstb
4. Additional exploration at
 - Catts
 - South Cliff Head

- Infield development relatively mature

- Far North opportunity

- Valuable Infrastructure

- Cliff Head shore cross and pipeline evacuation route for offshore hydrocarbons

- **NEXT**

Commence detailed well planning, targeting a drilling campaign

Resource Summary

WA-31-L Cliff Head

Cliff Head (PL WA-31-L)

| Gross Contingent Resources | | | |
|----------------------------|-------------|-------------|-------------|
| (MMstb Oil) | 1C | 2C | 3C |
| SE Nose | 0.50 | 1.01 | 2.07 |
| West High | 0.00 | 0.95 | 2.27 |
| West Flank | 0.00 | 0.79 | 1.14 |
| Far North | | 0.41 | |
| East Horst K Sand | | 0.36 | |
| CH11 Block | 0.00 | 0.06 | 0.69 |
| Total (Gross) | 0.50 | 3.52 | 5.48 |

| Net TEG 78.75% Contingent Resources | | | |
|-------------------------------------|------|-------------|------|
| (MMstb Oil) | 1C | 2C | 3C |
| SE Nose | 0.39 | 0.80 | 1.63 |
| West High | 0.00 | 0.75 | 1.79 |
| West Flank | 0.00 | 0.62 | 0.90 |
| Far North | | 0.32 | |
| East Horst K Sand | | 0.28 | |
| CH11 Block | 0.00 | 0.05 | 0.54 |
| Total TEG Share | | 2.77 | |

Gross Prospective Resources**

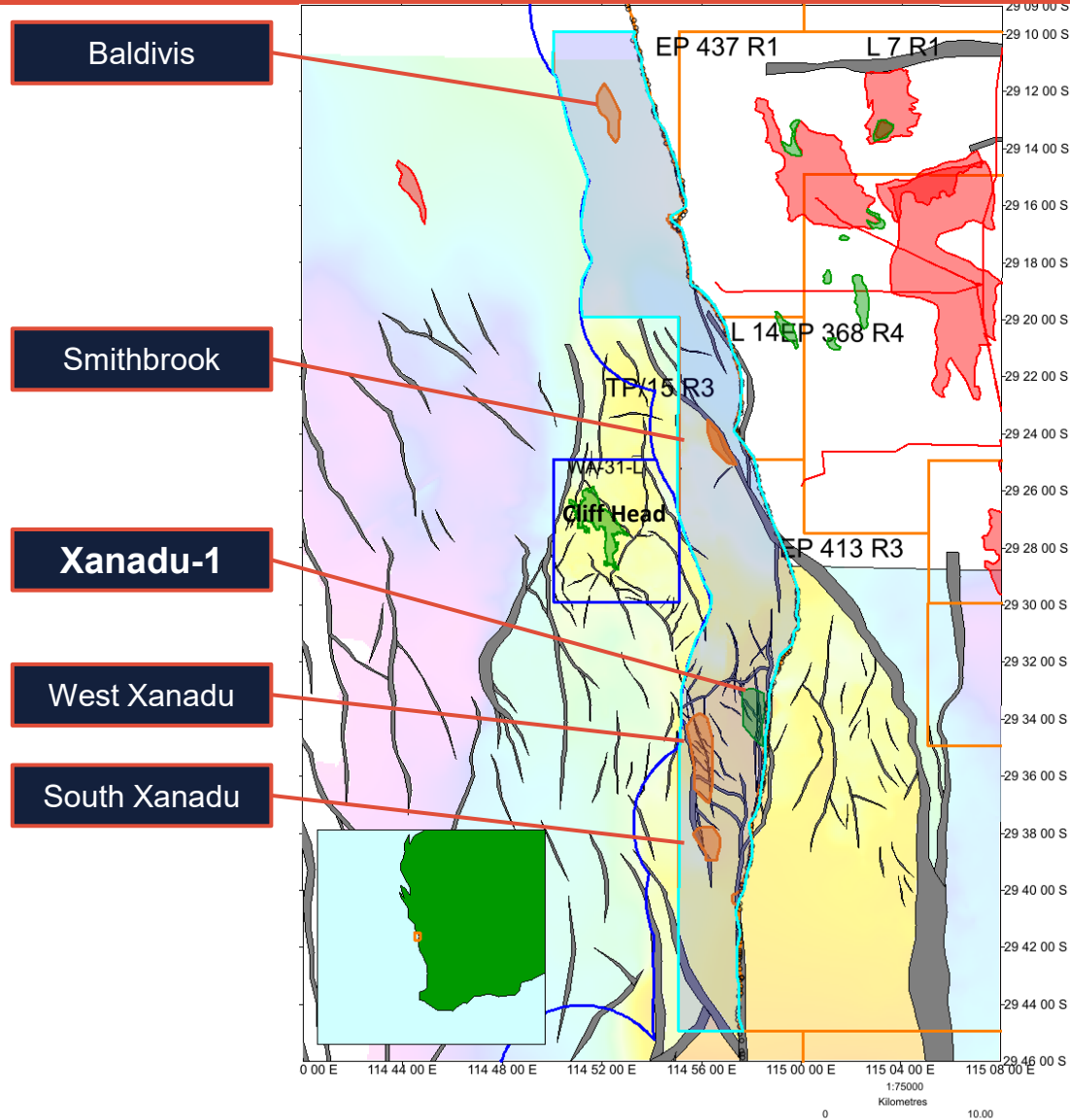
| (MMstb Oil) | Low | Best | High |
|----------------------|------|-------------|------|
| Cliff Head | | | |
| Mentelle Updip | 1.98 | 5.15 | 9.18 |
| Catts | 0.35 | 0.77 | 1.42 |
| Southern Extension | | 0.54 | |
| South Cliff Head | | 3.00 | |
| Total (Gross) | | 9.46 | |

