

STRATEGIC ACQUISITION

HIGHLIGHTS

- **Conditional agreement to farm-in to TP/15 in the Perth Basin, adjacent to Cliff Head licence WA-31-L, which hosts the high impact Xanadu prospect**
- **Drilling of Xanadu-1 well is planned for 2017**
- **Technical understanding of Xanadu prospect greatly enhanced by analogous Cliff Head field**
- **Triangle continues to execute on its strategy of developing an Australian focused portfolio in high quality, proven basins**

AGREEMENT

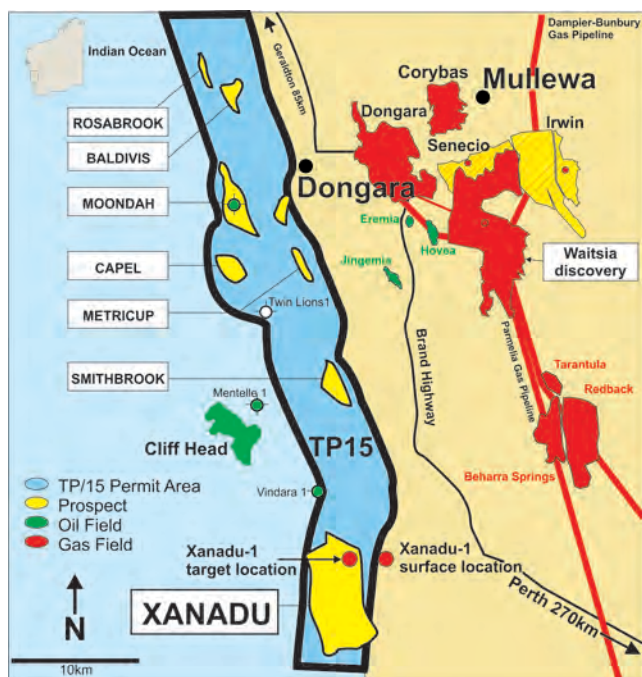
Triangle Energy Limited (Triangle or the Company) is pleased to announce that it has entered into an agreement with a wholly owned subsidiary of Norwest Energy NL (Norwest) to farm-in to the Perth Basin offshore exploration permit TP/15 (refer to Map 1), subject to the successful formation of a joint venture agreement.

Under the agreement, Triangle will earn up to a 30% working interest in TP/15 by contributing 40% of the well costs, with customary cost caps to be applied. The farm-in will not be binding until Norwest can finalise the make-up of the joint venture, expected to be completed by December 2016. Triangle has paid Norwest a refundable amount of A\$25,000 to progress the development of the joint venture. This amount is refundable if the joint venture cannot be established.

XANADU PROSPECT

The Xanadu prospect, in the southern end of TP/15, holds an un-risked recoverable resource of 160 MMbbls* (see Table 1) and is planned to be drilled in 2017.

