

Prospective OIIP volumes in near field exploration prospects at Cliff Head

HIGHLIGHTS

- Triangle's static model includes seven prospective targets across four near field exploration areas in Cliff Head, not including the known Mentelle prospect
- This model defines prospective OIIP in the near field exploration areas
- Generation of a near field exploration program to test these prospects now underway; program to be executed in 2019

Triangle Energy (Global) Ltd (**ASX:TEG**) (**Triangle**, the **Company**) is pleased to announce that the recently completed Static Model reveals up to 29 million barrels (unrisked, best estimate, evaluation date 2 July 2018) of prospective oil initially-in-place (**OIIP**), representing 10.2 million barrels of prospective resource in near field exploration targets within the Cliff Head Oil Field (**Cliff Head**) licence area, located in the Perth Basin.

Cautionary statement

The disclosure of prospective oil initially-in-place in this announcement is solely based on the Company's prospective resource estimate detailed below. It is not based on any estimate of petroleum reserves or contingent resources. The prospective resources have not been adjusted for risk.

Reservoir	Area	Low Estimate	Best Estimate	High Estimate
Dongara Sandstone	A1: NFE West	0.5	0.6	0.7
Irwin River Coal Measures	A1: NFE West	1.1	1.6	2.2
	A2: NFE South	1.6	2.2	2.9
	A3: NFE South East	3.2	4.2	5.8
	A4: NFE CH5	1.2	1.6	1.9
	TOTAL	7.6	10.2	13.5

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

These “near field” prospects are located in close proximity to Cliff Head’s discovered, producing reservoirs. The development of these volumes would therefore likely take advantage of existing pipelines and infrastructure as opposed to requiring a costly installation of new infrastructure. Prospective OIIP volumes are in addition to OIIP in the discovered, already producing Cliff Head reservoirs. It is intended that OIIP in these discovered reservoirs, along with associated reserve and contingent resource values, will be reported once dynamic modelling is complete later in Q3 2018.

Triangle’s Managing Director, Mr Rob Towner, said that Triangle’s full field re-modelling and subsurface re-interpretation included remapping and geological modelling extended to cover four recognised near field exploration areas: the **NFE West (A1), South (A2), South East (A3) and CH5 (A4)** areas (see Figure 1).