Net TEG 78.75% Prospective Resources**

| (MMstb Oil) | Low | Best | High |
|--------------------------------------|------|-------------|------|
| Cliff Head (78.75% TEG Share) | | | |
| Mentelle Updip | 1.56 | 4.06 | 7.23 |
| Catts | 0.28 | 0.61 | 1.12 |
| Southern Extension | | 0.43 | |
| South Cliff Head | | 2.36 | |
| Total TEG Share | | 7.45 | |

**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 and development is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

TP/15 Xanadu Oil Field (TEG 45%)



- Xanadu-1 oil discovery highlights the exploration potential of TP/15
 - West Xanadu follow-up lead mapped immediately west of Xanadu-1
 - Much improved reservoir development expected
 - South Xanadu lead on FTG data
 - Historical Smithbrook and Baldvis leads to the north
- Near shore development to Arrowsmith plant

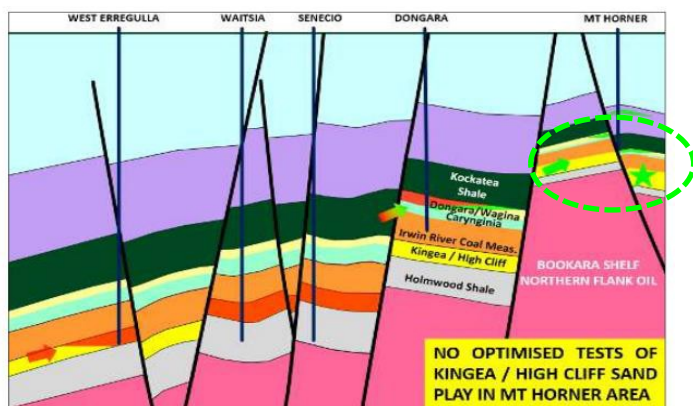
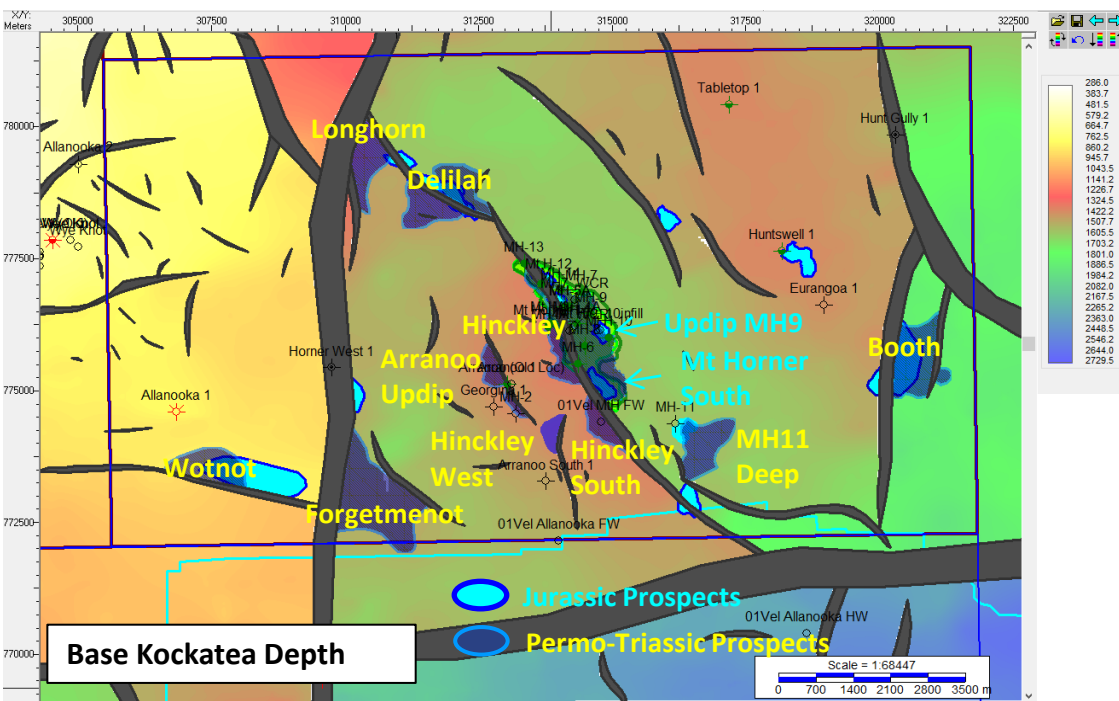
Next Steps - TP/15 Joint Venture Planning

