

Company Update – ASX Notification

Triangle Energy (Global) Limited (“Triangle” or the “Company”) would like to inform the market it has been notified by ASX in relation to the Company’s disposal of its interest in the Pase Production Sharing Contract (“Pase PSC”) that:

- (a) ASX requires Triangle to obtain shareholder approval pursuant to Listing Rule 11.2 for the Disposal; and
- (b) ASX, in accordance with Listing Rules Guidance Note 12, considers the amount of the Break Fee to be unreasonably high.

With reference to the Break Fee, ASX refers to section 5.2 of Listing Rules Guidance Note 12 which is set out below.

5.2 Break fees

ASX has no objection to an agreement for a transaction which will result in a significant change to the nature or scale of a listed entity’s activities, including a disposal of its main undertaking, including a reasonable break fee in the event that the entity is not able to obtain security holder approval or to re-comply with ASX’s admission requirements where it is required to do so, provided the triggers for the break fee are reasonable in the circumstances and do not include a naked “no vote” from security holders. Reasonable triggers for a break fee might include:

- *a change of directors’ recommendation (except where the change of recommendation occurs because an expert opines that the transaction is not fair and reasonable to security holders);*
- *a competing transaction that successfully completes;*
- *a material condition precedent within the entity’s control not being satisfied; or*
- *a material breach by the entity of the transaction agreements.*

ASX will apply the guidance in Takeovers Panel Guidance Note 7 Lock-up devices¹ in determining what constitutes a reasonable break fee for these purposes and when the triggers for a break fee are unreasonable or coercive.²

A break fee that is unreasonably high or that has unreasonable triggers would be inconsistent with the spirit and intent of Listing Rules 11.1 and 11.2 and will not be allowed.

In accordance with Listing Rules Guidance Note 12, ASX considers that the amount of the Break Fee is unreasonably high and therefore the Break Fee will not be allowed under the Listing Rules. Accordingly, ASX is not likely to approve any notice of meeting seeking shareholder approval under Listing Rule 11.2 for the Disposal on the current terms.

The Company will keep the market informed on developments as they transpire as a result of this notification from the ASX.

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.

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