



# Growing Reserves and unlocking the potential in the Perth Basin

**CORPORATE PRESENTATION**

**121 Oil & Gas Investment Summit,  
Hong Kong**

**2 - 3 May 2018**



**Triangle**Energy

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

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

# CORPORATE SNAPSHOT



## Capital Structure and Key Metrics

|   |   |
|---|---|
| <b>ASX Code</b>                                   | TEG   |
| <b>Shares on issue<sup>1</sup></b>                | 218,115,544   |
| <b>Unlisted options on issue</b>                  | 6.000M <i>exc @ \$0.06, exp 29 Mar 2019</i><br>11.155M <i>exc @ \$0.15, exp 19 Jan 2020</i><br>0.400M <i>performance shares</i> |
| <b>Share price<sup>1</sup></b>                    | \$0.08  |
| <b>Market Capitalisation<sup>1</sup></b>          | \$17.5 million  |
| <b>Attributable Cashflow (78.75%)<sup>3</sup></b> | \$22.0 million (USD 62.35/bbl, USD/AUD 0.78)  |
| <b>Cash<sup>2</sup></b>                           | \$1.87 million (at 31 March 2018); plus \$0.85 million in the Cliff Head JV   |
| <b>Debt<sup>4</sup></b>                           | USD 2.259 million (Tamarind)  |

## Operating Metrics

|                                 |   |
|---------------------------------|---|
| <b>Daily Production</b>         | 929 bopd (March quarter average)<br>(78.75% TEG 732 bopd) |
| <b>Net Reserves<sup>5</sup></b> | 2P Reserves - 2.7 MMstb                                   |

## Top Shareholders as at 30 April 2018

| Shareholder                        | # Shares | %      |
|------------------------------------|----------|--------|
| <b>Tamarind Classic Resources</b>  | 23.02M   | 10.56% |
| <b>T7 Berhad</b>                   | 16.48M   | 7.55%  |
| <b>HSBC Custody Nom (Aust) Ltd</b> | 14.69M   | 6.73%  |
| <b>Mr Robert Towner</b>            | 12.17M   | 5.58%  |
| <b>Mr Darren Bromley</b>           | 10.68M   | 4.85%  |
| <b>Ucan Nominees Pty Ltd</b>       | 10.03M   | 4.60%  |

