



Triangle was up 67 per cent in lunchtime trade after a WA oil discovery. Picture: Getty

Triangle Energy jumps 74pc after Xanadu oil discovery

Resources

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An oil reservoir called Xanadu is today making investors a giant bag of money.

Xanadu joint venture partners Triangle Energy (ASX:TEG), Norwest Energy (ASX:NWE) and Whitebark Energy (ASX:WBE) were all up in morning trade after announcing they had struck oil and gas in Western Australia.

In lunchtime trade on Monday, Triangle was up 74 per cent to 23.5c, Whitebark up 30 per cent to 1.3c and operator Norwest up 50 per cent to 0.6c.

Triangle has a 30 per cent share in the project, Norwest has 25 per cent, Whitebark has 15 per cent and a fourth, unlisted partner 3C Group has 30 per cent.

Drilling at the offshore Xanadu-1 well has struck oil and gas and the results are enough to commit to further down-hole testing and sampling in the next 24 hours.

Triangle managing director Rob Towner says the fact that they have oil is exciting — but the next step is finding out what exactly they have.

“It’s a new oil discovery in a known oil province but we do need to go and do specific testing to determine how much will be there, the quality of the oil, and whether it’s possible to get it out,” he told Stockhead.

Triangle has been the main beneficiary seeing its stock rise from 10.5c when it came out of a trading halt on the day drilling began on September 4.

Triangle already produces oil from the nearby offshore Cliff Head field, which it bought in May for about \$5 million. It produces about 1300 barrels of oil a day through a facility that can process up to 15,000.

Towner says there are some similarities in the Xanadu data to the drilling results from Cliff Head — a fact that has clearly not been lost on investors.

Other producing fields in the Perth Basin are Hovea, Eremia and Jingemia, and estimates for the Xanadu prospect suggest it [may contain up to 160 million barrels of oil](#).