

Triangle Energy JV at Xanadu-1 to Spud mid-September 2017

HIGHLIGHTS

- **Xanadu 1 Well to spud mid September 2017**
- **Significant unrisks recoverable Resource of 160Mbbls**
- **Low cost offshore play from onshore with 30% interest, leveraged to exploration success**

Triangle Energy (Global) Limited (**Triangle**, the **Company**) is pleased to announce that the spud date for Xanadu-1, in the Company's joint venture with operator Norwest Energy NL (**NWE**), is scheduled for the second half of September 2017.

Xanadu-1 is considered a significant well for the northern Perth Basin, with the Xanadu prospect having an unrisks recoverable resource of 160 million barrels. (see *NWE's ASX announcement dated 10 February 2017 for ASX Listing Rule 5.25.3 requirements*).

The drilling program is set to commence immediately after the completion of the AWE Limited (ASX:AWE) (**AWE**) Waitsia two-well program, which is currently underway. Xanadu-1 will be drilled using the Enerdrill 'Rig-3', currently engaged in the Waitsia program. With the majority of approvals now complete, preparations to drill are being accelerated to meet this drilling timeslot.

The Joint Venture contributions towards drilling costs and subsequent interests are as follows:

- Triangle to contribute 40% of the costs to earn a 30% interest
- 3C Group to contribute 40% of the costs to earn a 30% interest
- Whitebark Energy Ltd to contribute 20% of the costs to earn a 15% interest.
- Norwest is free-carried for a 25% interest.

Triangle's managing director Mr Rob Towner said Xanadu was a unique opportunity to drill a relatively low cost offshore play from onshore with a high equity position.

"Triangle has a 30% interest in the Xanadu prospect and is well positioned to benefit from any upside, plus the ability to process oil recoveries at our Arrowsmith processing facility in Dongara.

"Any success at Xanadu can be fast tracked to production and market because of access to Arrowsmith and we are excited that drilling is now due to commence mid-September," Mr Towner said.

The primary target for the Xanadu-1 well is the Permian Dongara Sandstone, with secondary targets in the Irwin River Coal Measures and the High Cliff Sandstone. It is situated in very shallow water immediately adjacent to the coast, and will be drilled from onshore by way of a deviated well.

Triangle considers this structure to be one of the biggest untested oil targets in the Perth Basin.

"Xanadu is structurally similar to Triangle's Cliff Head Oil Field and the potential oil will come from the same source, so it will fit seamlessly into the Arrowsmith processing plant.

"Triangle shareholders have a lot to gain from success at Xanadu so we are pleased to commence drilling this highly prospective project," Mr Towner said.

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About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX: TEG) oil and gas 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 located in the Perth Basin, has a 60% operating interest in the Reids Dome production licence in Queensland, and has a number of highly prospective exploration programs. The Company continues to assess acquisition prospects to expand its portfolio of assets.

About TP/15

TP/15 is located in the offshore northern Perth Basin, approximately 250km north of Perth. The permit occupies the 3 nautical mile wide state territorial waters of Western Australia, adjacent to the township of Port Denison, and covers an area of 645km². Xanadu is a conventional oil prospect located near the southern end of the TP/15 permit. The well will be drilled from an onshore surface location to the offshore target location.

In accordance with ASX Listing Rules, any hydrocarbon reserves and/or drilling update information in this announcement has been reviewed and signed off by Jim Tarlton of Tamarind Management, who is an Oil & Gas Engineer and has over 30 year's experience in the sector. He consents to that information in the form and context in which it appears.