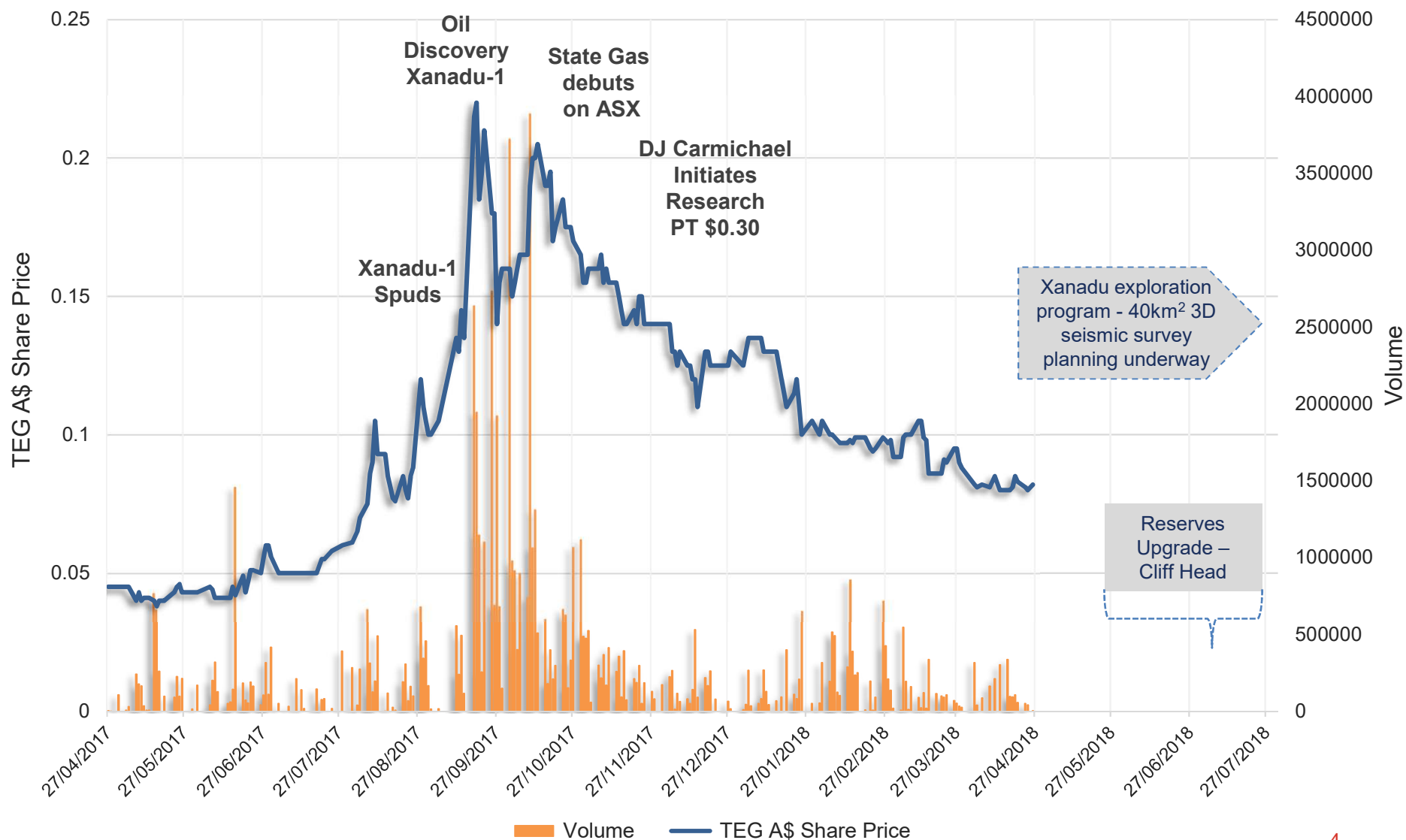
## Board

|                       |                                |
|-----------------------|--------------------------------|
| <b>Edward Farrell</b> | Non Executive Chairman         |
| <b>Robert Towner</b>  | Managing Director              |
| <b>Darren Bromley</b> | Executive Director – CFO / COO |
| <b>Jason Peacock</b>  | Non Executive Director         |
| <b>Wai-Lid Wong</b>   | Non-Executive Director         |

### Notes:

1. As at 30 April 2018. Undiluted market capitalisation.
2. Cash position at 31 March 2018. Cash includes \$1.87m in Triangle Group and \$0.850m in Triangle Energy (Operations) Pty Ltd.
3. Based on March quarter 2018 average production, USD 60 barrel and USD/AUD Exchange Rate of 0.78
4. Debt position at 30 April 2018, Loan repayable in full on or before 30 June 2018
5. Reserves as at 1 January 2016 per ROC Oil year end 2015 reserves review. Since this date net production has been 0.7MMstb. The Company is not aware of any new information or data that materially effects the estimates and believes that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

