

## TRIANGLE INCREASES EQUITY IN XANADU OIL DISCOVERY

The Board of Triangle Energy (Global) Limited (ASX:TEG) (**Triangle, the Company**) is pleased to announce that it has entered into a Sale and Purchase Agreement to acquire an additional 15% participating interest in Exploration Permit TP/15 (**Acquisition**). The vendor of the TP/15 Interest is Kubla Oil Pty Ltd (**Vendor**), a wholly-owned subsidiary of Whitebark Energy Limited (ASX:WBE) (**Whitebark**).

The TP/15 Joint Venture consists of;

Norwest Energy NL, Operator (via subsidiary)	25%
Triangle Energy (Global) Limited (via subsidiary)	30%
3C Group (via subsidiary)	30%
Whitebark Energy Limited (via subsidiary)	15% (to be acquired by Triangle)

### Summary of the key terms of the Sale and Purchase Agreement

- i. Upfront consideration of \$3m, made up of:
  - \$2m in cash payable within 3 business days after the execution and delivery of the ancillary assumption deeds and transfer forms in connection with the Acquisition; and
  - \$1m in Triangle shares satisfied by the issue of 11,191,052 shares (**Consideration Shares**).
- ii. \$1m Appraisal Outcome Consideration: Following an independent competent person's report demonstrating that gross 2P plus 2C reserves exceed 8 million barrels of oil in aggregate within 4 years of the Effective Date, pay either \$1m in cash or at WBE's election, \$500,000 in cash and \$500,000 in Triangle shares (subject to the receipt of shareholder approval).
- iii. \$1m First Oil Bonus: Payment on first commercial production, being the sale of oil in excess of 1,000 barrels produced from within TP/15 provided such sale occurs within 7 years of the Effective Date.
- iv. Effective Date of the Transaction is the 24 October 2018.
- v. Completion of the Acquisition remains subject to the satisfaction (or waiver, where permitted) of the following material conditions precedent:
  - customary regulatory approvals;

- an enforcement right has not arisen under the security agreement with Whitebark and the Vendor, entered into at the same time as the Sale and Purchase Agreement, whereby Whitebark grants Triangle security over its shares in the Vendor to secure the repayment of the \$2m (if required);
- receipt of all necessary consents under the joint operating agreement in respect of TP/15 to give effect to the Acquisition;
- the execution of an orderly sales agreement, providing for a voluntary escrow to be applied over the Consideration Shares for the first six months following completion of the Acquisition, and an orderly sale process in respect of the Consideration Shares for the following six months; and
- the receipt of the Shareholder approval for the issue of the Consideration Shares.

Triangle intends to seek shareholder approval for the issue of the Consideration Shares at its upcoming annual general meeting. In the absence of approval, Triangle will either, at its election, pay the \$1m of consideration in cash, or issue the Consideration Shares pursuant to its available placement capacity under Listing Rule 7.1.

Triangle's Managing Director, Mr Rob Towner, said "the Board is very pleased to announce the Sale & Purchase agreement of Whitebark's interest in the Xanadu-1 oil discovery at TP/15. This agreement strengthens the continuation of our strategy to secure a premier position in the Perth Basin focused on oil. The Company believes the Perth Basin continues to show signs of a heavily underexplored hydrocarbon system and that belief has underpinned our decision to increase our equity in the TP/15 exploration permit".

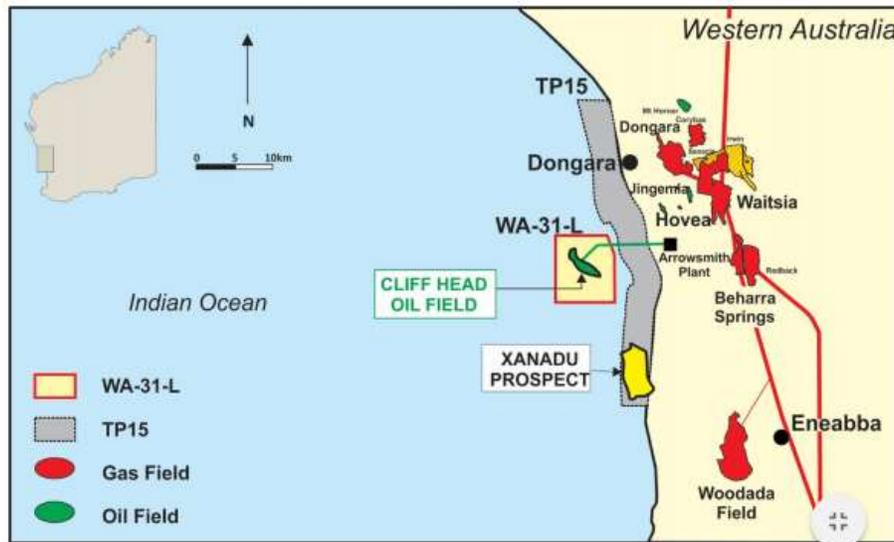
#### **About TP/15 and the Xanadu Oil Discovery.**

The TP/15 exploration permit contains the Xanadu oil discovery. The Xanadu-1 exploration well was drilled in September 2017 intersecting hydrocarbon-bearing reservoirs with the subsequent recovery of oil to the surface confirming the Xanadu oil discovery. Oil sample analysis has confirmed that the Cliff Head Oil Field (located 14km to the NW) is an analogue with a shared oil generation source to the west of Xanadu.

New mapping conducted post-drilling suggests the Xanadu structural culmination is north of Xanadu-1 location. Planning for a 40km<sup>2</sup> 3D seismic survey is currently underway and is to commence from March 2019 subject to regulatory approval.

In the opinion of the Company the most likely development of the Xanadu oil field would utilise the Cliff Head production infrastructure, subject to joint venture approval.

The Company is operator of the Cliff Head Oil Field.



TP/15 Exploration permit

**ENDS**

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**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.*