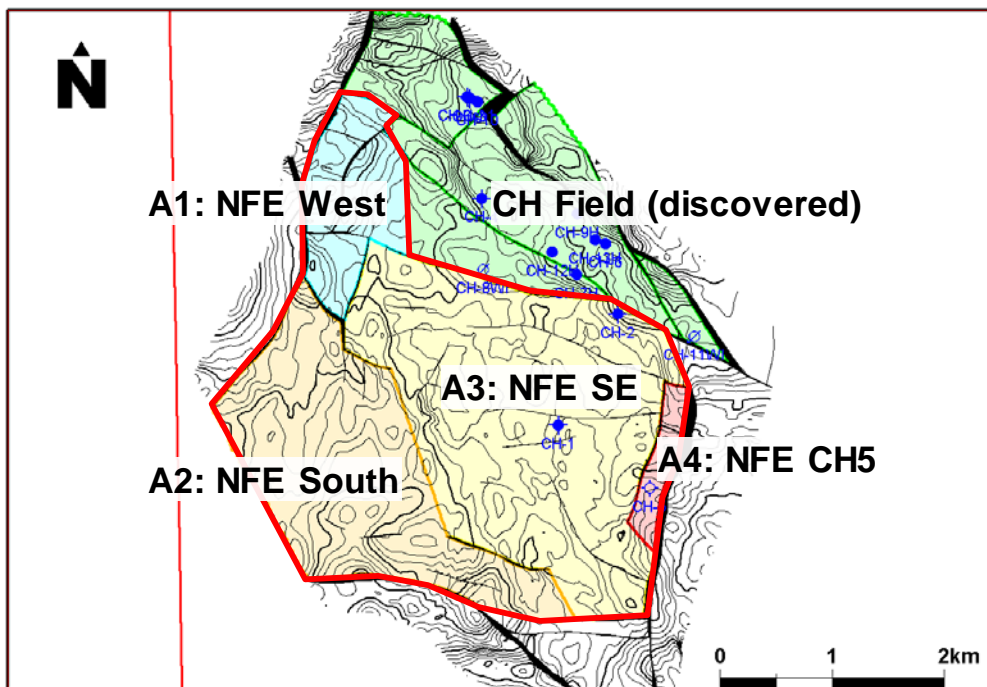


Figure 1: Field block outline, red out line highlighting Near Field Exploration areas. Field contains already discovered (producing) reservoirs

The static model shows that, in addition to OIIP volumes and potential to recover further resources and reserves from our already discovered and producing reservoirs there is prospective OIIP of up to 29 million barrels in seven targets across the four near field exploration areas.

For an assumed recovery factor up to 35%, this could result in a (unrisked) recoverable volume of 10.2 million barrels from these near field prospects.

Mr Towner said the latest result from the static model completes the picture on what the future of Cliff Head could look like.

“In addition to the immediate production enhancement opportunities and a potential development project in the Main Cliff Head discovered field, as outlined in an announcement released on 2nd July 2018, the static model defines a near field exploration potential that could lead to a multi-phased field development program, potentially recovering a further 10.2 million barrels (unrisked, best estimate) and extending field life into the 2030’s and beyond.”

Table 1 summarises an assessment of the chance of discovery and development associated with these prospects

Reservoir	Chance of success
Dongara Sandstone	13.3%
Irwin River Coal Measures	33.3%

Table 1: Assessment of the chance of discovery and development

Mr Towner said that building a “fresh” static model has allowed Triangle to take an all-inclusive view of the field which has ensured geological consistency across both the discovered (producing) reservoirs and the other prospective, connected areas.

“We have now modelled the Cliff Head area as a whole. Where previous static models were incrementally updated as drilling and workover programs progressed, Triangle’s current model takes a holistic approach with a completely refreshed petrophysical evaluation.

“This method has resulted in a consistent set of geological characteristics, including a single fault model, for the producing field and near field exploration targets. We can now “see” the seven prospects directly alongside our discovered oil in the discovered, currently producing, Cliff Head areas (Figure 2).”