# TEG 12 MONTH SHARE PRICE PERFORMANCE



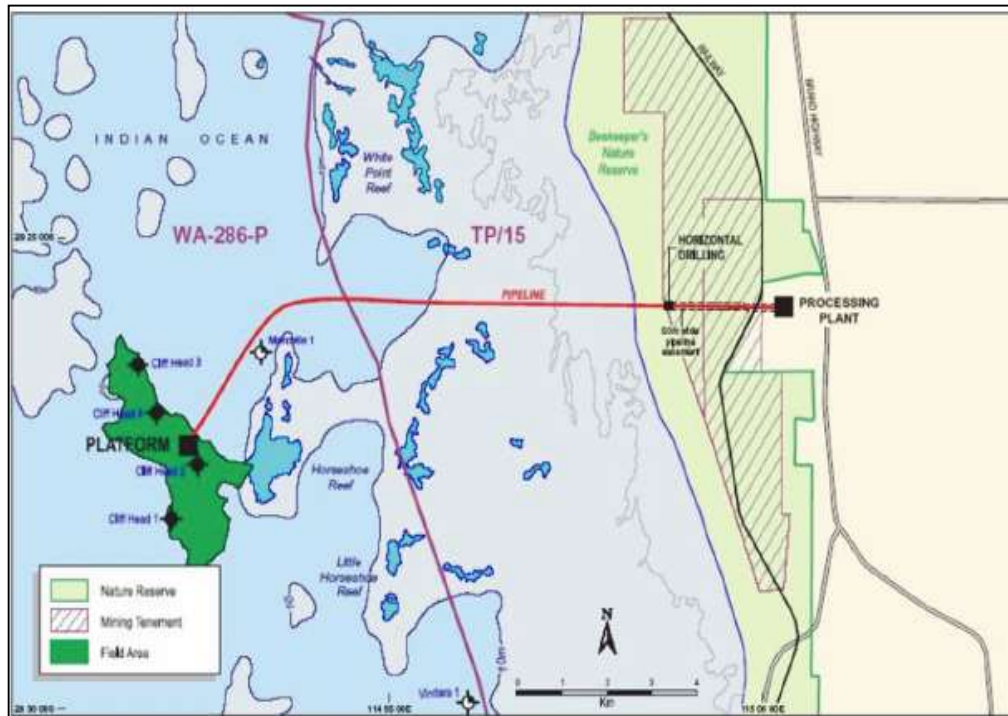
# CLIFF HEAD OIL FIELD

## Building a strong presence in the Perth Basin

- Triangle 78.75% interest and Operator; Royal Energy Pty Ltd 21.25%
- Predictable production and cash flow (~1000 bopd)
- Operator of onshore & offshore Infrastructure - essential for any exploration success in the region
- Only operational onshore processing plant in Perth Basin with capacity to service third party crude
- Only offshore platform in Perth Basin
- Production upside – “Asset Life Extension Program”