MAP 1: TP/15, PERTH BASIN

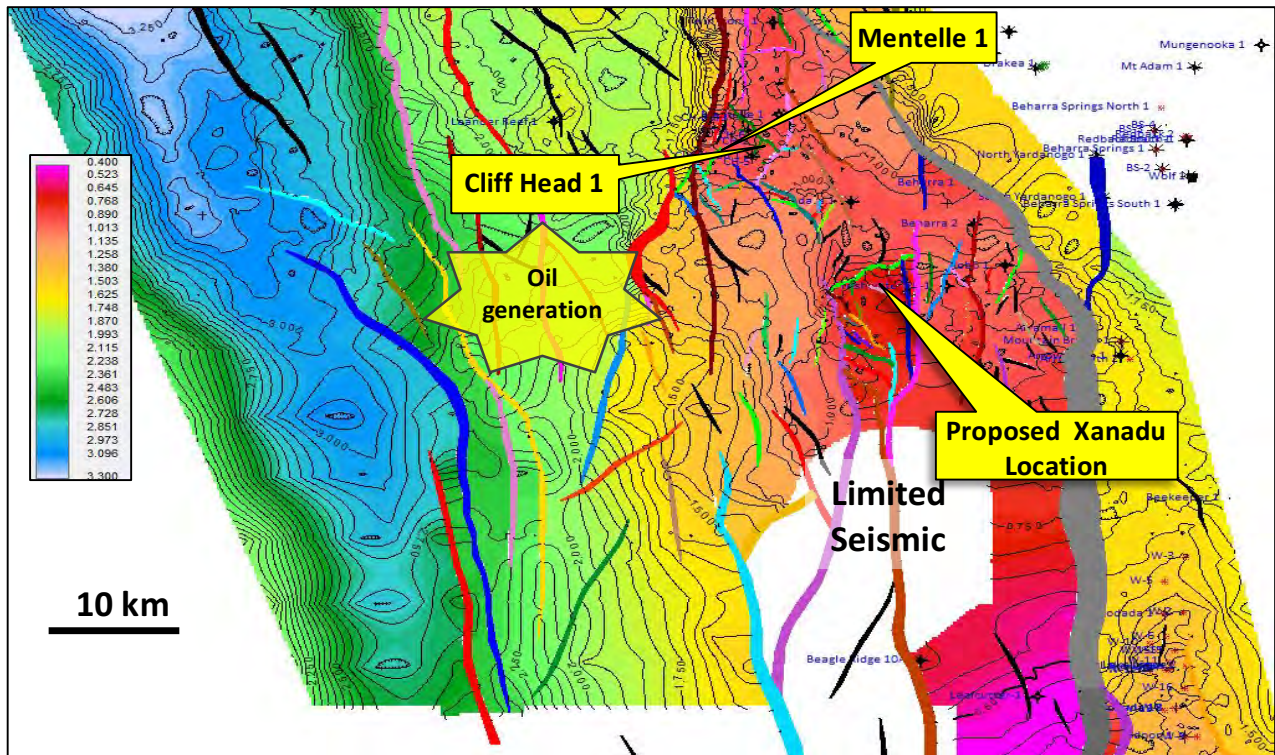


Map courtesy of Norwest

Both Cliff Head and Xanadu lie on Beagle Ridge, east of the major Geraldton fault. Xanadu is one of the few remaining untested structures along this trend. The oil generation kitchen filling the Cliff Head field is viewed as the same source kitchen for the Xanadu prospect. Cliff Head and Xanadu also share the same sand packages and target reservoirs.

The technical understanding of the Xanadu prospect including reservoir seal and trap dynamics, is greatly enhanced by the analogous Cliff Head field.

MAP 1- BASIN MODEL



MANAGING DIRECTOR’S COMMENTS

Rob Towner, Triangle’s Managing Director commented: “This agreement continues our development of a high quality Perth Basin portfolio. The Cliff Head oil field offers Triangle unique insight into regional trends and is analogous to Xanadu. We see a lot of synergies in exploring and commercialising near field resources.”

“Xanadu is a high impact prospect which is planned to be drilled by a cost effective onshore, deviated well in 2017. We are very pleased to be working alongside Norwest and other partners towards a joint venture which will see the drilling of this exciting prospect.”

Rob Towner
Managing Director

TABLE 1

Un-risked Prospective Resource: recoverable volumes oil (MMstb)*			
Reservoir	Low estimate	Best estimate	High estimate
Dongara Sandstone	3	12	22
Irwin River Coal Measures	13	88	159
High Cliff Sandstone	29	60	256
Total	45	160	437

**The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) 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.*

About Triangle Energy:

Triangle Energy is an oil and gas production and exploration company based in Perth. The Company holds a 57.5% working interest in the producing Cliff Head oil field in the Perth Basin and an operating interest in the Reids Dome Production Licence in Queensland. Triangle Energy continues to assess acquisition prospects to diversify and grow the portfolio of assets.

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