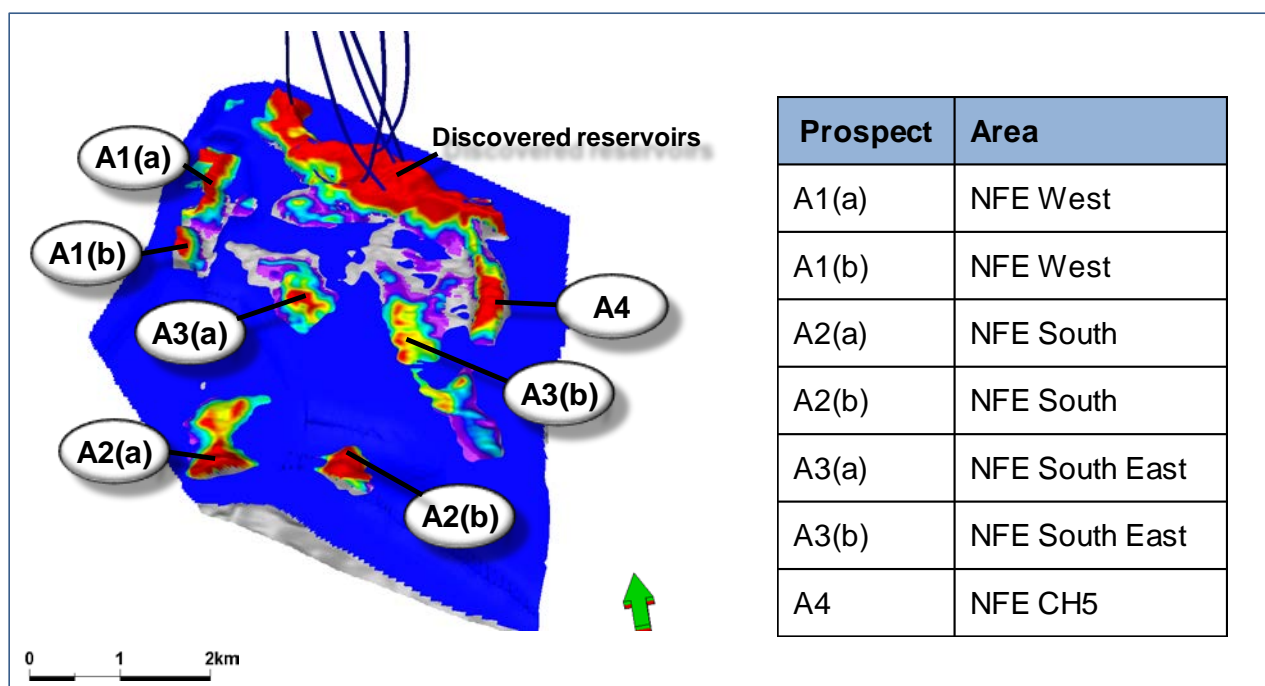


Figure 2: Perspective view of Cliff Head area showing discovered reservoirs and near field exploration prospects - red areas highlight high concentration of oil

Mr Towner said that because of this holistic approach, prospective volumes are, as expected, considerably higher than those identified by the previous operator (see Figure 3).

“Triangle’s approach gives us a high degree of confidence in our prospect evaluation. Triangle can now see a prospective volume of 29 million barrels against a previous estimate of 15.7 million barrels which is over an 80% increase.

