

## COMPANY UPDATE

### Triangle Executes Agreement for the Sale of the Pase PSC

Triangle Energy (Global) Limited ("Triangle" or the "Company") is pleased to announce the execution of a Sale and Purchase Agreement ("SPA") with Indonesian based company PT Enso Asia ("PTEA") for the sale of its 100% interest in the Pase Production Sharing Contract ("PSC") for a cash consideration of:

- US\$2.5 million; plus,
- Cost recovery up to a maximum of US\$5.0 million - Triangle will receive a proportion of future recovery of past sunk costs in respect to Pase A and B fields future production as it occurs.

The payment of US\$2.5 million to Triangle from PTEA is structured as follows:

- US\$150,000 was paid as an advance upon signing the Term Sheet on 23 June 2015;
- US\$650,000 for Triangle's working capital until completion of the transaction;
- US\$700,000 upon shareholder approval or upon ASX confirmation that shareholder approval is not required; and,
- US\$1.0 million upon Indonesian Government approval and finalisation of all conditions precedent contained within the SPA.

In addition, PTEA will provide the US\$1.5 million Performance Bond required under the PSC and also the US\$1.5 million Signature Bonus payable to SKK Migas, the Indonesian Government's special task force for upstream oil and gas business activities.

In the event that the transaction is terminated, Triangle will be required to pay:

- a US\$5.0 million break-up fee;
- all amounts paid by PTEA to Triangle as consideration;
- The US\$1.5 million Performance Bond and the US\$1.5 million Signature Bonus; and
- all reasonable and verifiable legal costs incurred to the date of the transaction.

The Company will not be liable for the US\$5.0 million break-up fee in the event that the receipt and obtainment of Indonesian Government Approval for the change of control of the PSC is not forthcoming.

On 22 May 2015, the 20 year extension of the Pase PSC was executed at a formal signing ceremony held at the Indonesian Petroleum Association's annual conference.

The Board of Triangle investigated several opportunities to enable the Company to continue to operate and develop the Pase PSC, however it determined that it was in the Company's best interests to proceed with the sale of the asset to PTEA. The Company will provide updates to the ASX as they develop.

Following the completion of this transaction, Triangle will be in a stronger position to secure suitable producing oil and gas assets for its future growth.

## **Reids Dome (Petroleum Lease 231)**

The Reids Dome tenement (“PL231”) is currently 40% owned by Senex Energy Ltd, 40% owned by Dome Petroleum Resources Plc and 20% owned by Triangle. Senex Energy Ltd is the operator by virtue of a joint venture agreement.

As disclosed previously, in September 2013 Triangle signed a binding term sheet to acquire Senex’s 40% interest and operatorship of PL231. The Company is waiting on final approval for this transaction from the Queensland Department of Natural Resources and Mines. This transaction will increase Triangle’s interest in PL231 from 20% to 60%.

Triangle has submitted a Later Development Plan to the Queensland Department of Natural Resources and Mines for the development of PL231. The lease has solid geology and an existing well.

## **Termination Goshawk E&P Farmin (ATP1186)**

In October 2014, the Company announced that it had entered into an agreement with Goshawk E&P Pty Ltd to farm into ATP1186 in the Surat Basin, Queensland.

In June 2015, the parties agreed to terminate the arrangement under the terms within the Heads of Agreement.

***This announcement is intended to lift the Australian Stock Exchange voluntary suspension and trading halt that has been in place since 25 May 2015.***

### **About Triangle Energy:**

Triangle Energy is a gas production and exploration company based in Perth. The Company operates the Pase Production Sharing Contract located in Aceh Province, North Sumatra, Indonesia. Triangle Energy continues to assess acquisition prospects to diversify and grow the portfolio of assets.

### **For Further information, please contact:**

Robert Towner | +61 414 594 868

Darren Bromley | +61 419 940 587

[admin@triangleenergy.com.au](mailto:admin@triangleenergy.com.au) | [www.triangleenergy.com.au](http://www.triangleenergy.com.au) |