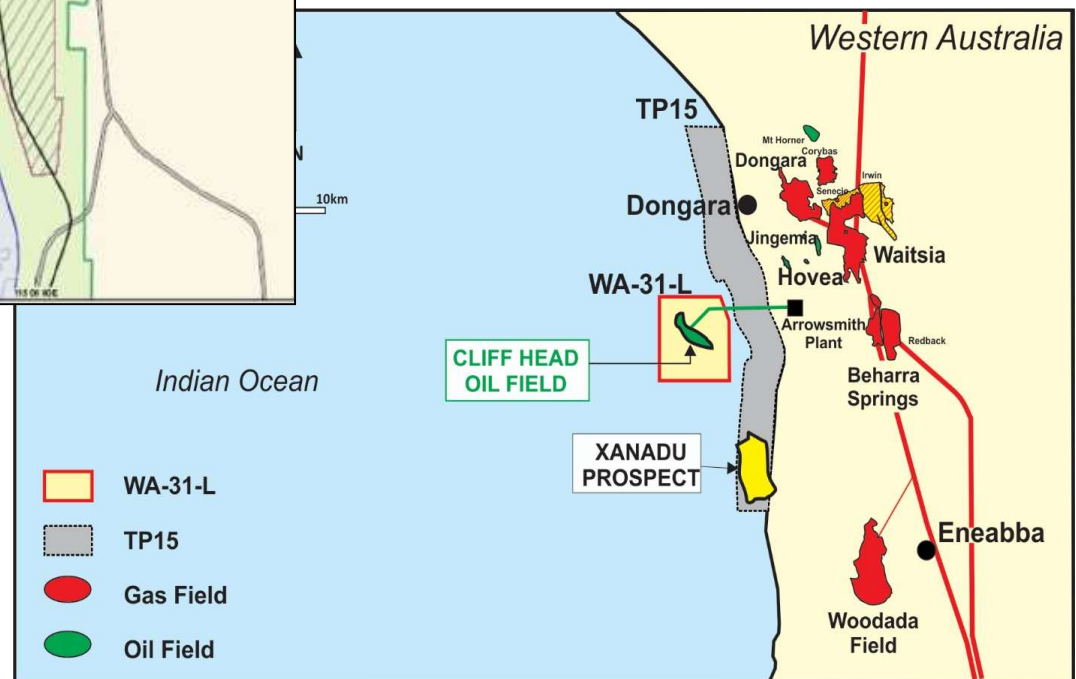


# CLIFF HEAD OIL FIELD - LOCATION



- 300km north of Perth, WA
- 40km south of Dongara
- Crude trucked to BP refinery in Kwinana

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



## Significant Cost Savings Achieved

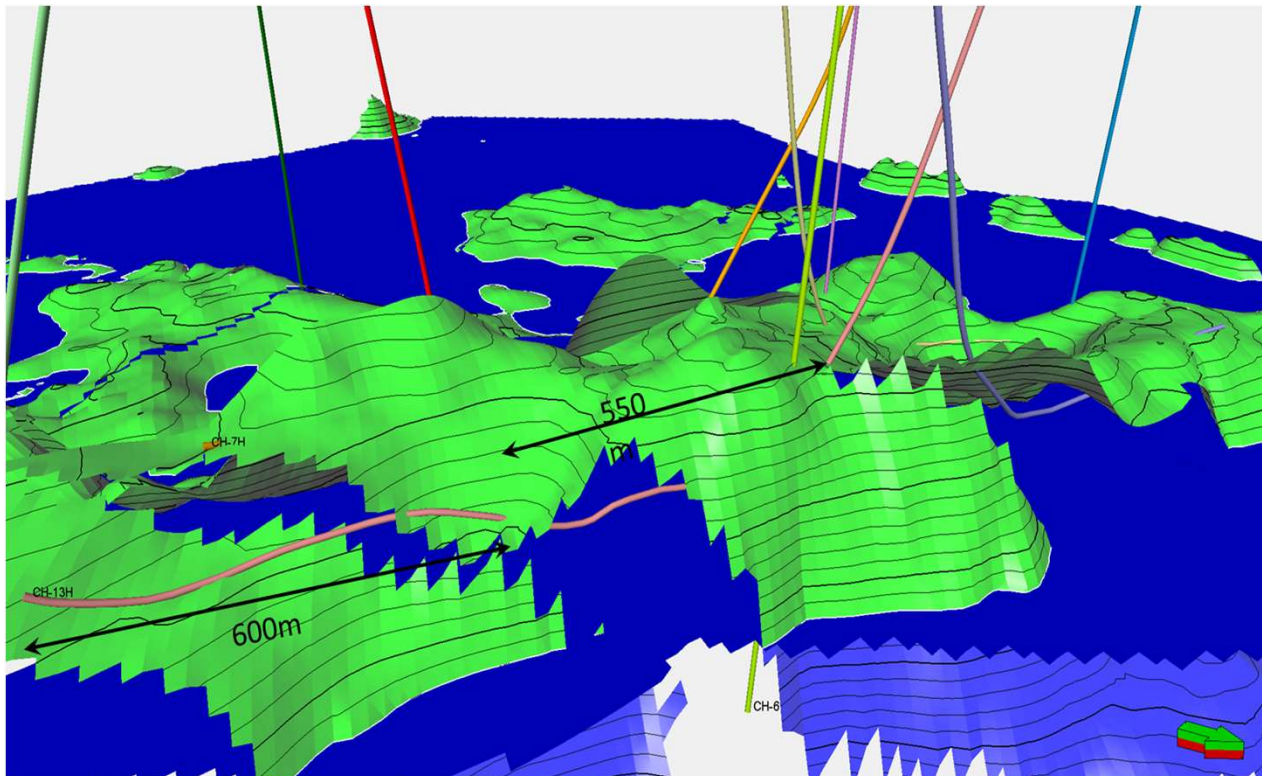
- Routine operating costs significantly reduced. Further cost rationalisation strategies, ongoing operational efficiencies

|                        | CHJV Total<br>(100%) | Forecast<br>USD Per Barrel |
|------------------------|----------------------|----------------------------|
| Forecast sales         | USD 22.0 million     | USD 62 per bbl             |
| Forecast lifting costs | (USD 10.5 million)   | (USD 30 per bbl)           |
| Operating margin       | USD 11.5 million     | USD 32 per bbl             |