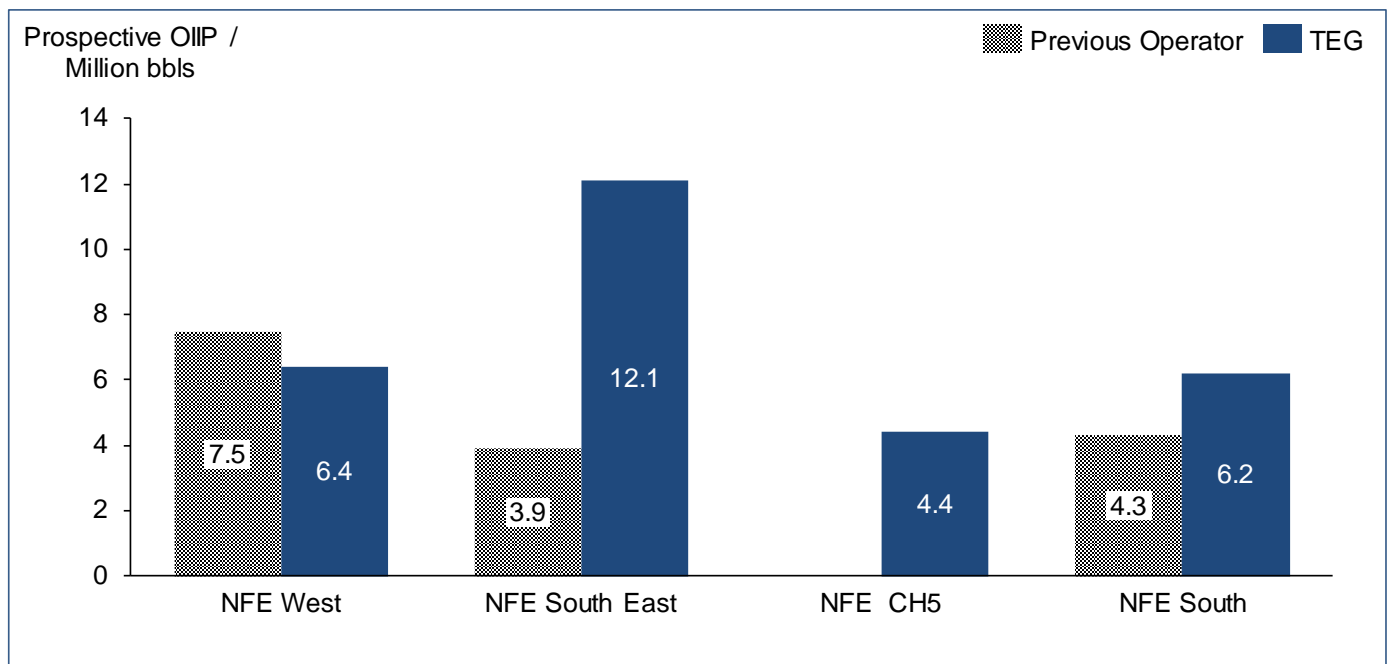


Figure 3: Comparison of Triangle prospective volumes per near field exploration area (Roc Cliff Head Area Subsurface overview, 28th October 2014; deterministic OIIP for prospects based on 2010 interpretation)

With this result, Mr Towner said the Triangle team would now generate a full near field exploration program to test and confirm the volumes.

The near field exploration program will be executed in conjunction with Cliff Head development activity, where an integrated Cliff Head development-exploration offshore program is expected to be put in place for 2019.

In accordance with the ASX Listing Rules, the Company confirms the following:

- The estimates in this announcement are reported as at 2 July 2018 (Listing Rule 5.25.1).
- The disclosure of total petroleum initially in place has been reported with the necessary proximate disclosures (Listing Rule 5.25.3).
- The prospective resource estimate has been reported according to the Company's economic interest in the resource under production-sharing contracts and risked-service contracts (100%) and is reported net of any royalties (Listing Rule 5.25.5);
- The deterministic method was used to prepare the prospective resources estimate (Listing Rule 5.25.6).
- The types of permits or licences held by the Company in respect of the prospective resource estimate is the WA-31-L production licence over the Cliff Head oil field (Listing Rule 5.35.1).
- A brief description of the basis on which the prospective resources are estimated and the further exploration activities planned, are contained in the body of this announcement (Listing Rule 5.35.2);
- The Company's assessment of the chance of discovery and the chance of development associated with the prospective resource estimate is (Listing Rule 5.35.3); and
- The Company has reported unrisked estimates (Listing Rule 5.35.4).

Qualified Petroleum Reserves and Resources Evaluator Statement

In accordance with ASX Listing Rules, information in this report that relates to prospective resources has been reviewed and signed off by Mr James Tarlton (Tamarind Management Sdn. Bhd. Director). Information that relates to the prospective resources is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Tarlton. He has provided his written consent to the form and context in which the information that relates to the reserves presented. Mr Tarlton's qualifications include: Bachelor of Applied Science (Honours) from Queen's University at Kingston Ontario Canada. He has 34 years of operating company experience developed through drilling, production and reservoir engineering before transitioning to asset management in Canada, the North Sea and South East Asia. He is a member of the Society of Petroleum Engineers in Malaysia and he is also a registered professional engineer with the Association of Professional Engineers and Geoscientists of Alberta (APEGA). He consents to that information in the form and context in which it appears.

ENDS

For further information:

Rob Towner **Managing Director** **+61 414 594 868**
Darren Bromley **Executive Director / CFO / COO** **+61 419 940 587**
admin@triangleenergy.com.au | www.triangleenergy.com.au

Media enquiries:

Margie Livingston, Ignite Communications **+61 438 661 131**

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX:TEG) oil 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, and a 30% share of the Xanadu-1 Joint Venture, both located in the Perth Basin. Triangle also has a substantial equity interest in State Gas Ltd (ASX:GAS), which has a 60% operating interest in the Reids Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.