- Acquisition of low cost 2D seismic data to mature the West Xanadu area for drilling will be considered by the Joint Venture

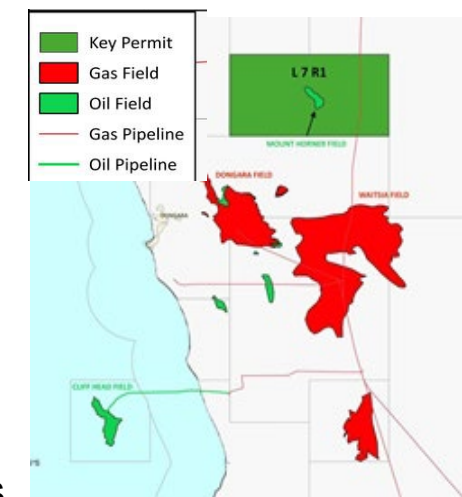
Perth Basin

Unlocking Value in JV Projects

Mount Horner Production Licence L7 (R1) Joint Venture (TEG 50%)

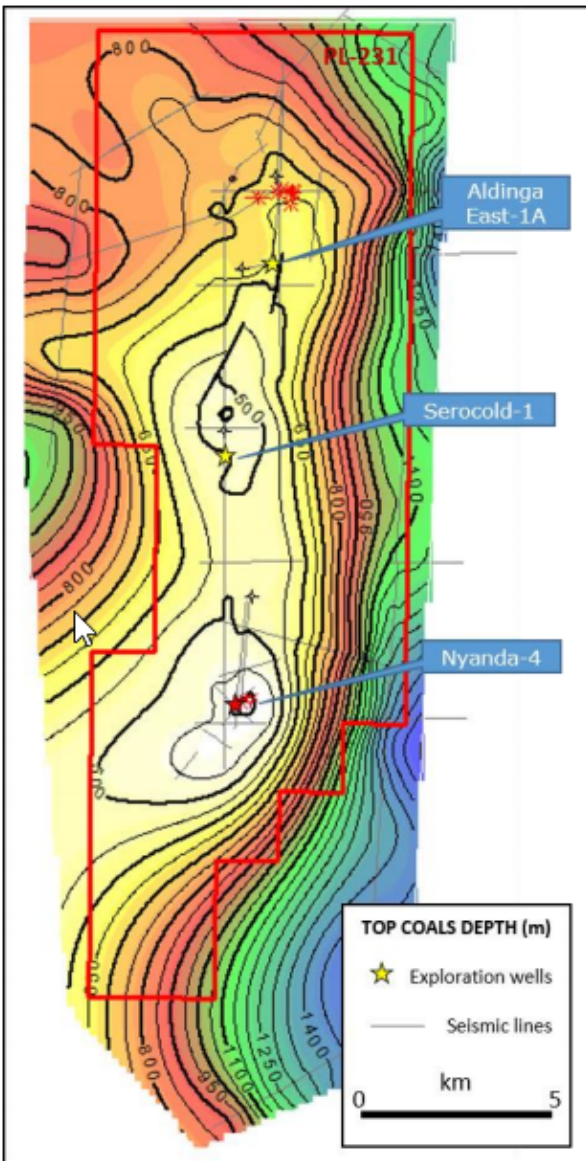


- Mount Horner 3D seismic survey to evaluate multiple drilling opportunities
- 1. Infill, attic and appraisal oil opportunities within existing Mt Horner Field
 - Mount Horner lookalike prospect Delilah, on trend north of Mount Horner Field
- 2. Permian and Triassic level oil prospects (Irwin River Coal Measures)
 - Oil prospects at the same geological level as Waitsia and West Erregulla
 - Little to no exploration undertaken at the Permian and Triassic oil prospectivity in the north of the basin to date
 - Multiple prospects identified in L7
- A potential new onshore North Perth Basin production centre