# CLIFF HEAD – PRODUCTION UPSIDE

## Asset Life Extension Program

- Targeting doubling production
- Subsurface reservoir remodeling
- Re-enter mature field
- Reserve upgrade expected
- \$5.5m upgrade of Arrowsmith



Development opportunities

# XANADU-1 JV

## Oil Discovery

- 30% participating interest
- Conventional oil play, 3 zones encountered
- Discovery notice lodged with the Department of Mines, Industry Regulation and Safety
- **Oil discovery properties similar to Cliff Head**
- **Ability to process oil at Triangle's Arrowsmith processing facility**

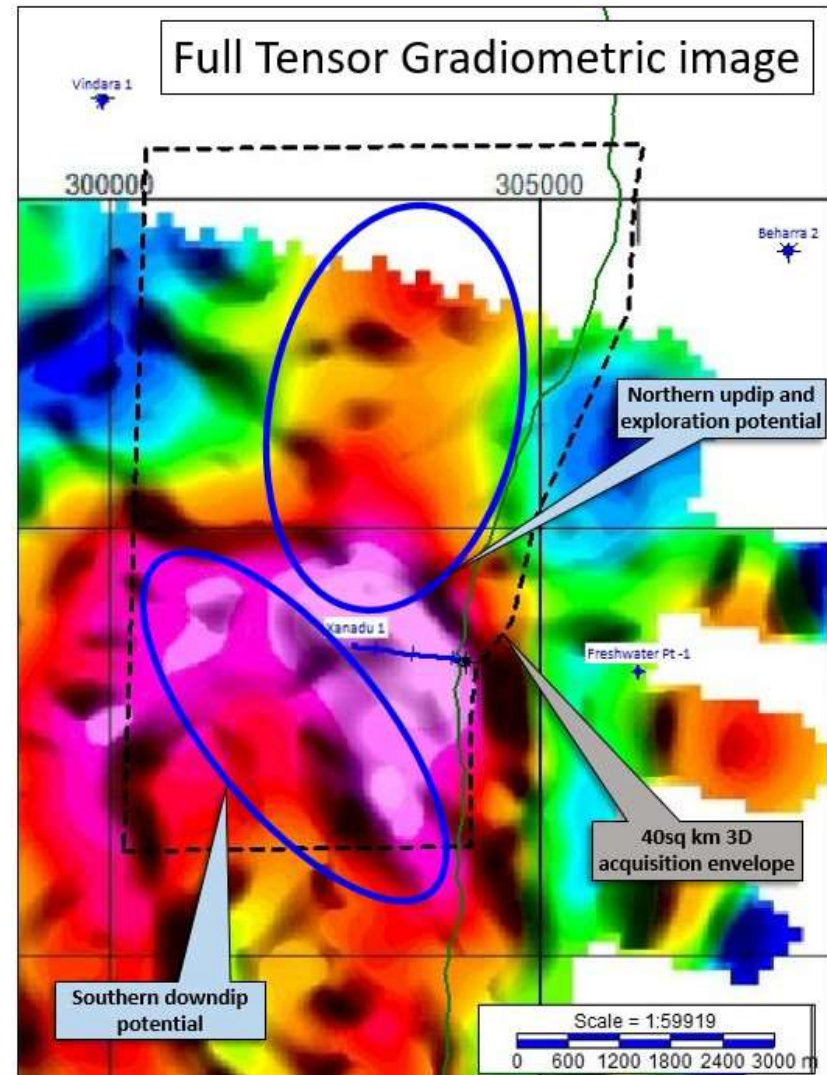


Xanadu-1 Drilling

# XANADU-1 JV – SEISMIC PROGRAM

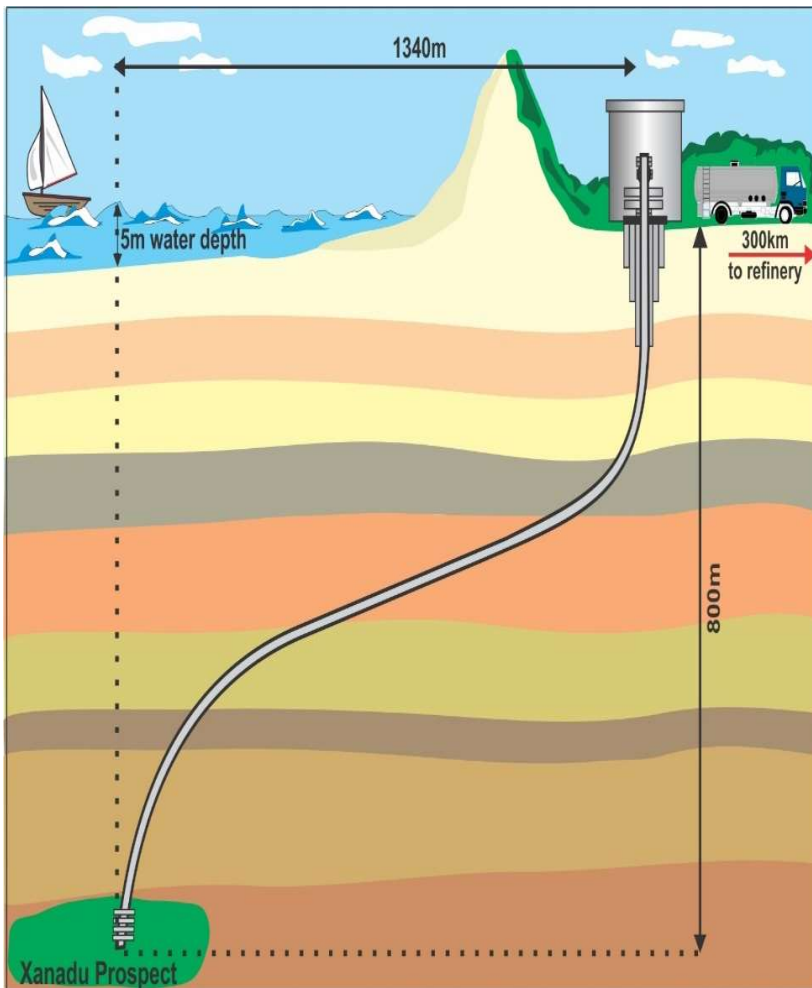
## 3D Seismic Survey

- Xanadu 40 km<sup>2</sup> 3D Seismic Survey Acquisition
- Overlying a full tensor gradiometric image, highlighting up-dip and down-dip potential at Xanadu.

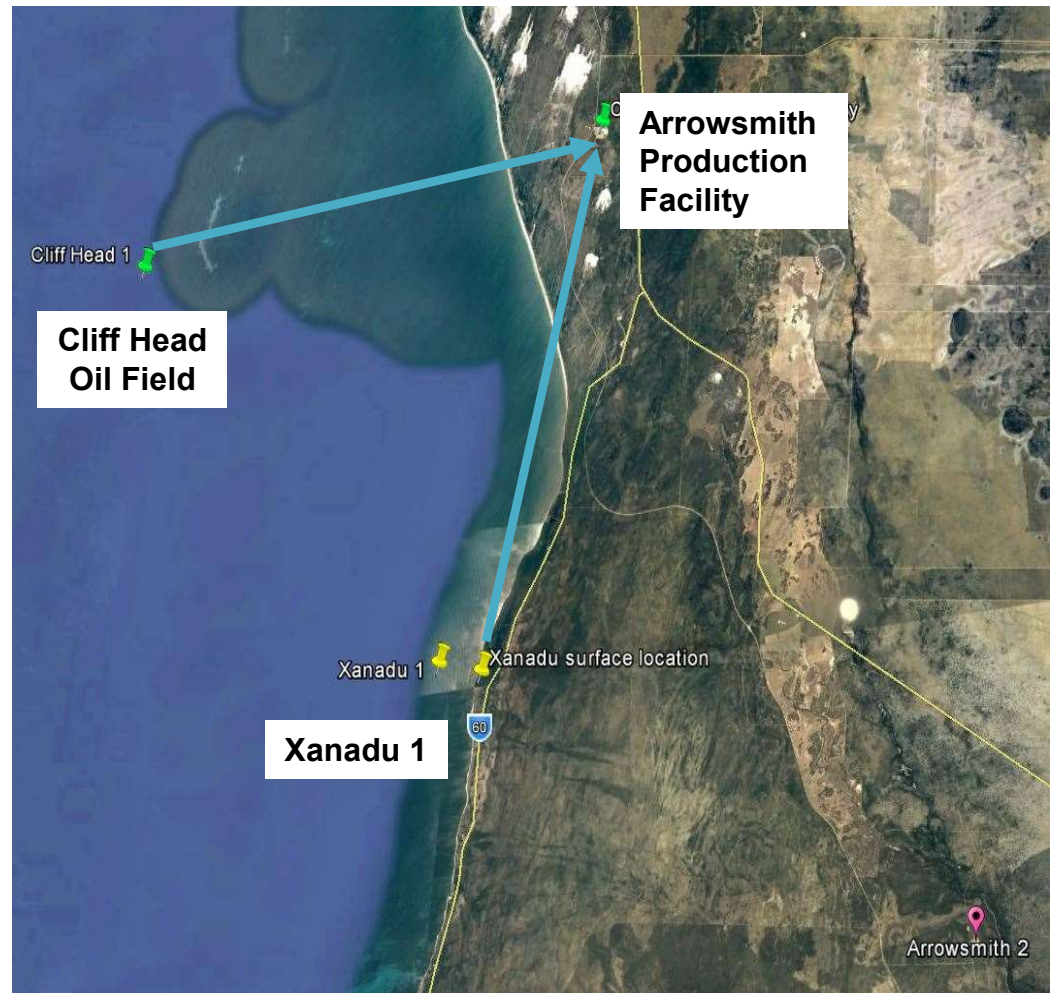


\* Refer NWE announcement 26 February 2018

# ARROWSMITH / XANADU-1 PROXIMITY



Drilling onshore to offshore



Proximity to ASP

# STATE GAS LIMITED (PL 231) – 35.47% Interest



- Triangle holds largest stake in State Gas Ltd (ASX:GAS) with 35.47% equity interest worth ~\$11.2 million at 30 April 2018
- Queensland conventional gas appraisal asset with multiple hydrocarbon bearing horizons in the Bowen Basin, Qld



Flaring of Aldinga East-1 drilled in November 1993

# INVESTMENT PROPOSITION

- ✓ Majority 78.75% interest and Operator of Cliff Head
- ✓ Production upside with “Asset Life Extension Project”
- ✓ Cliff Head Platform and the Arrowsmith Stabilisation Plant are the only offshore and onshore infrastructure operating in the Perth Basin
- ✓ ASP has the capacity to service third party crude
- ✓ 3D Seismic program at Xanadu-1 oil discovery
- ✓ 35.47% equity interest in State Gas Ltd
- ✓ Management and operating team with onshore and offshore expertise
- ✓ Significantly undervalued compared to Peers



Arrowsmith Stabilisation Plant (ASP)



Cliff Head Alpha Platform



# Triangle Energy

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- NOTE: In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this report has been reviewed and signed off by Jim Tarlton of Tamarind Management. Mr Tarlton is an Oil & Gas Engineer with over 30 years experience in the sector. He is a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), and holds a BA Science (Honours) in Chemical Engineering from Queen’s University, Canada. He consents to that information in the form and context in which it appears.