State Gas Limited (ASX:GAS)

Progressing development to bring gas to market



Depth structure map of PL 231



Nyanda-4 flare, Reid's Dome Gasfield, 8 January 2020



Flaring of Aldinga East-1 drilled in November 1993

32.7% equity interest in ASX:GAS

- TEG's Reid's Dome asset acquired via successful listing of State Gas Ltd
- GAS holds an 100% interest and is the Operator of the Reid's Dome Gas Project (PL231) in Queensland's Bowen Basin (Australia)
- Three successful wells drilled during Q4 2018 - Primero West-1, Nyanda-4 and Serocold-1
- Nyanda-4 was re-entered and completed during the December 2019 Quarter, and is producing gas
- Drilling at Aldinga East-1A and Serocold-1 has confirmed the presence of the Reid's Dome coal measures throughout the spine of PL 231 with gas content on a par with Nyanda-4
- **August 2020** – Completion of Phase 1 Appraisal Program at Reid's Dome confirming presence of coal seam gas across PL 231.

FY20 Program On Track

Lifting Costs at Cliff Head Decreased to US\$21.5 a barrel (quarter ending June 2020)



Further Improvements and Savings Identified. Reduced Lifting Cost Expected to Continue over the Next Financial Year



Study Value Adding Options for Cliff Head Following Review of Subsurface Opportunities in First Half 2019



Unlock Value in Joint Venture Projects

**TP/15 Xanadu
L7(R1) Mount Horner**

Notes Regarding Contingent and Prospective Resources

1. The Prospective Resources and Contingent Resources lie within the Cliff Head Production Licence WA-31-L
2. Gross Prospective and Contingent Resources are attributed to 100% joint venture interest in WA-31-L.
3. Net Prospective and Contingent Resources are attributed to Triangle Energy's 78.75% net interest in WA-31-L.
4. The Contingent and Prospective resources reported here were reported previously on 23 April 2020. There is no new data and information that affects these Prospective and Contingent Resources.
5. The Petroleum Resources were prepared in accordance with the SPE-PRMS (2018).

Disclaimer and Forward Looking Statements



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Certain statements in this presentation contain ‘forward-looking statements’ including, without limitation to: expectations, beliefs, plans and objectives regarding production and exploration activities. Any matters that are not historical facts are forward-looking and accordingly, involve estimates, assumptions, risks and uncertainties and other factors discussed in our most recently lodged Annual Report, our website, <http://www.triangleenergy.com.au/>, and in our other public documents and press releases. These forward-looking statements are based on Triangle’s current expectations, estimates and projections about the company, its industry, its management’s beliefs and certain assumptions made by management. No assurance can be given that such expectations, estimates or projections will prove to have been correct. A number of factors could cause actual results to differ materially from the projections, anticipated results or other expectations expressed in this presentation, including, Triangle’s ability to meet its production targets, successfully manage its capital expenditures and to complete, test and produce the wells and prospects identified in this presentation; to successfully plan, secure necessary government approvals, finance and to achieve its production and budget expectations on its projects.

Whenever possible, these ‘forward-looking statements’ are identified by words such as “expects,” “believes,” “anticipates,” “projects,” and similar phrases. Because such statements involve risks and uncertainties, Triangle’s actual results and performance may differ materially from the results expressed or implied by such forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Unless legally required, we assume no duty to update these statements as of any future date. However, you should review carefully reports and documents that Triangle lodges periodically with the Australian Securities Exchange.

Prospective Resource and Contingent Resource estimates were prepared by Triangle’s Subsurface Manager, Mt Matt Fittall on 20 April 2020. They are based on 2D and 3D seismic data, well data, geological data and other engineering data and are prepared by the probabilistic method unless otherwise stated in accordance with the Petroleum Resources Management System (2018). Best Estimate Prospective Resources (2U) and Best Estimate Contingent Resources (2C) are reported unless otherwise stated.

Information that relates to the prospective and contingent resources is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has provided his written consent to the form and context in which the information that relates to the Contingent Resources and Prospective Resources presented. Matt Fittall is a geologist and senior industry executive of over 30 years standing. He has a foundation of 25 years experience in a range of technical, operational and management roles with major Operators, primarily BHP Billiton, and Delhi Petroleum (now a subsidiary of Beach Energy). Mr Fittall is a member of the Petroleum Exploration Society of Australia (PESA). Mr Fittall has consented in writing to the inclusion of the information in the form and context in which it appears¹⁵

This presentation was approved for release by Robert Towner, Managing Director

Triangle Energy (Global) Limited
(ASX:TEG)

Mr Rob Towner
Managing Director

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